VANTAGE AGING
(FORMERLY MATURE SERVICES, INC.)

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

September 30, 2017 and 2016

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.

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INDEPENDENT AUDITORS' REPORT

Board of Directors
VANTAGE Aging, formerly Mature Services, Inc.
Akron, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of VANTAGE Aging, formerly Mature Services, Inc. (the "Organization"), which comprise the statement of financial position as of September 30, 2017 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as, evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2017, and the changes in its net assets and its cash flows for the year end ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2016 financial statements, and in our report dated February 8, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

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 Requirement for Federal Awards*, is presented for purposes of additional analysis and is 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 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 6, 2018, on our consideration of the Organization's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance and the results of that testing, and not to provide an opinion on 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 the Organization's internal control over financial reporting and compliance.

Bober, Markey, Fedorovich & Company

BOBER, MARKEY, FEDOROVICH & COMPANY
Akron, Ohio

February 6, 2018

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2017 and 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 868,783	$ 1,417,699
Grants and contracts receivable, net	900,121	968,959
Prepaid expenses	45,487	46,904
TOTAL CURRENT ASSETS	1,814,391	2,433,562
NONCURRENT ASSETS		
Restricted cash	73,623	56,288
Fixed assets, net	1,424,613	89,663
Beneficial interest in trust	41,397	32,286
Deposits	25,079	22,698
Construction in progress	113,354	-
TOTAL NONCURRENT ASSETS	1,678,066	200,935
TOTAL ASSETS	$ 3,492,457	$ 2,634,497
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Note payable	$ 1,039,895	$ -
Current portion of capital lease	3,958	-
Accounts payable	128,095	132,164
Accrued payroll and related expenses	664,826	789,449
Unearned revenue	98,463	23,701
TOTAL CURRENT LIABILITIES	1,935,237	945,314
NONCURRENT LIABILITIES		
Capital lease, net of current portion	20,018	-
NET ASSETS		
Unrestricted	1,499,578	1,657,960
Permanently restricted	37,624	31,223
TOTAL NET ASSETS	1,537,202	1,689,183
TOTAL LIABILITIES AND NET ASSETS	$ 3,492,457	$ 2,634,497

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

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

	Unrestricted	Permanently Restricted	2017	2016
REVENUES, GAINS AND OTHER SUPPORT				
Fees and grants from governmental agencies	$ 11,074,066	$ -	$ 11,074,066	$ 11,914,907
Contributions, including in-kind	432,800	6,401	439,201	466,092
Program service fees	830,431	-	830,431	672,657
Other public support	84,409	-	84,409	108,986
Investment income	4,387	-	4,387	1,579
Other revenue	20,368	-	20,368	10,704
Total revenue	12,446,461	6,401	12,452,862	13,174,925
EXPENSES				
Program services				
Home Wellness Solutions	473,050	-	473,050	480,130
Behavioral Health Solutions	734,303	-	734,303	797,123
Workforce Solutions	8,456,941	-	8,456,941	9,328,604
RSVP	139,271	-	139,271	108,271
Meals on Wheels of Northern Ohio	1,545,137	-	1,545,137	1,298,115
Total program services	11,348,702	-	11,348,702	12,012,243
Supporting services				
Management and general	1,223,864	-	1,223,864	880,702
Fundraising	32,277	-	32,277	5,659
Total supporting services	1,256,141	-	1,256,141	886,361
Total expenses	12,604,843	-	12,604,843	12,898,604
CHANGE IN NET ASSETS	(158,382)	6,401	(151,981)	276,321
NET ASSETS AT BEGINNING OF YEAR	1,657,960	31,223	1,689,183	1,412,862
NET ASSETS AT END OF YEAR	$ 1,499,578	$ 37,624	$ 1,537,202	$ 1,689,183

