



Maps
Counseling Services

Navigating Life's Challenges

Navigating Life's Challenges
Caring for Mind, Heart, Body and Spirit

2023
ANNUAL REPORT

23 Central Square, Suite 300
Keene, NH 03431
(603) 355-2244

174 Concord Street, Suite 200
Peterborough, NH 03458
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www.mapsnh.org

Maps Counseling Services

Maps Board of Directors in December 2022

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Maps Staff in December 2022

Ralph Sperry, Executive Director
Jill Burns MCMHC, MLADC Associate Executive Director
Tina Borsa Training Director from

Dawn Reed, Business Manager
Jennifer Folsom Intake Coordinator
Susan Fletcher, Admin Assistant
Eva Drenkhahn, Marketing Assistant

Senior Staff Therapists

Monika Faber, MS Louise Howlett, MFT
Lucinda Nightingale, LMFT Gina Pasquale, Psy.D.
Jessica Pierce, LCMHC. Angele Romano MSW
Susanne Riemer, MSW John Sannicandro, LCMHC
Megan Smith, Psy.D.

Staff Residents

Kaitlin Guildford Kathryn O'Neil
Danielle Ravenelle Gail Williams

Doctoral Practicum Students

Maranda Bowers Katie Brenner

Marriage and Family Therapy Student

Logan Parrott

Clinical Intern

Brooke Brownell



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December 12, 2023

I am honored to present our annual report for 2023, the year Maps turned 50! As the new Executive Director of Maps Counseling Services as of July 2023, and a long time staff member, I am immensely proud to reflect on the impactful strides and meaningful progress we've made throughout the past year in advancing the Maps vision of *a community, strong in mind, heart, body, and spirit, equipped to confidently navigate life's challenges.*

Throughout 2023, Maps Counseling Services has remained dedicated to our core mission of providing accessible and compassionate mental health services to our community. Despite facing unprecedented challenges and changes, our collective efforts have yielded significant accomplishments.

2023 Highlights

- **Psychotherapy Services:** Our amazing Maps providers continued to deliver high-quality clinical care, placing a particular emphasis on addressing the evolving needs of our clients. The Fall 2023 Maps Client Satisfaction Survey yielded overwhelmingly positive results. The final item on the survey asked: 'Would you recommend Maps to a friend or family member in need?' Upon examining the data, I was delighted to find that all clients who completed the survey unanimously responded with the highest possible score.
- **Program Development:** There are significant barriers to becoming a licensed mental health provider in New Hampshire. The largest barrier is lack of opportunity. Maps has worked persistently in 2023 to expand our residency program thereby creating opportunities for graduates to stay in our community while working towards licensure. We now have a robust and sustainable residency program heading into 2024.
- **Collaborations and Community Connections:** In 2023, Maps increased our engagement in the community and reaffirmed our commitment to collaboration with schools, training programs, our fellow mental health providers, and our community neighbors. This collaborative approach doesn't merely address immediate needs; it plants the seeds for a resilient, compassionate community, where mental health is recognized, understood, and supported as an integral part of overall well-being.
- **Employee Benefits:** Improving the Maps employee benefits package was a high priority in 2023. I am grateful to all the players who helped us further develop our benefits so starting in January 2024 our employees will have employer sponsored short term disability as well as employer sponsored New Hampshire Paid Family and Medical Leave added to our array of benefits. And, we will not sit on our laurels, we will continue building in 2024.

Accredited by the Solihden Institute
Maps Counseling Services envisions a community,
strong in mind, heart, body, and spirit, equipped to confidently navigate life's challenges

None of these achievements would have been possible without the unwavering support and dedication of our board, donors, staff, and the communities we serve. Your commitment to mental health advocacy remains the driving force behind our accomplishments.

