



**St. Joseph Community Service, Inc. d/b/a
Meals on Wheels of Hillsborough County**

Financial Statements and Single Audit Report

For the Years Ended September 30, 2025 and 2024

**(With Independent Auditors' Report Thereon and in Accordance
with *Government Auditing Standards* and Uniform Guidance)**

St. Joseph Community Service, Inc.
d/b/a Meals on Wheels of Hillsborough County

Financial Statements and Single Audit Report

For the Years Ended September 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County
Merrimack, New Hampshire

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County (a nonprofit organization), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Single Audit Act Amendments of 1996. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the accompanying additional supplementary information are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20 2026, on our consideration of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's internal control over financial reporting and compliance and should be read in conjunction with this report in considering the results of our audit.

Murphy Gaudreau Hoskinson, Inc.

Murphy Gaudreau Hoskinson, Inc.
Nashua, New Hampshire

February 20, 2026



	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 613,509	\$ 495,510
Cash and cash equivalents - restricted	6,651	6,649
Current portion of contributions receivable	119,131	179,711
Grants and contracts receivable - net of allowance of \$1,000	291,342	465,339
Prepaid expenses	9,811	35,612
Other current assets	17,161	16,600
Total Current Assets	<u>1,057,605</u>	<u>1,199,421</u>
Long-Term Assets		
Investments - at fair value	1,354,287	1,081,301
Property and equipment - net	3,378,077	2,548,662
Operating lease right-of-use assets - net	8,636	16,886
Total Long-term Assets	<u>4,741,000</u>	<u>3,646,849</u>
Total Assets	<u>\$ 5,798,605</u>	<u>\$ 4,846,270</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Line of credit	\$ 223,781	\$ -
Current portion of long-term note payable	19,387	18,339
Current portion of operating lease liability	8,415	8,250
Accounts payable	92,747	125,160
Accrued expenses	139,939	134,127
Total Current Liabilities	<u>484,269</u>	<u>285,876</u>
Long-Term Liabilities		
Long-term note payable - net of current portion	823,935	843,416
Long-term operating lease liability - net of current portion	835	9,119
Total Long-Term Liabilities	<u>824,770</u>	<u>852,535</u>
Total Liabilities	<u>1,309,039</u>	<u>1,138,411</u>
Net Assets		
Without donor restrictions - undesignated	4,366,062	3,495,495
With donor restrictions	123,504	212,364
Total Net Assets	<u>4,489,566</u>	<u>3,707,859</u>
Total Liabilities and Net Assets	<u>\$ 5,798,605</u>	<u>\$ 4,846,270</u>

The accompanying notes are an integral part of these financial statements.

St. Joseph Community Service, Inc.
d/b/a Meals on Wheels of Hillsborough County

Statements of Activities for the Years Ended
September 30, 2025 and 2024

	2025			2024 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Support and Revenue				
Support:				
Bureau of Adult and Aging Services:				
Title III and related programs	\$ 2,817,279	\$ -	\$ 2,817,279	2,859,680
Choices for Independence	254,772	-	254,772	589,538
Nutrition Services Incentive Program	110,559	-	110,559	251,996
Contributions	1,961,593	119,104	2,080,697	1,281,959
In-kind contributions	40,445	-	40,445	116,300
Other grants	523,435	-	523,435	486,147
Special events:				
Gross special events revenue	60,235	-	60,235	43,486
Less cost of direct benefit to donors	(14,306)	-	(14,306)	(13,835)
Net special events revenue	45,929	-	45,929	29,651
Revenue:				
Other program revenue	773	-	773	7,904
Other income	34	-	34	430
Net Assets Released From Restrictions	207,964	(207,964)	-	-
Total Revenue and Other Support	5,962,783	(88,860)	5,873,923	5,623,605
Expenses				
Program services	3,918,501	-	3,918,501	4,464,062
General and administration	1,035,024	-	1,035,024	755,650
Fundraising	274,829	-	274,829	267,183
Total Expenses	5,228,354	-	5,228,354	5,486,895
Change in Net Assets From Operations	734,429	(88,860)	645,569	136,710
Nonoperating Activities				
Investment income - net	137,455	-	137,455	214,937
(Loss) gain on sale of fixed assets	(1,317)	-	(1,317)	128,405
Total Nonoperating Activities	136,138	-	136,138	343,342
Change in Net Assets	870,567	(88,860)	781,707	480,052
Net Assets - Beginning	3,495,495	212,364	3,707,859	3,227,807
Net Assets - Ending	\$ 4,366,062	\$ 123,504	\$ 4,489,566	\$ 3,707,859

The accompanying notes are an integral part of these financial statements.