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

	Program Services						Supporting Services				
	Home Wellness Solutions	Behavioral Health Solutions	Workforce Solutions	RSVP	Meals on Wheels of Northern Ohio	Total	Management and General	Fundraising	Total	2017 Total	2016 Total
Salaries	$ 376,315	$ 444,359	$ 6,998,168	$ 63,782	$ 436,274	$ 8,318,898	$ 775,119	$ 7,509	$ 782,628	$ 9,101,526	$ 9,439,215
Payroll taxes and related expenses	48,209	116,269	789,822	15,068	118,276	1,087,644	208,343	1,907	210,250	1,297,894	1,512,636
Total salaries and related expenses	424,524	560,628	7,787,990	78,850	554,550	9,406,542	983,462	9,416	992,878	10,399,420	10,951,851
Contract services	4,103	17,918	111,090	663	28,645	162,419	109,823	836	110,659	273,078	130,235
Supplies	15,200	36,777	107,353	26,460	786,980	972,770	70,232	16,083	86,315	1,059,085	1,069,830
Telephone	4,779	4,147	59,595	308	6,547	75,376	11,643	513	12,156	87,532	69,717
Postage	1,667	280	14,905	227	351	17,430	574	1,093	1,667	19,097	22,011
Occupancy	6,167	52,618	207,979	25,281	78,280	370,325	16,582	868	17,450	387,775	388,867
Insurance	4,152	15,307	60,614	2,675	19,851	102,599	11,408	-	11,408	114,007	109,146
Travel	7,551	13,614	62,319	1,779	28,700	113,963	2,423	56	2,479	116,442	99,064
Training	606	5,002	23,049	1,958	480	31,095	3,444	1,044	4,488	35,583	18,956
Physical examinations	-	-	5,347	-	-	5,347	-	-	-	5,347	4,338
Bad debt	2,278	14,850	-	-	16,555	33,683	-	-	-	33,683	-
Interest	827	3,162	6,749	436	1,385	12,559	4,163	966	5,129	17,688	1,000
Total expenses before depreciation	471,854	724,303	8,446,990	138,637	1,522,324	11,304,108	1,213,754	30,875	1,244,629	12,548,737	12,865,015
Depreciation	1,196	10,000	9,951	634	22,813	44,594	10,110	1,402	11,512	56,106	33,589
Total expenses	$ 473,050	$ 734,303	$ 8,456,941	$ 139,271	$ 1,545,137	$ 11,348,702	$ 1,223,864	$ 32,277	$ 1,256,141	$ 12,604,843	$ 12,898,604
Fiscal 2016 expenses	$ 480,130	$ 797,123	$ 9,328,604	$ 108,271	$ 1,298,115	$ 12,012,243	$ 880,702	$ 5,659	$ 886,361	$ 12,898,604	

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

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (151,981)	$ 276,321
Adjustments to reconcile change in net assets to		
net cash provided by (used in) operating activities:		
Depreciation	56,106	33,589
Unrealized gain from beneficial interest in trust	(2,076)	(786)
Realized gain from beneficial interest in trust	(1,222)	(109)
Investment income from beneficial interest in trust, net	(533)	(425)
Changes in operating assets and liabilities:		
Grants and contracts receivable	68,838	(185,399)
Prepaid expenses	1,417	24,163
Deposits	(2,381)	(12,814)
Accounts payable	(4,069)	(21,779)
Accrued payroll and related expenses	(124,623)	101,144
Unearned revenue	74,762	(82,653)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(85,762)	131,252
CASH FLOWS FROM INVESTING ACTIVITIES		
Beneficial interest in trust	(5,281)	(21,223)
Construction in progress	(113,354)	-
Purchases of fixed assets	(325,492)	-
NET CASH USED IN INVESTING ACTIVITIES	(444,127)	(21,223)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease	(1,587)	-
Principal payment on note payable	(105)	-
NET CASH USED IN FINANCING ACTIVITIES	(1,692)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(531,581)	110,029
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,473,987	1,363,958
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 942,406	$ 1,473,987
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 17,688	$ -
NON-CASH FINANCING ACTIVITIES:		
Purchase of building and land with note payable	$ 1,040,000	$ -
Capital lease obligation - Cargo Van	25,563	-
TOTAL NON-CASH FINANCING ACTIVITIES	$ 1,065,563	$ -

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

NOTE 1 - ORGANIZATION

Nature of Operations

Effective January 1, 2018, Mature Services, Inc. changed their name to VANTAGE Aging. VANTAGE Aging (the "Organization") provides high-quality programs to empower the economic, social, physical, and mental well-being of adults as they age. Programs include Workforce Solutions, Meals on Wheels of Northern Ohio, Behavioral Health Solutions, Home Wellness Solutions and RSVP.