In addition to continuing all that we already do at Maps, we have a great deal in store for 2024:

- In 2024 we will seek reaccreditation with the Solihten Institute, which will help us further strengthen our organization.
- In 2024 Maps will begin using the Bridges Assessment System for measuring client outcomes, which will ensure best practices in our clinical work.
- In 2024 our Training Director, Tina Borsa LCMHC, will expand our training offerings to the community beyond Maps. We are already hearing buzz from our community colleagues that they are eager to participate.
- In 2024 we will continue increasing our community engagement and collaborations. These relationships will ensure that Maps is known in the community so we can continue providing a place where folks are inspired to participate in myriad ways.
- Maps turned 50 in 2023 and in 2024 we will celebrate our 50th year with a night of fun that will include a great show and most importantly, desserts! Please save the date: Saturday June 8, 2024!

I extend my heartfelt gratitude to each of you for your continuous support and belief in our mission. Together, we will continue to work towards creating a society where mental health is embraced, supported, and prioritized.

Warm regards,



Gina M. Pasquale, PsyD
Executive Director
Maps Counseling Services

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New Hampshire Charitable Foundation
Bank of NH - Dobles Foundation
John Hoffman

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MAPS COUNSELING SERVICES
FINANCIAL STATEMENTS
DECEMBER 31, 2022
AND
INDEPENDENT AUDITORS' REPORT



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
MAPS Counseling Services:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MAPS Counseling Services (a not-for-profit New Hampshire organization) which comprise the statement of financial position as of December 31, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of MAPS Counseling Services as of December 31, 2022, and the changes in its net assets and its cash flows for the year 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 (GAAS). 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 MAPS Counseling Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 these 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 MAPS Counseling Services' ability to continue as a going concern for one year after the date that the financial statements are 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 auditors' 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 GAAS 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 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 GAAS, 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 MAPS Counseling Services' 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 MAPS Counseling Services' 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.

Report on Summarized Comparative Information

We have previously audited MAPS Counseling Services's December 31, 2021 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 17, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Oster & Wheeler, P.C.

Keene, New Hampshire
July 31, 2023

MAPS COUNSELING SERVICES
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2021)

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 160,461	\$ 183,978
Accounts receivable, net of allowance of \$4,500 and \$6,500 as of December 31, 2022 and 2021, respectively	145,962	206,648
Other current assets	9,685	10,953
Total current assets	<u>316,108</u>	<u>401,579</u>
PROPERTY AND EQUIPMENT, at cost:		
Furniture and fixtures	251,360	251,360
Leasehold improvements	828,507	828,507
	1,079,867	1,079,867
Less - Accumulated depreciation	(418,655)	(356,062)
Net property and equipment	<u>661,212</u>	<u>723,805</u>
OTHER ASSETS:		
Operating lease right of use assets, net	303,289	-
Security deposit	3,201	3,201
Total other assets	<u>306,490</u>	<u>3,201</u>
Total assets	<u>\$ 1,283,810</u>	<u>\$ 1,128,585</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 5,204	\$ 5,716
Current portion of operating lease liability	31,853	-
Accrued payroll and related expenses	14,189	37,611
Total current liabilities	<u>51,246</u>	<u>43,327</u>
LONG-TERM LIABILITIES:		
Operating lease liability, net of current portion	271,435	-
Total long-term liabilities	<u>271,435</u>	-
Total liabilities	<u>322,681</u>	<u>43,327</u>
NET ASSETS:		
Without donor restrictions	961,129	1,085,258
Total net assets	<u>961,129</u>	<u>1,085,258</u>
Total liabilities and net assets	<u>\$ 1,283,810</u>	<u>\$ 1,128,585</u>

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

MAPS COUNSELING SERVICES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)

	<u>2022</u>	<u>2021</u>
REVENUES:		
Program service revenue	\$ 938,951	\$ 1,059,169
Contributions	49,523	61,465
Grants	27,693	237,764
Gifts in-kind	-	525
Workshop events, net of expenses	7,126	4,210
Miscellaneous income	<u>162</u>	<u>654</u>
Total revenues	<u>1,023,455</u>	<u>1,363,787</u>
EXPENSES:		
Program services	871,486	1,013,254
Management and general	266,214	242,198
Fundraising	<u>9,884</u>	<u>19,721</u>
Total expenses	<u>1,147,584</u>	<u>1,275,173</u>
Change in net assets without donor restriction	(124,129)	88,614
Net assets without donor restriction, beginning of year	<u>1,085,258</u>	<u>996,644</u>
Net assets without donor restriction, end of year	<u>\$ 961,129</u>	<u>\$ 1,085,258</u>