St. Joseph Community Service, Inc.
d/b/a Meals on Wheels of Hillsborough County

Statements of Functional Expenses for the
Years Ended September 30, 2025 and 2024

	Program Services			Total Program Services	Support Services		Total Support Services	2025 Total	2024 Total
	Home Delivery	Congregate Services	Transportation		General and Administration	Fundraising			
Food	\$ 1,638,553	\$ 526,343	\$ -	\$ 2,164,896	\$ -	\$ -	\$ -	\$ 2,164,896	\$ 2,620,134
Salaries and wages	1,018,555	81,329	14,182	1,114,066	474,501	184,528	659,029	1,773,095	1,634,536
Occupancy	116,026	47,735	401	164,162	56,201	23,724	79,925	244,087	337,639
Employee benefits	48,550	5,455	545	54,550	58,362	22,697	81,059	135,609	102,444
Payroll taxes	76,447	8,590	859	85,896	35,465	13,792	49,257	135,153	121,774
Travel	123,331	2,576	5,263	131,170	3,760	198	3,958	135,128	120,632
Depreciation and amortization	12,111	1,361	136	13,608	97,529	2,268	99,797	113,405	64,831
Other expenses	44,112	4,959	496	49,567	34,906	19,076	53,982	103,549	100,333
Office expenses	50,773	5,705	570	57,048	25,845	6,222	32,067	89,115	123,797
Insurance	30,166	3,389	339	33,894	43,454	9,560	53,014	86,908	46,552
Interest	-	-	-	-	51,018	-	51,018	51,018	28,776
Legal	-	-	-	-	44,980	-	44,980	44,980	19,879
Accounting	-	-	-	-	30,000	-	30,000	30,000	21,000
Supplies	26,491	2,944	-	29,435	-	-	-	29,435	46,335
Advertising	4,293	482	48	4,823	24,209	-	24,209	29,032	8,693
Retirement contributions	7,846	882	88	8,816	14,506	5,641	20,147	28,963	26,598
Dues and subscriptions	3,687	414	41	4,142	23,115	1,284	24,399	28,541	22,473
Credit loss	-	-	-	-	14,422	-	14,422	14,422	44,730
Staff development	2,043	230	23	2,296	2,751	145	2,896	5,192	8,262
Interest - leased assets	79	53	-	132	-	-	-	132	713
Equipment	-	-	-	-	-	-	-	-	599
Total Expenses by Function	<u>3,203,063</u>	<u>692,447</u>	<u>22,991</u>	<u>3,918,501</u>	<u>1,035,024</u>	<u>289,135</u>	<u>1,324,159</u>	<u>5,242,660</u>	<u>5,500,730</u>
Less expenses included on the Statement of Activities:									
Cost of direct benefit to donors	-	-	-	-	-	(14,306)	(14,306)	(14,306)	(13,835)
Total Functional Expenses	<u>\$ 3,203,063</u>	<u>\$ 692,447</u>	<u>\$ 22,991</u>	<u>\$ 3,918,501</u>	<u>\$ 1,035,024</u>	<u>\$ 274,829</u>	<u>\$ 1,309,853</u>	<u>\$ 5,228,354</u>	<u>\$ 5,486,895</u>

The accompanying notes are an integral part of these financial statements.