Workforce Solutions

The Senior Community Service Employment Program (SCSEP) is a job training program for older adults located in 38 Ohio counties. Funded under grants from the U.S. Department of Labor and Ohio Department of Aging, the program provides paid, part-time job training in community service assignments. Program participants are low-income adults age 55 and older placed with nonprofit and government agencies (host sites) for training. SCSEP provides a dual benefit to the communities it serves: improving job readiness of older workers while expanding the services provided by local host sites. Annual job fairs and workshops are organized and administered as part of the program to connect older workers to available employment opportunities. The Encore Staffing Network is a social enterprise program funded in part by The Cleveland Foundation that provides placement of older workers who want to stay engaged in the workforce while dedicating their skills and talents to a variety of employers with profits being re-invested into the agency’s mission.

Meals on Wheels of Northern Ohio

Supporting the nutritional needs of older adults in Summit County, the Meals on Wheels program provides homebound and disabled clients the opportunity to select their own delicious and nutritious meals to be delivered to their home to support their health and well-being. As part of the Organization’s continuum of care, each visit includes a wellness check, where professionally trained drivers can assess potential health issues, such as fall-risk assessments. Congregate dining options are provided at five locations to provide healthy meal alternatives and socialization opportunities to prevent social isolation. A Senior Health & Services Fair is offered each spring to promote the Ohio Senior Farmers’ Market Nutrition Program. Vouchers are provided to seniors age 60 and older who meet income guidelines for the purchase of up to $50 in fresh produce at local Farmer’s Markets. A catering business offers a fee-for-service to the public to help support the Organization’s programs.

Behavioral Health Solutions

Behavioral Health Solutions provides specialized integrated mental health and alcohol and other drug treatment and prevention services to persons age fifty and older and adults with disabilities. A team of licensed professional focus on the continuum of care, addressing physical, mental, and socio-economic aspects of an individual’s health. Specializing in the unique issues facing the older population and identifying physical factors that can attribute to increased impairment or risk, our team partners with other programs within the Organization to address the person as a whole. Services include group and individual counseling, intensive outpatient, case management, crisis management intervention, assessment, peer coaching, mentoring, and recovery support services. Outreach, training, and prevention services are provided throughout the community.

Home Wellness Solutions

The Organization provides non-medical home care and wellness support services in the homes of older adults and individuals with disabilities. Individual plans are customized according to an assessment of the client's needs and care coordination with the Organization identifies additional programs that may benefit the client. Home health aides provide hands-on care for activities of daily living (ADLs) within the client's home, including bathing, dressing, feeding, toileting, grooming, oral care, walking or use of a wheelchair. Fall risk assessment and prevention training help to promote wellness. Homemaker services provide housekeeping, laundry, shopping, and meal preparation to support client independence. Chore services help with heavy household cleaning. Private pay options for all services are offered to help support the costs of the programming.

RSVP

As one of the largest volunteer networks in the nation, RSVP is a program of the Corporation for National and Community Service and provides volunteers age 55 and older with service opportunities with Summit and Medina counties. RSVP volunteers address critical community needs and take on new national initiatives to meet those needs. With a strong corps of experienced volunteers, RSVP helps to build capacity and outreach efforts for over 70 organizations including food pantries, health and wellness programs, and social service agencies. A Tele-Care program provides outreach to homebound seniors, helping to address social isolation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

As required by the Not for Profit Entities Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"), the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.

Concentration of Credit Risk and Funding

The Organization maintains its cash balances in commercial banks located in Ohio. Accounts maintained in commercial banks are guaranteed by the Federal Deposit Insurance Corporation. At times balances held at financial institutions were in excess of the federally insured limits. The Organization believes no significant concentration of risk exists with respect to these cash investments.

The Organization is funded from grants and reimbursements from various governmental agencies. The Organization anticipates the renewal of all its grants and federal awards. The Organization received approximately 67% and 69% of their revenue from the Department of Labor for each of the years ended September 30, 2017 and 2016, respectively.