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

MAPS COUNSELING SERVICES
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)

	2022				2021
	Program Services	Management and General	Fundraising	Totals	Totals
Salaries and benefits	\$ 666,730	\$ 123,057	\$ 3,165	\$ 792,952	\$ 911,839
Payroll taxes	53,394	8,794	628	62,816	68,626
Depreciation	12,519	50,075	-	62,594	73,025
Amortization of right of use assets	6,730	26,922	-	33,652	-
Office expenses	25,139	6,704	1,676	33,519	39,987
Telephone and communications	13,327	10,661	2,665	26,653	26,665
Occupancy	19,145	6,382	-	25,527	75,680
Computer support	16,470	5,882	1,176	23,528	20,906
Interest expense	13,338	4,446	-	17,784	-
Professional fees	7,272	7,273	-	14,545	14,931
Bad debt expense	12,254	1,362	-	13,616	3,782
Insurance	9,907	2,477	-	12,384	10,555
Conferences and meetings	5,954	5,954	-	11,908	15,986
Supplies	3,831	3,832	-	7,663	5,400
Advertising and promotion	4,018	1,148	574	5,740	6,343
Other expenses	1,245	1,245	-	2,490	849
Development	213	-	-	213	74
Gifts in-kind	-	-	-	-	525
Total functional expenses	\$ <u>871,486</u>	\$ <u>266,214</u>	\$ <u>9,884</u>	\$ <u>1,147,584</u>	\$ <u>1,275,173</u>

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

MAPS COUNSELING SERVICES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from clients and donors	\$ 1,085,245	\$ 1,256,747
Cash paid to suppliers and employees	(1,057,488)	(1,206,435)
Interest expense	(17,784)	(395)
Other income	162	654
Net cash flows from operating activities	<u>10,135</u>	<u>50,571</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>-</u>	<u>(17,169)</u>
Net cash flows from investing activities	<u>-</u>	<u>(17,169)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on operating lease liability	(33,652)	-
Repayment of note payable	<u>-</u>	<u>(22,031)</u>
Net cash flows from financing activities	<u>(33,652)</u>	<u>(22,031)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(23,517)	11,371
CASH AND CASH EQUIVALENTS, beginning of year	<u>183,978</u>	<u>172,607</u>
CASH AND CASH EQUIVALENTS, end of year	\$ <u><u>160,461</u></u>	\$ <u><u>183,978</u></u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (124,129)	\$ 88,614
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Allowance for bad debts	(2,000)	3,500
Depreciation	62,594	73,025
Amortization of right of use asset	33,652	-
(Increase) decrease in the following assets:		
Accounts receivable	62,685	(110,990)
Other current assets	1,267	1,104
Increase (decrease) in the following liabilities:		
Accounts payable and accrued expenses	(512)	1,528
Accrued payroll and related expenses	<u>(23,422)</u>	<u>(6,210)</u>
Net cash flows from operating activities	\$ <u><u>10,135</u></u>	\$ <u><u>50,571</u></u>

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

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. Summary of significant accounting policies:

Nature of business – MAPS Counseling Services, “the Organization,” is a not-for-profit corporation organized in New Hampshire. The Organization is exempt from income tax under Internal Revenue Code Section 501(c)(3).

The Organization was formed for health and educational purposes. The Organization has established facilities to provide individuals and groups with spiritually integrated outpatient psychotherapy in the Monadnock region. Counseling is provided without regard to the clients’ ability to provide payment for the services. The Organization provides a subsidy to those clients through contributions and grants received from the public. The Organization is currently the largest provider of outpatient mental health care in the Monadnock region.

Basis of accounting – The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). This basis of accounting requires the application of accrual accounting. Under the accrual method of accounting revenue is recognized when services are delivered, or contributions are unconditionally pledged and expenses are recorded as incurred.