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 781,707	\$ 480,052
Non-cash items included in change in net assets:		
Depreciation and amortization	113,405	64,831
Loss (gain) on disposal of equipment	1,317	(128,405)
Realized gain on sales of investments	-	(87,421)
Unrealized gain on investments	(107,677)	(94,229)
Changes in operating assets and liabilities:		
Contributions receivable	60,580	47,684
Grants and contracts receivable	173,997	9,858
Prepaid expenses	25,801	3,360
Operating lease right-of-use assets - net	8,250	
Other assets	(561)	1,844
Operating lease liability	(8,119)	(7,375)
Accounts payable	(32,413)	(262,251)
Accrued expenses	5,812	21,624
	<u>1,022,099</u>	<u>49,572</u>
Net Cash Provided by Operating Activities		
Cash Flows from Investing Activities		
Repayments received on note receivable	-	50,000
Purchases of property and equipment	(944,137)	(1,269,825)
Proceeds from the sale of property and equipment	-	208,903
Purchases of investments	(433,413)	(566,209)
Proceeds from the sale of investments	268,104	640,325
	<u>(1,109,446)</u>	<u>(936,806)</u>
Net Cash Used by Investing Activities		
Cash Flows from Financing Activities		
Principal payments on long-term notes payable	(18,433)	(10,245)
Net borrowings from revolving line of credit	223,781	-
	<u>205,348</u>	<u>(10,245)</u>
Net Cash Provided (Used) by Financing Activities		
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	118,001	(897,479)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>502,159</u>	<u>1,399,638</u>
Cash, Cash Equivalents, and Restricted Cash - End of Year	<u>\$ 620,160</u>	<u>\$ 502,159</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	<u>\$ 30,000</u>	<u>\$ 28,776</u>
Cash paid from amounts included in the measurement of lease liabilities:		
Operating cash flows from operating lease	<u>\$ 7,775</u>	<u>\$ 7,354</u>

The accompanying notes are an integral part of these financial statements.

NOTE – A: DESCRIPTION OF THE ORGANIZATION

St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County (the Organization) fosters independence and life enrichment for seniors and other qualified adults through nutrition, social engagement, and community services. Services are provided through the following programs:

Home Delivery: The Organization offers home meal delivery for older adults, and adults with temporary or permanent disabilities.

Congregate Services: The Organization invites anyone age 60 or older to one of their many dining centers throughout Hillsborough County for tasty, nutritious lunches served Monday through Friday. In addition to these lunches, individuals are invited to participate in activities related to nutrition, recreation, health and welfare, and social services that are easily accessible at nutrition site locations.

Transportation: The Organization provides transportation assistance to individuals age 60 and older who are socially isolated due to a lack of transportation.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Organization's financial statements.

Basis of Accounting/Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting. The financial statements and notes are representations of management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Accordingly, revenue is recognized as goods or services are delivered, and expenses are recognized as incurred. Expenses are charged to each program based on the direct expenditure incurred. Any expenditure not directly chargeable to an individual program is allocated against all the programs benefitted. The financial statements and notes are representations of management who is responsible for their integrity and objectivity.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers all highly liquid deposits with a maturity of three months or less to be cash equivalents. At September 30, 2025 and 2024, cash consisted of cash on hand, balances in operating bank accounts and amounts due from depository institutions; cash equivalents consisted of certificates of deposit with a balance of \$131,323 and \$130,291 at September 30, 2025 and 2024, respectively.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization maintains a separate bank account for the Mazur Endowment Fund, of which the Organization is beneficiary of the income of the endowment. Restricted cash is classified as a current asset on the statement of financial position.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash as reported on the statement of financial position that sum to the total of such amounts reported on the statement of cash flows at September 30:

	2025	2024
Cash and cash equivalents - unrestricted	\$ 613,509	\$ 495,510
Cash and cash equivalents - restricted	6,651	6,649
Total	\$ 620,160	\$ 502,159

Grants and Contracts Receivable: Grants and contracts receivable are stated at cost, net of an allowance for credit losses, which is the amount management expects to collect from outstanding balances. The Organization establishes an allowance for credit losses through a review of several factors, including historical collection experience, current aging status of the accounts, and current financial condition of its grants and contracts. The past due or delinquency status of a receivable is based on the contractual payment terms of the receivable. Losses are charged against the allowance when the customer accounts are determined to be uncollectible. It is the opinion of management that grants, and contracts receivable are fully collectible. Interest is not charged on outstanding grants and contracts receivable.

Prepaid Expenses: Prepaid expenses are stated at historical cost, net of any related amortization, and consist of amounts which are of continuing benefit to the Organization.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Fair Value Measurements: Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value and establishes a framework for measuring fair value for assets and liabilities that are measured at fair value on a recurring basis. In accordance with the accounting standards for fair value measurements for those assets and liabilities that are measured at fair value on a recurring basis, the Company has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the fair value hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities in active markets; quoted prices for similar assets or liabilities in markets that are not active; or model-derived valuations or other inputs that are observable or can be corroborated by observable market data for the assets or liabilities.

