

AUSTIN GROUPS FOR THE ELDERLY, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED DECEMBER 31, 2015 and 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Austin Groups for the Elderly, Inc.
Austin, Texas

We have audited the accompanying financial statements of Austin Groups for the Elderly, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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 Austin Groups for the Elderly, Inc. as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Gindler, Chappell, Morrison & Co., P.C.
Austin, Texas
August 11, 2016

FINANCIAL STATEMENTS

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 217,132	\$ 172,523
Designated cash	20,000	20,000
	237,132	192,523
Receivables:		
Program service fees	69,546	71,834
Grants and contracts	13,701	37,752
Tenant rents	612	986
Prepaid expenses	24,517	27,913
Total current assets	345,508	331,008
 Fixed assets		
Land	181,695	181,695
Building and improvements	1,198,773	1,108,479
Furniture and equipment	97,685	228,983
Vehicles	214,960	123,162
Leasehold improvements	55,412	55,412
Less accumulated depreciation	(1,106,801)	(1,157,374)
Net fixed assets	641,724	540,357
Other assets	3,285	3,285
Total assets	\$ 990,517	\$ 874,650
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 31,606	\$ 32,557
Deferred revenues	18,057	12,556
Accrued payroll	15,910	9,915
Payroll liabilities	4,853	9,775
Vacation accrual payable	13,122	8,833
Total current liabilities	83,548	73,636
Security deposits held	10,089	10,242
Commitments and contingencies		
Total liabilities	93,637	83,878
Net assets		
Unrestricted net assets		
Available for current operations	129,733	109,371
Board designations	20,000	20,000
Investment in fixed assets	641,724	540,357
Total unrestricted net assets	791,457	669,728
Temporarily restricted net assets	105,423	121,044
Permanently restricted net assets	-	-
Total net assets	896,880	790,772
Total liabilities and net assets	\$ 990,517	\$ 874,650

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2015 and 2014

	2015			
	Current Operating Funds			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES AND OTHER SUPPORT				
Program service fees	\$ 1,063,429	\$ -	\$ -	\$ 1,063,429
Grants and contracts	64,300	946,877	-	1,011,177
Contributions	167,210	50	-	167,260
Contributed goods and services	135,256	4,285	-	139,541
Fund raising event	29,065	-	-	29,065
Other revenue	2,854	-	-	2,854
Investment income - interest	1,592	-	-	1,592
Net assets released from donor imposed restrictions	966,833	(966,833)	-	-
Total revenues and other support	2,430,539	(15,621)	-	2,414,918
EXPENSES				
Program services				
Adult Day Health Care	1,324,536	-	-	1,324,536
AGE Building	187,547	-	-	187,547
Caregiver Resource Center	478,056	-	-	478,056
AGE Computer Lab	150,338	-	-	150,338
Total program services	2,140,477	-	-	2,140,477
Supporting services				
Management and general	69,257	-	-	69,257
Fund raising	99,076	-	-	99,076
Total supporting services	168,333	-	-	168,333
Total expenses	2,308,810	-	-	2,308,810
CHANGE IN NET ASSETS (decrease)	121,729	(15,621)	-	106,108
NET ASSETS				
Beginning of year	669,728	121,044	-	790,772
End of year	\$ 791,457	\$ 105,423	\$ -	\$ 896,880