Basis of presentation – The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958 *Not-For-Profit Entities*. The accompanying financial statements have been prepared on the accrual basis of accounting. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Non-cash contributions are recorded at fair market value on the date of donation. Income earned on net assets, including net realized appreciation on investments, is reflected as a change in net assets without donor restrictions or net assets with donor restrictions in accordance with donor stipulations.

Amounts related to the Organization’s financial position and activities are reported in two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor or certain grantor restrictions.

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time or purpose restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished. When a donor restriction expires the net assets are reclassified as net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board-approved spending policy. Restricted contributions that are received and utilized in accordance with donor stipulations in the same year are reported as contributions without donor restrictions. The Organization follows a similar policy for investment return on these funds.

Cash and cash equivalents – Cash and cash equivalents include highly liquid investments with short-term maturities, excluding any assets limited as to use. For the years ended December 31, 2022 and 2021 cash and cash equivalents include checking and money market savings accounts.

Accounts receivable – Accounts receivable are stated at the amount management expects to collect on outstanding balances in one year or less. The Organization utilizes the allowance method to provide for uncollectible pledges and receivables. The adequacy of the allowance for doubtful accounts is reviewed on an ongoing basis by the Organization’s management and adjusted as required through the allowance for doubtful accounts (bad debt expense). Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to allowance for doubtful accounts and a credit to accounts receivable. At December 31, 2022 and 2021, the allowance for doubtful accounts was \$4,500 and \$6,500, respectively.

Property and equipment – Property and equipment are carried at cost. Maintenance repairs and minor renewals are expensed as incurred. Major renewals, betterments and leasehold improvements are capitalized. Depreciation is computed on the straight-line method and is provided over the estimated useful life of each class of depreciable asset. Assets sold or otherwise disposed of are removed from accounts, along with the related accumulated depreciation, and any gain or loss is recognized. Fully depreciated property is carried in the accounts until retired.

The ranges of estimated useful lives are:

	<u>Years</u>
Furniture and fixtures	5-10
Leasehold improvements	10

Depreciation expense was \$62,594 and \$73,025 for the years ended December 31, 2022 and 2021, respectively.

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount 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.

Contributions and grants – Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present: (1) An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized (2) An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met. Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award. Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability. Grant awards that are exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. There were no grants or awards that were considered exchange transactions during the years ended December 31, 2022 and 2021.

Donations in kind – Contributions of nonfinancial assets and materials are recorded as contributions at their estimated fair values at the date of donation. Contributions of services are recognized when they are received if the services (a) create or enhance nonfinancial assets or (b) required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The Organization pays for most services requiring specific expertise. However, some individuals may volunteer their time and perform a variety of tasks that assist the Organization with specific programs and various committee assignments.

Functional allocation of expense - The costs of providing the various program and supporting services have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Expenses are charged to programs and supporting services on the basis of periodic expense reviews and management estimates. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. 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.

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Income taxes – The Organization qualifies as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization has evaluated its significant tax positions, including their tax-exempt status, and determined that they do not need to recognize a liability for any uncertain tax positions for interest, penalties or potential taxes. Accordingly, no provision for income taxes is required. The Organization's annual federal return filing (Form 990) and state filing (Form NHCT-12) remain subject to examination by major tax jurisdictions for the standard three-year statute of limitations.

Accounting pronouncements adopted – In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). ASU 2016-02 establishes a comprehensive new lease accounting model. The new standard clarifies the definitions of a lease, requires a dual approach to lease classification similar to current lease classifications, and causes lessees to recognize leases on the balance sheet as a lease liability with a corresponding right-of-use asset for leases with a lease term of more than twelve months. In June 2020, the FASB issued 2020-05 which provided nonpublic companies with a one-year deferral of the effective date of ASC 842. The Organization elected to adopt this deferral and ASU 2016-02 is effective for the Organization's year ending December 31, 2022. The new standard originally required a modified retrospective transition for capital or operating leases existing at or entered into after the beginning of the earliest comparative period presented in the financial statements, but it does not require transition accounting for leases that expire prior to the date of the initial application. In July 2018, the FASB issued ASU No. 2018-11 Leases (Topic 842) which provided another transition method in addition to the existing transition method by allowing entities to initially apply the new leases standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The Organization has elected to use the effective date method for applying the ASU, so the Statement of Activities for the year ended December 31, 2021 did not need to be restated.