Level 3 – Unobservable inputs for the asset or liability that are significant to the fair value measurement. These inputs reflect the Company’s assumptions about the assumptions a market participant would use in pricing the asset or liability.

Property and Equipment: Property and equipment are stated at cost. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives of the related assets, as follows:

	<u>Years</u>
Building and improvements	39
Land	N/A
Vehicles	5
Furniture and fixtures	5 - 7
Equipment	5 - 7

Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the lives of the assets are capitalized. When property is disposed of, the asset and related accumulated depreciation are removed from the accounts. Any resulting gain or loss is reflected in operations in the period incurred.

Valuation of Long-Lived Assets: The Organization reviews the carrying value of long-lived assets for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition.

Net Assets: The classification of a not-for-profit organization’s net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It required that the amounts for each of the classes of net assets be displayed in the statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

In accordance with accounting principles generally accepted in the United States of America (US GAAP), St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County reports information regarding its financial position and activities according to the following two classes of net assets:

Net Assets Without Donor Restrictions: Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets With Donor Restrictions: Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restrictions will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restrictions is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for the acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Classification of Transactions: All revenues and net gains are reported as increases in net assets without donor restrictions in the statements of activities unless restrictions are imposed by donor-imposed stipulations or law. All expenses and net losses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as net assets released from restrictions. Upon approval by the Board of Directors, transfers are made from undesignated without donor restricted net assets to board designated net assets.

Revenue Recognition: The Organization records revenue in accordance with ASC 606, *Revenue from Contracts with Customers* (ASC 606). The standard requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

Contributions: Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

The Organization is a beneficiary under several donors' wills. Contributions from bequests are recognized as contributions receivable when the probate court declares that the will is valid and the Organization has an irrevocable right to the bequest.

Government Grants and Contract Revenue and Award Recognition: Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Revenue from state agencies is subject to independent audit, and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

Grants with donor restrictions are recorded as revenue and net assets with donor restrictions when received or unconditionally pledged. Transfers are made to net assets without donor restrictions as costs are incurred or time restrictions lapse. Grants with donor restrictions received and satisfied in the same period are included in net assets without donor restrictions.

The Organization receives contracts under various arrangements. This revenue is recognized under a performance-based system. Under this type of system, the Organization is paid based upon the number of units of service provided for both purchased services and administrative management. Each type of service has a separate unit rate for units of service performed.

Performance Obligations: For performance obligations related to the Organization's activities, control transfers to the client at a point in time. The Organization's principal terms are point of sale and the Organization transfers control and records revenue upon delivery to the client, respectively. The payment terms and conditions in client contracts occur upon delivery.

The Organization does not have any significant financing components as payment is received at or shortly after the point of sale.

Functional Expense Allocation: The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to programs and supporting services. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Expenses that are allocated include IT, depreciation, and occupancy which are allocated to program and supporting services based primarily on square footage used for program activities. Payroll and related costs are allocated to functions based time and effort. Occupancy and other costs are allocated based on actual expenses.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities.

Advertising Costs: Costs incurred with respect to advertising are expensed when incurred. Advertising expense for the year ended September 30, 2025 and 2024 totaled \$29,032 and \$8,693, respectively.

Income Taxes: The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(3) that qualifies for charitable contribution deductions, and is determined not to be a private foundation. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions: Donated services represent the estimated fair value of services provided to the Organization. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Local businesses occasionally donate services, most of which are not recognized as contributions in the financial statements since the recognition criteria were not met.

Lease Accounting: The Organization adopted FASB Accounting Standards Update No. (ASU) 2016-02, *Leases, Topic 842* (ASC 842) as of October 1, 2022. Under ASC 842, the Organization determines whether the arrangement contains a lease at the inception of an arrangement. If a lease is identified in an arrangement, the Organization recognizes a right-of-use (ROU) asset and liability on its balance sheet and determines whether the lease should be classified as a finance or operating lease. The Organization does not recognize assets or liabilities for leases with lease terms of less than 12 months.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term using the discount rate implicit in the lease. If the rate implicit is not readily determinable, the Organization utilizes the Applicable Federal Rate at the adoption of ASC 842. Operating lease assets are further adjusted for prepaid or accrued lease payments. Operating lease payments are expensed using the straight-line method as an operating expense over the lease term.

