

SELINGROVE PROJECTS INCORPORATED
A Nonprofit Organization

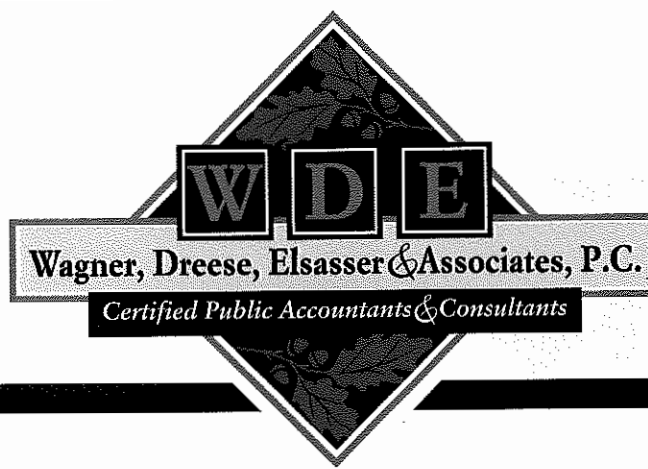
Compiled Financial Statements

For the Years Ended December 31, 2014 and 2013

SELINGROVE PROJECTS INCORPORATED

Contents

	<u>Page Number</u>
Independent Accountant's Compilation Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	5
Notes to Financial Statements	6



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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Trustees of
SELINGROVE PROJECTS INCORPORATED

Management is responsible for the accompanying financial statements of Selingsgrove Projects Incorporated (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Wagner, Dreese, Elsasser & Associates, P.C.

WAGNER, DREESE, ELSASSER & ASSOCIATES, P.C.
Certified Public Accountants and Consultants

Selingsgrove, PA
January 19, 2016

SELINGSGROVE PROJECTS INCORPORATED
 Statements of Financial Position
 December 31, 2014 and 2013
 See Independent Accountant's Compilation Report

ASSETS

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$ 56,075	\$ 40,798
Certificates of deposit	100,660	100,459
Other current assets	270	270
Property and equipment, net	<u>251,973</u>	<u>248,533</u>
Total assets	<u>\$ 408,978</u>	<u>\$ 390,060</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	<u>\$ 59</u>	<u>\$ 1,339</u>
Total liabilities	<u>59</u>	<u>1,339</u>

NET ASSETS

Unrestricted	401,784	382,991
Temporarily restricted	<u>7,135</u>	<u>5,730</u>
Total net assets	<u>408,919</u>	<u>388,721</u>
Total liabilities and net assets	<u>\$ 408,978</u>	<u>\$ 390,060</u>

SELINSGROVE PROJECTS INCORPORATED
 Statements of Activities
 For the Years Ended December 31, 2014 and 2013
 See Independent Accountant's Report

	<u>2014</u>	<u>2013</u>
UNRESTRICTED NET ASSETS		
Support		
Contributions	\$ 3,800	\$ 5,705
Grant income	<u>3,813</u>	<u>500</u>
Total support	<u>7,613</u>	<u>6,205</u>
Revenue		
Sales	3,472	36,939
Festival ticket sales	81,435	81,745
Festival vendor fees	12,580	11,955
Investment income	203	202
Other income	<u>5,180</u>	<u>1,520</u>
Total revenue	<u>102,870</u>	<u>132,361</u>
Net assets released from restrictions		
Restrictions satisfied by payments	<u>4,759</u>	<u>87,223</u>
Total unrestricted support and revenue	<u>115,242</u>	<u>225,789</u>
Expenses		
Program services - Community Revitalization		
Materials and supplies	28,367	21,823
Food costs	9,031	5,004
Entertainment	2,260	2,100
Outside services	6,503	17,136
Security	1,290	630
Miscellaneous expenses	11,346	9,601
Advertising	7,220	1,457
Insurance	2,098	2,915
Utilities	793	5,638
Rent	120	18,000
Payroll and related costs	48	15,867
Depreciation	-	34
Awards and scholarships	700	-
Professional development	300	447
Donations	-	67,996
Program services - Commons		
Materials and supplies	1,184	1,703
Outside services	1,176	3,264
Utilities	321	144
Depreciation	1,060	760
Borough grant	20,000	20,000
Miscellaneous expenses	87	50

See Accompanying Notes to Financial Statements

SELINGROVE PROJECTS INCORPORATED
 Statements of Activities
 For the Years Ended December 31, 2014 and 2013
 See Independent Accountant's Report

	<u>2014</u>	<u>2013</u>
Program services - Restoration		
Materials and supplies	\$ -	\$ 326
Outside services	135	90
Miscellaneous expenses	-	2,655
Total program services	<u>94,039</u>	<u>197,640</u>
Supporting services		
Bank Fees	526	2,515
Dues and Subscriptions	1,210	1,133
Office Supplies	106	678
Postage	268	446
Service Payments-Administrative	300	146
Total supporting services	<u>2,410</u>	<u>4,918</u>
Total expenses	<u>96,449</u>	<u>202,558</u>
CHANGE IN UNRESTRICTED NET ASSETS	<u>18,793</u>	<u>23,231</u>
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	1,610	6,967
Grant income	4,554	1,302
Net investment income	-	166
Net assets released from restrictions	<u>(4,759)</u>	<u>(87,223)</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>1,405</u>	<u>(78,788)</u>
CHANGE IN NET ASSETS	20,198	(55,557)
NET ASSETS, Beginning	<u>388,721</u>	<u>444,278</u>
NET ASSETS, Ending	<u>\$ 408,919</u>	<u>\$ 388,721</u>