Fair Value of Financial Instruments

Fair value estimates are made at a specific point in time based on relevant market information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Revenues and Accounts Receivable

The Organization carries its accounts receivable at cost less an allowance for doubtful accounts. Monthly, the Organization evaluates its accounts receivable and establishes an allowance for doubtful accounts, based on both its history in collections from each payer and of each payers' aging balance. Accounts are written off as uncollectible when the Organization determines the amount cannot be collected. The allowance for doubtful accounts balance was $33,683 and $0 as of September 30, 2017 and September 30, 2016, respectively.

Fixed Assets

Purchased fixed assets are recorded at cost and donated fixed assets are recorded at fair value at the date of donation (items valued at $5,000 and over are capitalized). Routine maintenance, repairs, renewals and replacement costs are charged against income. Expenditures that significantly increase values, change capacities or extend useful lives are capitalized.

Depreciation is computed by the straight-line method, using the half-year convention, at rates calculated to amortize the cost or fair value at date of donation of the assets over their estimated useful lives as indicated below:

Building	20 years
Furniture and equipment	5-10 years
Leasehold improvements	*

*Leasehold improvements are amortized over the lesser of their estimated useful lives or the lease term, including renewals.

Construction in Progress

During 2017, the Organization under took plans to renovate the Building. The construction costs were not complete as of September 30, 2017. Accordingly, the total expenses incurred during the year of $113,354 are reported as construction in progress for the year ended September 30, 2017. Once construction is complete, the amount will be capitalized to building improvements and depreciated accordingly.

Unearned Revenue

Unearned revenue represents monies received for which expenditures have not yet been incurred or services have not yet been performed.

Contributions

Pledges and contributions are recorded as revenue at the time the Organization receives the funds or a written communication from a donor indicating the amount and nature of the gift and that the gift is unconditional.

Unconditional gifts are recognized as temporarily restricted revenues if the donor’s intention for the use of the funds is restricted for time or purpose. These gifts increase donor restricted (temporarily restricted) net assets until they are used for the purpose intended or until the restricted time has passed.

Conditional gifts are recognized when the conditions on which they depend are substantially met. Conditional gifts include grants and contributions requiring that other funds are raised by the Organization as a match. Once the match has been raised as required, the original gift is recorded as revenue based on donor restrictions.

Grants, pledges and contributions with no donor restrictions or requirements as to their intended use are considered unrestricted in nature and recognized as unrestricted revenues in the statements of financial position.

Gifts received that are designated for the beneficial interest in trust, Senior Love Fund, are classified as permanently restricted net assets on the statements of financial position and reported in investing activities in the statements of cash flows.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Tax Status

The Organization is a non-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Under the Income Tax Topic of the FASB ASC, the Organization is required to identify uncertain tax positions taken, assess and quantify those positions and record reserves. As of and for the years ended September 30, 2017 and 2016, the Organization has identified no uncertain tax positions.

The Organization files informational tax filings in United States Federal and State of Ohio jurisdictions.

Reclassifications
Certain prior year amounts have been reclassified in order to conform to the current year presentation.

Subsequent Events
The Organization has evaluated subsequent events through February 6, 2018, the date the financial statements were available to be issued, and has determined that, other than disclosed in Note 8, there were no subsequent events to recognize or disclose in the financial statements.

NOTE 3 - BENEFICIAL INTEREST IN TRUST HELD BY AKRON COMMUNITY FOUNDATION

The FASB ASC provides guidance on the net asset classification of donor-restricted endowments and board designated funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA").

The Organization's endowment consists of a beneficial interest in trust which was established through the Akron Community Foundation ("ACF"). As required by accounting principles generally accepted in the United States of America ("GAAP"), net assets associated with endowment funds are classified and reported on the existence or absence of donor or board imposed restrictions.

Interpretation of Relevant Law
The Organization believes that absent explicit donor stipulations to the contrary, fiduciary standards require the preservation of the "historic dollar value" of donor-restricted endowment funds. Historic dollar value as to any donor-restricted endowment fund means the aggregate fair value of (a) the original value of gifts donated to such fund, (b) the original value of subsequent gifts to such fund, and (c) accumulations to such fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Accordingly, the Organization classifies the historic dollar value of donor-restricted endowment funds as permanently restricted net assets. Notwithstanding the foregoing accounting classifications, unless the gift instrument creating a donor-restricted endowment fund expressly provides otherwise, the Board of Directors (the "Board") of the Organization may, as provided in Ohio UPMIFA, from time to time, appropriate for expenditure such portion of the permanently restricted net assets as the Board determines is prudent, after application of the factors set forth below.