In September 2020, the FASB issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash or other financial assets. It also requires certain disclosures for each category of contributed nonfinancial assets recognized. The Organization adopted this guidance as of January 1, 2022, as required by the standard. The Organization applied Topic 958 on a retrospective basis.

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Liquidity and availability:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 160,461	\$ 183,978
Accounts receivable, net	<u>145,962</u>	<u>206,648</u>
Total financial assets available within one year	306,423	390,626
Less:		
Amounts unavailable to management without board's approval:		
Board designated for operational support	<u>(120,261)</u>	<u>(120,198)</u>
	\$ <u>186,162</u>	\$ <u>270,428</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

3. Accounts receivable:

Accounts receivable of the organization consisted of the following balances at December 31:

	<u>2022</u>	<u>2021</u>
Program fees	\$ <u>150,462</u>	\$ <u>213,148</u>
Total accounts receivable	150,462	213,148
Less: allowance for doubtful accounts	<u>(4,500)</u>	<u>(6,500)</u>
Net accounts receivable	\$ <u>145,962</u>	\$ <u>206,648</u>

MAPS COUNSELING SERVICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

4. Right of use assets:

The following is a summary of changes in the right of use assets on the Statement of Financial Position:

	<u>Balance</u> <u>1/1/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2022</u>
Right of use assets:				
Office space - United Church of Christ	\$ -	\$ 292,350	\$ -	\$ 292,350
Office space - Peterborough	<u>-</u>	<u>44,591</u>	<u>-</u>	<u>44,591</u>
Total right of use assets	-	336,941	-	336,941
Less: accumulated amortization for:				
Right of use assets	<u>-</u>	<u>33,652</u>	<u>-</u>	<u>33,652</u>
Total right of use assets, net	\$ <u>-</u>	\$ <u>303,289</u>	\$ <u>-</u>	\$ <u>303,289</u>

Refer to Note 5 for the related lease information.

5. Commitment and contingencies:

The Organization has an agreement with the United Church of Christ that the third floor of the Parish House would be used for the Organization's office space. The term of the lease is 20 years, with initial monthly payments of \$2,050 per month. For each subsequent year, the annual rent increases by 1% of the previous year's rent. In addition, the annual rent shall increase by 20% of the amount that the lessor's cost of utilities and maintenance expenses increase from the base year.

The Organization renewed a lease agreement for its Peterborough office facilities with Juniper Peterborough, LLC for a five-year term expiring on October 31, 2023. The monthly lease payments increase each year of the five-year term. The monthly lease payments are \$2,029 for year one, \$2,069 for year two, \$2,111 for year three, \$2,153 for year four and \$2,196 for year five. Included in the monthly rent is an amount for real estate taxes and assessments, if there is any increase in the taxes or assessments above the amount included in the monthly lease payment the Organization will be billed for the increase.

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The Organization adopted ASU 2016-02 on the effective date of January 1, 2022. Because the Organization is reasonably certain to exercise the renewal options of the lease for the foreseeable future, which extends past one year, and the lease does not transfer ownership, ASU 2016-02 requires the lessee to recognize a lease liability and an intangible right of use asset. These amounts are reported on the Statement of Net Position at December 31, 2022 (refer to Note 4 for details). In order to convey the commitment due to the full lease with the expectation of utilizing the renewal terms of the lease, the calculations per ASU 2016-02 were calculated to include the renewal periods in the present value calculation. The implicit interest rate used for this calculation was 5.50%, which was the federal prime rate at the start of the lease terms.