See Accompanying Notes to Financial Statements

SELINGSGROVE PROJECTS INCORPORATED
 Statements of Cash Flows
 For the Years Ended December 31, 2014 and 2013
 See Independent Accountant's Compilation Report

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 20,198	\$ (55,557)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	1,060	794
Changes in:		
Other current assets	-	1,500
Accounts payable and accrued expenses	<u>(1,280)</u>	<u>(9,000)</u>
Net cash provided (used) by operating activities	<u>19,978</u>	<u>(62,263)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested interest on certificates of deposit	(201)	(201)
Capital expenditures	<u>(4,500)</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>(4,701)</u>	<u>(201)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,277	(62,464)
CASH AND CASH EQUIVALENTS, Beginning	<u>40,798</u>	<u>103,262</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 56,075</u>	<u>\$ 40,798</u>

SELINGSGROVE PROJECTS INCORPORATED
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Selinsgrove Projects Incorporated (SPI) was incorporated in May, 1985 to enhance Selinsgrove, Pennsylvania. The Organization's purpose is to promote and assist in the growth, development and conservation of the unique character and heritage of Selinsgrove and the surrounding area and to promote and encourage the reinvestment of public and private funds to accomplish these purposes.

Basis of Accounting

The financial statements of Selinsgrove Projects Incorporated have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report 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.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash balances in financial institution accounts which have not exceeded federally insured amounts. The Organization has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on cash.

Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at fair value on the date of the donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

SELINGSGROVE PROJECTS INCORPORATED
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Services

The value of donated volunteer services is not reflected in the accompanying financial statements. However, a substantial number of volunteers have donated significant amounts of their time and perform a variety of tasks that assist the Organization with specific programs, fund raising and various committee assignments. The Organization pays for some services requiring specific expertise.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Expense Allocation

Directly identifiable expenses are charged 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.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Accordingly, no income tax provision is recognized for financial reporting purposes.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Restricted and Unrestricted Revenue

Contributions received are recorded as increases in unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At December 31, 2014 and 2013, temporarily restricted net assets are restricted primarily for or are restricted based on time restrictions of payment by the donor. Permanently restricted net assets consist of funds to be held indefinitely, the income from which is to support the Organization's general activities.

SELINSGROVE PROJECTS INCORPORATED
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only with the conditions on which they depend are substantially met and the promises become unconditional.

Advertising

The Organization uses advertising to promote its programs among the area it serves. The costs of advertising are expensed as incurred. During the years ended December 31, 2014 and 2013, advertising costs amounted to \$7,220 and \$1,457, respectively.

NOTE 2 - DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES

The program and supporting services in the accompanying financial statements include but are not limited to: the rehabilitation and development of housing, the improvement of community facilities, the revitalization of the established downtown commercial districts, the adaptive reuse of significant older buildings, and the general improvement and betterment of Selinsgrove and the surrounding area.

NOTE 3 - CERTIFICATES OF DEPOSIT

Certificates of deposit totaling \$100,660 and \$100,459 at December 31, 2014 and 2013 are included in the accompanying financial statements. The certificate at December 31, 2014 bears interest of .2% and maturity of nine months.

NOTE 4 - PROPERTY AND EQUIPMENT

At December 31, 2014 and 2013 property and equipment consisted of the following:

	<u>2014</u>	<u>2013</u>
Land and improvements	\$ 250,707	\$ 250,707
Equipment	<u>6,515</u>	<u>2,015</u>
	257,222	252,722
Less accumulated depreciation	<u>5,248</u>	<u>4,189</u>
Net	<u>\$ 251,973</u>	<u>\$ 248,533</u>

Depreciation expense for the year ending December 31, 2014 and 2013 was \$1,060 and \$794, respectively.

SELINGROVE PROJECTS INCORPORATED

Notes to Financial Statements

December 31, 2014 and 2013

NOTE 5 - LEASE

The Organization has entered into a lease agreement with the Selingsrove Borough. The lease requires no monthly payment and has a term of 25 years, ending March 6, 2036.

NOTE 6 – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2014</u>	<u>2013</u>
TBIZ	\$ 2,000	\$ -
Clock	1,843	1,812
Governor Snyder Monument	1,150	1,150
White Christmas	<u>2,142</u>	<u>2,768</u>
Total	<u>\$ 7,135</u>	<u>\$ 5,730</u>

NOTE 7– OPEN TAX YEARS

The Organization's Forms 990-EZ, Return of Organization Exempt from Income Tax, for the years ending 2014, 2013, 2012 and 2011 are subject to examination by the IRS, generally for 3 years after they were filed.

NOTE 8– SUBSEQUENT EVENTS

Subsequent events were evaluated through January 19, 2016, which is the date the financial statements were available to be issued.