In accordance with Ohio UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds
- The purpose of the Organization and the donor-restricted endowment funds
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization follows investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce results that over time will average the level of the approved Organization endowment spending rate plus inflation. Actual results in any given year may vary from this desired goal.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation in order to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to the Spending Policy

The endowments of the Organization are all held at ACF and as such, operate under a spending policy determined by ACF. In establishing this policy, the Organization considered the long-term expected return on its endowment. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held into perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The following is a reconciliation of beneficial interest fund for the years ended September 30:

	2017		2016	
	Unrestricted	Permanently Restricted	Unrestricted	Permanently Restricted
Beginning balance	$ 1,063	$ 31,223	$ (257)	$ 10,000
Contributions	-	5,281	-	21,223
Interest and dividends	532	-	425	-
Net unrealized gain	2,076	-	785	-
Net realized gain	1,222	-	110	-
Ending balance	$ 4,893	$ 36,504	$ 1,063	$ 31,223

NOTE 4 - CASH

Cash in the amount of $261,472 and $169,255 is held and is reserved for the use of various grant provisions as of September 30, 2017 and 2016, respectively. There is also restricted cash of $73,623 and $56,288 for employee health savings accounts at September 30, 2017 and 2016, respectively.

NOTE 5 - FAIR VALUE MEASUREMENTS

Fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Organization uses a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets;
- Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Assets measured at fair value on a recurring basis are as follows:

September 30, 2017	Fair Value	Level 1	Level 2	Level 3
Money market funds	$ 109,110	$ -	$ 109,110	$ -
Beneficial interest in trust held at Akron Community	41,397	-	41,397	-
	$ 150,507	$ -	$ 150,507	$ -

September 30, 2016	Fair Value	Level 1	Level 2	Level 3
Money market funds	$ 108,407	$ -	$ 108,407	$ -
Beneficial interest in trust held at Akron Community	32,286	-	32,286	-
	$ 140,693	$ -	$ 140,693	$ -

The classification of fair value measurement within the hierarchy is based upon the lowest level of input that is significant to the measurement. Valuation methodologies used for assets and liabilities measured at fair value as are follows:

- *Money market:* Valued based on the closing price reported on the active market on which the individual securities are traded.

- *Beneficial interest in trust:* This investment pool, in which the Organization participates, includes investments in equities, mutual funds, and fixed income funds. The Organization's separate accounts are adjusted with its proportion of investment activity from the investment pool throughout the year. The fair value of both, the beneficial interest in fund and beneficial interest in perpetual fund, is equal to the Organization's proportion of the quoted price obtained for total investments in the investment pool.

NOTE 6 - FIXED ASSETS

The following is a summary of fixed assets, at cost, less accumulated depreciation at September 30:

	2017	2016
Furniture and equipment	$ 532,604	$ 461,926
Leasehold improvements	82,573	226,560
Building	871,257	-
Land	431,813	-
	1,918,247	688,486
Less: Accumulated depreciation	(493,634)	(598,823)
	$ 1,424,613	$ 89,663

NOTE 7 - LINE OF CREDIT

The Organization has a $250,000 revolving line of credit with Chase Bank. The line of credit accrues interest at the Prime rate plus one quarter percent (4.5% and 3.75% at September 30, 2017 and 2016, respectively), payable monthly. The line of credit is secured by all assets of the Organization. There were no borrowings outstanding under this line of credit at September 30, 2017 and 2016.

NOTE 8 – NOTE PAYABLE

In March 2017, the Organization entered into a bank loan agreement for the purchase of building and land. The related note payable is due in monthly installments of interest only commencing May 1, 2017 and continuing until December 1, 2017. Subsequently, on October 31, 2017 the Organization signed an extension on the loan maturity. Under the terms of the extension, interest only payments continue until the principal is to be paid in full on March 1, 2018. The note bears interest at daily LIBOR plus 2.00% (3.23% as of September 30, 2017) and is collateralized by the building. The Organization is in the process of converting this loan into a traditional long-term building mortgage.