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF ACTIVITIES - continued

Years Ended December 31, 2015 and 2014

	2014			
	Current Operating Funds			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES AND OTHER SUPPORT				
Program service fees	\$ 1,048,660	\$ -	\$ -	\$ 1,048,660
Grants and contracts	10,500	439,900	-	450,400
Contributions	164,903	1,000	-	165,903
Contributed goods and services	105,355	3,625	-	108,980
Fund raising event	50,743	-	-	50,743
Other revenue	1,057	-	-	1,057
Investment income - interest	1,805	-	-	1,805
Net assets released from donor imposed restrictions	680,924	(680,924)	-	-
Total revenues and other support	2,063,947	(236,399)	-	1,827,548
EXPENSES				
Program services				
Adult Day Health Care	1,151,136	-	-	1,151,136
AGE Building	225,929	-	-	225,929
Caregiver Resource Center	414,220	-	-	414,220
AGE Computer Lab	123,091	-	-	123,091
Total program services	1,914,376	-	-	1,914,376
Supporting services				
Management and general	64,869	-	-	64,869
Fund raising	95,994	-	-	95,994
Total supporting services	160,863	-	-	160,863
Total expenses	2,075,239	-	-	2,075,239
CHANGE IN NET ASSETS (decrease)	(11,292)	(236,399)	-	(247,691)
NET ASSETS				
Beginning of year	681,020	357,443	-	1,038,463
End of year	\$ 669,728	\$ 121,044	\$ -	\$ 790,772

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2015 and 2014

EXPENSES	2015						Total
	Program Services				Supporting Services		
	Adult Day Health Care	AGE Building	Caregiver Resource Center	AGE Computer Lab	Management & General	Fund Raising	
Salaries	\$ 647,346	\$ 18,168	\$ 287,374	\$ 4,816	\$ 45,074	\$ 47,124	\$ 1,049,902
Payroll taxes	60,621	1,701	26,911	451	4,221	4,413	98,318
Employee benefits	48,781	3,745	9,050	-	2,413	1,252	65,241
Total personnel costs	756,748	23,614	323,335	5,267	51,708	52,789	1,213,461
Food and food supplies	154,703	-	-	-	-	-	154,703
Contributed services	-	-	-	135,256	-	-	135,256
Professional fees	98,451	-	26,717	598	2,355	2,169	130,290
Depreciation	35,532	53,481	400	240	2,711	2,711	95,075
Utilities	28,566	32,532	4,878	1,727	3,859	691	72,253
Repairs and maintenance	14,861	43,322	1,618	-	-	-	59,801
Program and office supplies	11,387	2,341	34,378	2,165	2,341	710	53,322
Facilities rental	48,720	-	-	-	-	-	48,720
Vehicle operation	47,686	-	-	-	-	-	47,686
Technology services	28,278	13,673	480	3,135	719	719	47,004
Program stipend expenses	-	-	44,499	-	-	-	44,499
Activity expenses	34,417	-	8,803	-	-	-	43,220
Insurance	18,963	7,557	4,749	1,950	1,324	1,324	35,867
Copier lease and supplies	14,328	11,027	7,148	-	1,173	2,073	35,749
Awards dinner expenses	-	-	-	-	-	26,898	26,898
Advertising	16,203	-	6,308	-	546	546	23,603
Board and employee development	7,540	-	8,522	-	1,493	3,336	20,891
Dues and subscriptions	6,214	-	2,599	-	387	359	9,559
Travel and entertainment	1,939	-	3,622	-	164	378	6,103
General fund raising costs	-	-	-	-	-	4,373	4,373
Bank service charges	-	-	-	-	477	-	477
Total expenses	\$ 1,324,536	\$ 187,547	\$ 478,056	\$ 150,338	\$ 69,257	\$ 99,076	\$ 2,308,810