With an implicit interest rate of 5.50%, the present value of the lease liability as of the ASU 2016-02 effective date of January 1, 2022 was \$336,941. Total lease payments during the year ended December 31, 2022 were as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2022	\$ <u>21,457</u>	\$ <u>29,979</u>	\$ <u>51,436</u>

The future minimum lease commitments are as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2023 (current portion)	\$ 15,877	\$ 31,853	\$ 47,730
2024	14,738	11,290	26,028
2025	14,094	12,193	26,287
2026	13,400	13,151	26,551
2027	12,651	14,165	26,816
Thereafter	<u>72,628</u>	<u>220,637</u>	<u>293,265</u>
	\$ <u>143,388</u>	\$ <u>303,289</u>	\$ <u>446,677</u>

6. Line of credit:

The Organization has a line of credit from Mascoma Bank that has a borrowing limit of \$100,000 that matures January 2023. The interest rate on the line of credit is a variable interest rate based on the Wall Street Journal Prime rate (7.50% at December 31, 2022). As of December 31, 2022 and 2021, the line of credit had not been utilized and therefore no interest was paid during the years then ended.

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7. Board designated net assets:

The Organization has net assets without donor restrictions that are considered board restricted. These net assets are unavailable to management without the board's approval and are designated for operations support. Board designated net assets totaled \$120,261 and \$120,198 as of December 31, 2022 and 2021, respectively.

8. Net assets with donor restrictions:

There were no donor restricted net assets that were temporarily or permanently restricted at December 31, 2022 and 2021.

9. Relocation grant:

During 2016 the Organization entered into a tax credit program grant agreement. The grant amount available to MAPS Counseling Services against the tax credits is \$120,000. The grant period is from August 9, 2016 to July 31, 2021. The purpose of the grant is to provide funding for relocation to the property situated at 23 Central Square, Keene, NH. Initially the expense is incurred by the Organization and then reimbursed through the grants management system from CDFFA (Community Development Finance Authority). During the years ended December 31, 2022 and 2021, no claims have been presented to the CDFFA for approval and reimbursement. Cumulative credits received under the program as of December 31, 2022, are \$100,027.

10. Grant contingency:

The Organization is subject to several reporting and performance requirements in connection with the CDBG (Note 9) and there exists a right of return if these requirements are not met.

To secure performance of the obligations of the Organization, the Organization agreed to furnish a performance security mortgage in the amount of \$430,000 on the new location. The mortgage shall provide for the recovery by grantee of the total CDBG funds expended on this project in the event that conditions of the award not be substantially met.

As of December 31, 2022 and 2021, the Organization had no receivables and no deferred revenue related to the CDBG.

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11. In-kind contributions:

For the years ended December 31, 2022 and 2021, contributed nonfinancial assets recognized within the Statement of Activities consisted of the following:

	<u>2022</u>	<u>2021</u>
Other goods	\$ <u> -</u>	\$ <u> 525</u>
	\$ <u> -</u>	\$ <u> 525</u>

The Organization recognized contributed nonfinancial assets within revenue, which consisted of other goods. This contribution did not have any donor-imposed restrictions and was donated for a fundraising event. In valuing the contribution, the Organization estimated the fair value based on the cost to purchase the item.

12. CARES Act grant:

In January 2021, MAPS Counseling Services was the recipient of an award from the Small Business Administration's (SBA) Paycheck Protection Program (PPP) as a result of legislation passed to assist businesses in navigating the Coronavirus pandemic. The total amount of the award was \$158,380, and it was to be used for eligible payroll and operating expenses. Should the conditions of the award not be substantially met, all or a portion of the award would have needed to be paid back with 1.00% interest. In October 2021, the SBA determined that all conditions of this award had been substantially met. These funds are included under Grants reported on the Statement of Activities at December 31, 2021.

13. Fundraising expenses:

The Organization has total fundraising expenses of \$9,884 and \$19,721 for the years ended December 31, 2022 and 2021 respectively. The fundraising expenses have been allocated based on the actual expenses incurred for the fundraising and the estimated time cost of the staff.

14. Subsequent events:

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 31, 2023, the date the financial statements were available to be issued. No additional events were noted for disclosure.

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15. Reclassifications:

Certain items have been reclassified in the prior year financial statements to conform with the current year presentation. These reclassifications had no effect on net assets or changes in net assets as previously reported.