NOTE 9 - OPERATING LEASES

The Organization leases office space under non-cancelable operating lease agreements. Certain leases contain provisions whereby if the Organization loses funding, the lease obligation can be terminated after a specific time period.

Future minimum lease payments under operating leases are as follows:

2018	$ 69,060
2019	50,988
2020	43,400
2021	17,082
2022	933
Thereafter	-
	$ 181,462

Rent expense was $232,565 and $234,492 for the years ended September 30, 2017 and 2016, respectively.

NOTE 10- CAPITAL LEASE OBLIGATION

During 2017, the Organization entered into a capital lease for a vehicle for a period of five years.

The capital lease obligation consists of the following as of September 30:

	2017
Capital lease obligation with monthly payments of $461, including interest at 7.08%, due June 2022. Collateralized by vehicle.	$ 23,976
Less: Current portion	(3,958)
Capital lease, less current portion	$ 20,018

Future minimum payments required under the lease are as follows for the years ended September 30:

2018	$ 5,528
2019	5,528
2020	5,528
2021	5,528
2022	6,548
Total minimum lease payments	$ 28,660
Less: Interest	(4,684)
Present value of minimum lease payments	$ 23,976

NOTE 11 - EMPLOYEE BENEFIT PLANS

The Organization sponsors a tax deferred savings plan which covers all eligible employees. Employees are permitted to make pre-tax deferrals of up to 25% of compensation or maximum amounts as allowed by law. The plan does not provide for an employer contribution.

The Organization also offers a comprehensive medical plan, life insurance and other customary benefits to eligible employees.

NOTE 12 - IN-KIND SUPPORT

The Organization receives volunteer services primarily to assist in serving their clients. In accordance with generally accepted accounting principles, this in-kind support is not recognized in the statement of activities. The fair value of this in-kind support was $1,121,575 and $1,458,652 for the years ended September 30, 2017 and 2016, respectively. Donated goods, training, advertising and rent of $104,563 and $126,874 are recognized in the statement of activities within “Contributions, including in-kind” for the years ending September 30, 2017 and 2016, respectively.

NOTE 13 - OHIO DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES AND COUNTY OF SUMMIT ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD

The Organization has recorded $458,245 and $723,548 in revenues from the Ohio Department of Mental Health & Addiction Services & County of Summit Alcohol, Drug Addiction & Mental Health Services Board for years ending September 30, 2017 and 2016, respectively, for various addiction services. This amount is included in the statement of activities, “Fees and grants from governmental agencies” line. The accounts receivable from the Ohio Department of Mental Health & Addiction Services & County of Summit Alcohol, Drug Addiction & Mental Health Services Board at September 30, 2017 and 2016 were $70,591 and $47,788 respectively.

NOTE 14 - OHIO DEPARTMENT OF AGING

The Organization has been awarded contracts from the Ohio Department of Aging for contract years July 2017 through June 2018 and July 2016 through June 2017 in the amounts of $3,384,467 and $3,724,727, respectively. Revenues earned under these contracts were $3,479,574 and $3,782,893 for the fiscal years ending September 30, 2017 and 2016, respectively. These amounts are included in the statement of activities within “Fees and grants from governmental agencies”.

NOTE 15 - CAPTIVE INSURANCE AGREEMENT

Effective July 1, 2015, the Organization entered into a group captive insurance agreement with a segregated account insurance company based in Bermuda. As of September 30, 2017, the Organization and six unrelated nonprofit organizations were members of a self-funded group medical captive program called Roundstone Mid Market Med Group Captive (“captive program”) owned by the segregated accounting insurance company. As of September 30, 2016, there were five unrelated nonprofit organization members. The members of the captive program share in its annual underwriting results and risks.

The captive program insures claims relating to healthcare expenses through reinsurance agreements with healthcare policy holders. The Organization’s reinsurance agreement for the year ended September 30, 2017 and 2016 included a maximum annual aggregate stop loss benefit of $1,000,000 with a maximum benefit per covered employee of $25,000. The agreement also included a specific stop loss benefit with a deductible per employee of $25,000.