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES - continued

Years Ended December 31, 2015 and 2014

EXPENSES	2014						
	Program Services				Supporting Services		Total
	Adult Day Health Care	AGE Building	Caregiver Resource Center	AGE Computer Lab	Management & General	Fund Raising	
Salaries	\$ 533,495	\$ 20,638	\$ 243,253	\$ 3,989	\$ 30,756	\$ 37,590	\$ 869,721
Payroll taxes	54,465	2,107	24,834	407	3,140	3,838	88,791
Employee benefits	28,083	5,396	7,128	-	8,041	9,828	58,476
Total personnel costs	616,043	28,141	275,215	4,396	41,937	51,256	1,016,988
Food and food supplies	139,348	-	4,725	-	-	-	144,073
Contributed services	-	-	-	104,516	-	-	104,516
Professional fees	132,689	5,221	43,521	1,500	1,763	1,500	186,194
Depreciation	24,608	43,834	1,539	2,307	2,307	2,307	76,902
Utilities	25,474	31,034	1,089	1,633	1,633	1,633	62,496
Repairs and maintenance	11,510	61,037	373	-	-	-	72,920
Program and office supplies	24,739	6,695	31,277	3,535	6,695	6,695	79,636
Facilities rental	47,570	-	-	-	-	-	47,570
Vehicle operation	45,793	-	-	-	-	-	45,793
Technology services	19,554	12,967	455	1,295	682	682	35,635
Program stipend expenses	-	-	24,138	-	-	-	24,138
Activity expenses	17,217	-	7,637	129	-	-	24,983
Insurance	17,597	7,295	3,949	1,982	1,280	-	32,103
Copier lease and supplies	13,312	23,713	832	1,248	1,257	1,248	41,610
Awards dinner expenses	-	-	-	-	-	21,573	21,573
Advertising	8,347	3,466	8,866	461	-	-	21,140
Board and employee development	2,421	2,526	4,003	-	2,526	2,526	14,002
Dues and subscriptions	1,901	-	457	89	2,028	2,137	6,612
Travel and entertainment	3,013	-	6,144	-	1,577	1,577	12,311
General fund raising costs	-	-	-	-	-	2,860	2,860
Bank service charges	-	-	-	-	1,184	-	1,184
Total expenses	\$ 1,151,136	\$ 225,929	\$ 414,220	\$ 123,091	\$ 64,869	\$ 95,994	\$ 2,075,239

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS PROVIDED BY (USED BY) OPERATING ACTIVITIES		
Change in net assets (decrease)	\$ 106,108	\$ (247,691)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	95,074	76,902
Gain on sale of asset	(2,296)	-
(Increase) decrease in operating assets		
Receivables	26,713	227,616
Prepaid expenses	3,396	(5,996)
Increase (decrease) in operating liabilities		
Accounts payable	(951)	627
Deferred revenues	5,501	145
Accrued payroll	5,995	3,264
Payroll liabilities	(4,922)	9,539
Vacation accrual payable	4,289	(3,134)
Increase in security deposits held	(153)	200
Net cash provided by (used by) operating activities	238,754	61,472
CASH FLOWS PROVIDED BY (USED BY) INVESTING ACTIVITIES		
Purchase of fixed assets	(198,670)	(35,299)
Proceeds from sale of asset	4,525	-
Net cash provided by (used by) investing activities	(194,145)	(35,299)
CASH FLOWS PROVIDED BY (USED BY) FINANCING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH	44,609	26,173
CASH AND CASH EQUIVALENTS		
Beginning of year	192,523	166,350
End of year	\$ 237,132	\$ 192,523
Supplemental Information		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -
Noncash investing activities		
Disposal of fully depreciated fixed assets	\$ 133,114	\$ -

See accompanying Notes to Financial Statements.

AUSTIN GROUPS FOR THE ELDERLY, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2015 and 2014

NOTE 1: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

Austin Groups for the Elderly, Inc. ("AGE" or the "Organization") is a nonprofit corporation under the laws of the State of Texas which began in 1986 from the dreams of Bert Kruger Smith and Willie Kocurek, along with many others. They saw early on that the needs of the elderly population were going to strain the available resources. Believing that collaboration and cooperation were the key to stretching resources to obtain their maximum impact, Bert and Willie developed the idea of sharing space and basic resources amongst small not-for-profits. The providers of services to seniors, elders and the disabled would not have to worry about a place to be, rather, they could focus their energy and funds on providing services. The AGE Board of Directors remain true to the original goals of the founders: continuing to offer rental space, sharing copy and fax machines, and encouraging the organization to work with other providers in collaboration on delivery of services to the Austin community. Through the years, this approach has allowed organizations such as Hospice Austin, Family Eldercare, Open Door Pre-School and The Alzheimer's Association to begin in the AGE Building, grow, and move on to their own locations.