Operating leases are recorded in operating lease ROU assets, operating lease liabilities and operating lease liabilities - long-term on the Organization's statement of financial position.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Some of the Organization's operating leases provide for minimum annual payments that increase over the life of the lease. These leases may include obligations to pay for other services, such as operations and maintenance. For leases of property, the Organization accounts for these other services as a component of the lease. The aggregate minimum annual payments are expensed on the straight-line basis beginning when the Organization takes possession of the property and extending over the term of the related lease, including renewal options when the exercise of the option is reasonably certain as an economic penalty may be incurred if the option is not exercised.

Fair Value of Financial Instruments: The Fair Value Measurements and Disclosures Topic of the FASB ASC defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The Organization's financial instruments are cash and cash equivalents, grants and contracts receivable, accounts payable, and note payable. The recorded values of cash and cash equivalents, grants and contracts receivable, and accounts payable approximate their fair values based on their short-term nature. The recorded values of the note payable approximates the fair value as interest approximates market rates.

NOTE – B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Accordingly, actual results could differ from those estimates, and such differences may be material.

Reclassifications: Certain reclassifications have been made to the prior year’s financial statements to conform to the current year presentation. These classifications had no effect on previously reported results of operations or net assets.

Credit Losses: In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The Organization adopted the standard effective October 1, 2023 using a modified-retrospective approach. The ASU requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the statement of activities will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. The impact of this adoption was not material.

NOTE – C: INVESTMENTS

The Organization’s investments measured at fair value on a recurring basis and categorized in the fair value hierarchy as Level 1, consisted of the following at September 30:

<u>Investment Type</u>	<u>2025</u>	<u>2024</u>
Mutual funds	\$ 1,231,913	\$ 830,859
Exchange-traded funds	113,778	-
Money market funds	8,596	250,442
Total Investments	<u>\$ 1,354,287</u>	<u>\$ 1,081,301</u>

NOTE – D: PROPERTY AND EQUIPMENT

Major classifications of property and equipment consist of the following at September 30:

	<u>2025</u>	<u>2024</u>
Building and improvements	\$ 3,116,561	\$ 2,356,156
Vehicles	179,643	179,643
Land	141,700	141,700
Furniture and fixtures	120,608	117,417
Equipment	13,231	6,706
Assets in progress	171,318	-
	<u>3,743,061</u>	<u>2,801,622</u>
Less: accumulated depreciation	<u>(364,984)</u>	<u>(252,960)</u>
Property and Equipment - Net	<u>\$ 3,378,077</u>	<u>\$ 2,548,662</u>

Depreciation expense totaled \$113,405 and \$57,426 for the years ended September 30, 2025 and 2024, respectively.

NOTE – E: NOTE PAYABLE

Note payable consists of the following at September 30:

	<u>2025</u>	<u>2024</u>
Note payable, finance company, secured by a mortgage, interest only through April 2024, then monthly installments of \$5,501, including interest at 5.50%, through March 2048.	\$ 843,322	\$ 861,755
Less: current portion of long-term note payable	<u>(19,387)</u>	<u>(18,339)</u>
Long-Term Note Payable - Net of Current Portion	<u>\$ 823,935</u>	<u>\$ 843,416</u>

Aggregate maturities of long-term note payable for the years ending September 30 are as follows:

2026	\$ 19,387
2027	20,497
2028	19,866
2029	19,696
2030	19,462
Thereafter	<u>744,414</u>
	<u>\$ 843,322</u>

NOTE – F: COMPENSATED ABSENCES

Employees of the Organization are entitled to paid vacation and sick time depending on the length of service and other factors. Vacation and sick time is earned on a fiscal year basis and carries over from year-to-year. Employees accrue earned sick time on all hours worked at a rate of one hour of earned sick time for every 30 hours worked, including overtime hours, up to a cap of 40 hours per benefit year. The Organization has included approximately \$56,000 in “Accrued expenses” on the statement of financial position of unpaid vacation for each of the years ending September 30, 2025 and 2024, respectively.

NOTE – H: EMPLOYEE BENEFITS PLAN

The Organization sponsors a defined contribution retirement plan covering all full-time employees. The Organization contributed \$28,963 and \$26,598 to the plan for the years ended September 30, 2025 and 2024, respectively.

NOTE – I: LEASES

The Organization leases one of its operating facilities under a long-term, non-cancelable operating lease agreement. The lease expires at November 30, 2026. In the normal course of business, it is expected that this lease will be renewed or replaced by a lease on another property.