As required by the agreement with the segregated account insurance company, the Organization has contributed indemnity collateral to the captive program. The indemnity collateral paid as of September 30, 2017 and 2016 was $18,110 and $15,729, respectively. The indemnity collateral is presented as prepaid expenses on the statements of financial position.

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VANTAGE AGING. FORMERLY MATURE SERVICES. INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30. 2017

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF LABOR			
Title V of Older Americans Act--Senior Community Service			
Employment Program:			
United States Department of Labor	17.235	$ 4,561,654	$ -
Ohio Department of Aging	17.235	3,479,574	-
		8,041,228	-
Employment Training Administration--Workforce Initiative Act - WIA Adult			
Program and WIA Dislocated Workers:			
Cuyahoga County Workforce Development	17.258/17.260	243,625	-
TOTAL U.S. DEPARTMENT OF LABOR		8,284,853	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Social Services Block Grant Passed Through:			
Summit County Adult Protective Services	93.667	125,724	-
Area Agency of Aging, 10B, Inc.:			
Special Programs for the Aging Title III Part D Health Promotion	93.043	8,584	-
Special Programs for the Aging Title III Part B Senior Centers	93.044	6,927	-
Special Programs for the Aging Title III Part C Nutrition Services	93.045	240,239	-
Nutrition Services Incentive Program	93.053	36,913	-
National Family Caregiver Support Title III Part E	93.052	1,600	-
County of Summit Alcohol, Drug Addiction and Mental Health Services Board:			-
Opioid STR	93.788	1,550	
Block Grants for Prevention and Treatment of Substance Abuse	93.959	112,319	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		533,856	-
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grants--Entitlement Grants Passed Through:			
City of Akron	14.218	22,816	-
City of Cuyahoga Falls	14.218	5,370	-
		28,186	-
CORPORATION OF NATIONAL AND COMMUNITY SERVICE			
Retired and Senior Volunteer Program	94.002	98,773	-

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARMENT OF AGRICULTURE			
Area Agency on Aging, 10B:			
Senior Farmers Market Nutrition Program	10.576	$ 36,255	$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 8,981,923	$ -

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - BASIS OF PRESENTATION

This schedule of expenditures of federal awards includes the federal grant activity of Mature Services, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule my differ from the amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - DE MINIMIS COST RATE

The Agency did not elect to use the 10% de minimis cost rate in accordance with 2 CFR 200.510(b)(6).

VANTAGE AGING, FORMERLY MATURE SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

SUMMARY OF THE AUDITORS' RESULTS

- Unqualified opinion issued on the financial statements.
- No significant deficiencies or material weaknesses in internal control over financial reporting were disclosed.
- No material instances of noncompliance were disclosed.
- No significant deficiencies or material weaknesses in internal control over major programs were disclosed.
- Unqualified opinion issued on compliance for major programs.
- The audit disclosed no audit findings required to be reported under OMB Uniform Guidance.
- The auditee qualified as a low-risk auditee.
- Identification of major programs:
  U.S. Department of Labor – Title V of Older Americans Act –
  17.235 Senior Community Service Employment
- The dollar threshold used to distinguish Type A and Type B programs was $750,000.

FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

- No findings to be reported.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

- No findings to be reported.

BOBER MARKEY FEDOROVICH
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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
VANTAGE Aging, formerly Mature Services, Inc.
Akron, Ohio

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 VANTAGE Aging, formerly Mature Services, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 6, 2018.

<u>Internal Control Over Financial Reporting</u>
In planning and performing our audit of the financial statements, we considered the Organization'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 audit 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 the Organization'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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bober, Markey, Fedorovich & Company

BOBER, MARKEY, FEDOROVICH & COMPANY
Akron, Ohio

February 6, 2018

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
VANTAGE Aging, formerly Mature Services, Inc.
Akron, Ohio

Report on Compliance for Each Major Federal Program

We have audited VANTAGE Aging, formerly Mature Services, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *Office of Management and Budget ("OMB") Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended September 30, 2017. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to the 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 Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Organization's compliance.

Opinion on Each Major Federal Program
In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2017.

Report on Internal Control Over Compliance
Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Bober, Markey, Fedorovich & Company

BOBER, MARKEY, FEDOROVICH & COMPANY
Akron, Ohio

February 6, 2018