Today, the AGE continues to foster and support programs and services that promote the wholeness, dignity, and well-being of the elderly and their families.

The mission of AGE is accomplished by the following:

- The **Adult Day Health Care** Program is licensed by the Texas Department of Aging & Disabilities and provides a safe, secure and stimulating environment for disabled individuals as an alternative to early nursing home placement and allows caregivers a respite during the day. A structured exercise program along with supervised activities including field trips, musical therapy, reminiscent therapy and reality orientation has proven to enhance the client's mental well-being. Nursing care and transportation services are available.
- **AGE Computer Lab** offers beginning, intermediate and advanced computer classes and seminars taught for and by people 50 years of age and older. Benefits of this computer training include hands-on training in a newly refurbished computer lab; two to one student/coach ratio; and a helpful instruction manual is provided.
- Daily management of the **AGE Building**. In 1986, thanks to the generosity of individuals, businesses, and foundations, Austin Groups for the Elderly purchased the former historic Confederate Woman's Home. Founded in 1908 as a home for elderly Confederate women, the building currently houses over 20 non-profit agencies serving the elderly, adults with disabilities, at-risk youth, and the arts.
- The **Caregiver Resource Center** is designed to empower caregivers in their critical roles by providing quality training, equipment and information to caregivers and collaborating with professionals and other organizations to educate the community about the value of care giving. The Caregiver Resource Center offers immediate and ongoing support to anyone who provides care to an aging person, to help both to improve their quality of life and maintain an optimum level of independence.
- **Memory Connections** is available to any qualified individual who has been assessed and/or referred by a physician. Most individuals interested in Memory Connections have a diagnosis of Mild Cognitive Impairment (MCI) or another type of early-stage dementia (such as Alzheimer's disease). Prospective participants must be aware of their memory impairments, and they should possess a willingness to engage in cognitive stimulation activities and group discussions about living with the symptoms of dementia.
- **Health Equipment Lending Program (H.E.L.P.)** loans durable medical equipment and incontinence products to elderly and disabled people in Central Texas.
- **Caregiver U** is a collaboration across four counties providing evidence-based training for unpaid family caregivers.

Sources of revenue and support for AGE consists of contracts with the Texas Department of Human Services and other state and local government agencies, fees charged to private paying Adult Day Health Care clients, dues and fees charged for AGE Computer Lab programs, grants from foundations and other organizations, fund raising events supported by the community, rents charged to building tenants, and charitable donations solicited from the community.

AUSTIN GROUPS FOR THE ELDERLY, INC.
NOTES TO FINANCIAL STATEMENTS - continued
Years Ended December 31, 2015 and 2014

NOTE 1: DESCRIPTION OF ORGANIZATION SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Summary of Significant Accounting Policies

Accounting Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Method of Accounting: Austin Groups for the Elderly uses the accrual basis method of accounting. Using this method of accounting, revenue and support and related receivables are reported when funds are considered earned, regardless of when cash is received. Program service fees received in advance of being earned are reported as deferred revenue. Expenses and related accounts payable are reported when an obligation is incurred, regardless of when cash is disbursed. Payroll costs incurred but not payable as of year-end are reported as accrued payroll. Cash disbursed before an obligation is incurred is reported as prepaid expenses.

Net Assets Classes: The AGE reports the following net assets classes:

Permanently restricted net assets The part of the net assets of a not-for-profit organization resulting from contributions whose use by an organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of an organization are considered permanently restricted net assets. An example of a permanently restricted net asset would be the donation of funds (or other assets) to an Organization in which the donor imposed a restriction that the funds not be expended, but that an organization would be permitted to use or expend part or all of the income (or other economic benefit) derived from the donation.