The lease provides for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Also, the agreement generally requires the Organization to pay real estate taxes, insurance, and repairs.

Operating lease consists of the following at September 30:

	<u>2025</u>	<u>2024</u>
Right-of-use assets	\$ 31,430	\$ 31,430
Less: accumulated amortization	<u>(22,794)</u>	<u>(14,544)</u>
Operating Leases Right-of-Use Assets - Net	<u>\$ 8,636</u>	<u>\$ 16,886</u>

For the years ended September 30, 2025, and 2024, amortization expense related to the ROU assets for the operating lease totaled \$0 and \$7,405, respectively, and interest expense related to the discounted cash flows totaled \$132 and \$713, respectively. The weighted average remaining lease term was 1.25 years and the weighted average discount rate was 3.43% that was used to measure the Organization’s operating lease liabilities at September 30, 2025.

Short-term lease cost totaled \$24,499 and \$65,524 for the years ending September 30, 2025 and 2024, and is included in occupancy costs in the Statement of Functional Expenses.

NOTE – I: LEASES (Continued)

The following is a maturity analysis of the annual undiscounted cash flows of the lease liability as of September 30, 2025:

<u>Year Ending</u>	<u>Operating Leases</u>
2026	8,415
2027	<u>1,407</u>
Total lease payments	9,822
Less: imputed interest	<u>(572)</u>
Total lease obligations	9,250
Less: current obligations	<u>(8,415)</u>
Long-Term Lease Obligations	<u>\$ 835</u>

NOTE – J: NET ASSETS

Board-designated Net Assets

The Board has voted from net assets without donor restrictions to create a designated fund for capital reserves, which cannot be used without prior approval of the Board. Board-designated assets were comprised of a capital reserve for expenditures of major assets totaling \$176,522 and \$0 at September 30, 2025 and 2024, respectively.

NOTE – J: NET ASSETS (Continued)

Net Assets with Donor Restrictions

Net assets with donor restrictions were comprised of the following at September 30:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specific purpose:		
MOWAA - Pet Grant	\$ 10,743	\$ 7,423
Peterborough Advertising	5,459	12,237
Feed NH Community Dining	3,884	3,884
Summer BBQ	2,614	145
New Hampshire Feeds	116	-
Freezer renovation	-	15,500
Total restricted for purpose	<u>22,816</u>	<u>39,189</u>
Subject to passage of time	<u>100,688</u>	<u>173,175</u>
Total Net Assets with Donor Restrictions	<u><u>\$ 123,504</u></u>	<u><u>\$ 212,364</u></u>

Net assets were released from the program restrictions by incurring expenses satisfying the restricted purpose of the passage of time.

NOTE – K: CONTRIBUTED NONFINANCIAL ASSETS

The Organization leases space under tenant-at-will agreements to prepare meals for delivery and hold congregate dining for which the rental payments are less than the amount that would be charged for similar space that is rented under similar terms. Using publicly available commercial real estate rental listings, the Organization has estimated that the rental payments were valued at approximately \$40,445 and \$116,300 in fiscal years 2025 and 2024, respectively. The contributed space was used for program services and has no associated donor restrictions.

The value of donated volunteer services that did not meet criteria for recognition in the financial statements is estimated at \$416,000 and \$375,000 for fiscal years 2025 and 2024, respectively.

NOTE – L: TRANSACTIONS WITH RELATED PARTIES

During the fiscal year 2025, the Organization received services totaling approximately \$166,000 from several businesses that either employ or are owned by certain members of the Board of Directors. In accordance with the State of New Hampshire’s conflict of interest requirements, the Organization has complied with all notice, publication, and approval requirements.

NOTE – M: CONCENTRATIONS

Financial instruments that potentially subject the Organization to concentrations of credit consist principally of cash balances at financial institutions and grants and contracts receivable.

Cash in Bank: The Organization maintains its cash balances in financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, the Organization’s bank balances may exceed insurable limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Revenue and Grants and Contracts Receivable: A material part of the Organization’s revenue is dependent on government sources, the loss of which would have a materially adverse effect on the Organization. During the years ended September 30, 2025 and 2024, the Bureau of Adult and Aging Services accounted for 48% and 62%, respectively, of total revenues.

The receivables from the State of New Hampshire at September 30, 2025 and 2024 had a total balance of \$292,342 and \$511,000, respectively. Additionally, at September 30, 2025 and 2024, amounts due from Hillsborough County totaled approximately \$0 and \$100,000, respectively.

NOTE – N: AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets at September 30, 2025:

	2025	2024
Financial Assets at Year-End		
Cash and cash equivalents	\$ 613,509	\$ 495,510
Cash and cash equivalents - restricted	6,651	6,649
Grants and contracts receivable	291,342	465,339
Total Financial Assets at Year-End	911,502	967,498
Less: net assets with donor restrictions	(123,504)	(212,364)
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 787,998	\$ 755,134

NOTE – O: SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 20, 2026, which is the date the accompanying financial statements were available to be issued.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS*

To the Board of Directors
St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County
Merrimack, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 20, 2026.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murphy Gaudreau Hoskinson, Inc.

Murphy Gaudreau Hoskinson, Inc.
Nashua, New Hampshire

February 20, 2026





INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR A FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors
St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County
Merrimack, New Hampshire

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Federal Programs

We have audited St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on its Federal Program for the year ended September 30, 2025. St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its federal programs for the year ended September 30, 2025.

Basis for Opinion on Federal Programs

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of St. Joseph Community Service, Inc. d/b/a Meals on Wheels of Hillsborough County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the Federal Program. Our audit does not provide a legal determination of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Federal Program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Murphy Gaudreau Hoskinson, Inc.

Murphy Gaudreau Hoskinson, Inc.
Nashua, New Hampshire

February 20, 2026



St. Joseph Community Services, Inc.
d/b/a Meals on Wheels of Hillsborough County

Schedule of Federal Awards for the
Year Ended September 30, 2025

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Housing and Urban Development Community Development Block Grant	14.218	Unknown	\$ 18,478
U.S. Department of Treasury Governor's Office for Emergency Relief and Recovery (GOFERR)	21.027	Unknown	504,957
U.S. Department of Health and Human Services Aging Cluster			
Bureau of Adult and Aging Services			
Special Programs for the Aging - Title IIB, Part B- Grants for Supportive Services and Senior Centers	93.044	20AANHT3SS	13,607
Special Programs for the Aging - Title III, Part C- Nutrition Services	93.045	20AANHT3CM	220,222
Special Programs for the Aging - Title III, Part C- Nutrition Services	93.045	20AANHT3HD	896,238
Nutrition Services Incentive Program	93.053	17AANHNSIP	<u>111,559</u>
Total Aging Cluster			1,241,626
Bureau of Adult and Aging Services			
Social Services Block Grant	93.667	G1601NHS0SR	316,687
Medical Assistance Program	93.778	NH20144	254,407
Total U.S. Department of Health and Human Services			<u>1,812,720</u>
Total Expenditures of Federal Awards			<u>\$ 2,336,155</u>

Note – A: Basis of Presentation

The accompanying Schedule of Federal Awards (the schedule) includes the Federal assistance activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Organization's grant through the U.S. Department of Health and Human Services and is in the format in compliance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to, and it does not, present the financial position, changes in net assets or cash flows of the Organization.

Note – B: Summary of Significant Accounting Policies

- a. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
- b. Pass-through entity identifying numbers are presented where available.

Note – C: Indirect Cost Rate

The Organization has elected not to use the 10% de-minimus indirect cost rate allowed under Uniform Guidance.

1. There were no prior year findings and as such there are no unresolved activities for St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County.

1. Summary of Auditors' Results

- a) The auditors' report expresses an unmodified opinion on whether the financial statements of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County were prepared in accordance with GAAP.
- b) No instances of noncompliance material to the financial statements of St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County were disclosed during the audit.
- c) The auditors' report on compliance for major federal awards programs for St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County expresses an unmodified opinion on all major federal programs.
- d) There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
- e) The programs tested as major programs were:

	<u>Federal Program of Cluster</u>	<u>Federal CFDA Number</u>
Aging Cluster		93.044, 93.045, 93.053

- f) The dollar threshold used to distinguish between Type A and Type B programs was \$1,000,000.
- g) St. Joseph Community Service, Inc., d/b/a Meals on Wheels of Hillsborough County qualified as a low-risk auditee.

2. Financial Statement Findings in Accordance with *Government Auditing Standards*

None

3. Findings and Questioned Costs for Federal Awards

None