Temporarily restricted net assets Not-for-profit organizations receive contributions and other resources whose use is limited by stipulations that are more specific than the broad limits resulting from the nature and purpose of an organization and its programs. Resources (net assets) with such stipulations that either expire by passage of time or can be fulfilled by actions of an organization are reported as temporarily restricted net assets.

Unrestricted net assets Resources not included in the above classes are considered unrestricted net assets. While these resources are reported as unrestricted, an organization manages them in compliance with their exempt purposes, Board of Director designations, legal requirements, and contractual obligations.

Cash and Cash Equivalents: Cash and cash equivalents consist of cash in demand deposit accounts and certificates of deposit with original maturities of less than three months.

Investments and Investment Income: Components of investment income consist of interest income which is reported in the financial statements as unrestricted revenue. Investment income is reported as increases or decreases in unrestricted net assets, unless a donor or law temporarily or permanently restricts their use.

Receivables: Amounts billed as the result of program services, amounts due from tenants and other amounts due under contractual agreements are considered trade receivables and are not classified as held for sale. Interest is not charged on trade receivables, nor is collateral required. The grants and contracts receivables including the United Way Allocation are promises to give due within one year. The receivables are valued using an allowance for uncollectible accounts. Periodically, management reviews the collectability of the receivables using such factors as the collection history of the account, the age of the account and the account's ability to pay. Accounts are considered past due after 30 days of no payments. Accounts determined to be uncollectible are charged against an allowance for uncollectible accounts. At year end 2015 and 2014, no allowance for uncollectible accounts is considered necessary. The allowance for uncollectible accounts is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Fixed Assets: Fixed assets are capitalized at cost if the value of the item is more than \$5,000 and the estimated useful service life of the item is more than one year. Donations of fixed assets are recorded as support at their estimated fair value at the date of donation. If donors stipulate how long donated assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation expense is computed over the estimated useful service life of the asset (3 to 7 years for furniture, equipment and vehicles, 10 years for improvements, and 30 years for buildings) using the straight line method of computation. Depreciation expense reported is considered a significant accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

AUSTIN GROUPS FOR THE ELDERLY, INC.
NOTES TO FINANCIAL STATEMENTS - continued
Years Ended December 31, 2015 and 2014

NOTE 1: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Maintenance and repairs are charged to expenses as incurred. The building owned by the Organization is an older building with increasing maintenance and repair needs. No reserve funds are set aside for future maintenance and repairs.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. During the year, the Organization did not adjust the carrying amount of any fixed assets.

Vacation Accrual Payable: Vacation earned by employees, but not taken at year end, is reported as vacation accrual payable.

Revenue Recognition: Program service fees are recognized as revenue when the fee is earned. Unconditional pledges or promises to give are reported as support when the funding is awarded. Conditional promises to give, such as cost reimbursement contracts, are reported as revenue when the conditions are met. Generally, the conditions to be met are compliance with budget categories or the delivery of a program service. Bequests are recognized as support when legal matters concerning the estate are finalized and the actual amount to be received can be determined with reasonable certainty.

Allocation of Costs: Austin Groups for the Elderly allocates common costs, such as salaries and benefits, telephone, and supplies between program services, management and general, and fund raising based on management's judgment of the estimated costs related to the Organization's activities. The allocations are reviewed periodically and the allocations revised, if necessary, to reflect changes in the activities of the Organization. The allocations of costs reported are considered accounting estimates. These estimates may be adjusted as more current information becomes available and any adjustment could be significant.

Income Tax Status: The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization believes it is no longer subject to examination by the IRS for years prior to 2012.

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

Subsequent Events: Management has evaluated subsequent events through the date of the *Independent Auditor's Report*, which is the date the financial statements were available to be issued. In management's opinion, no other events have occurred from the statement of financial position date through that date that would impact the financial statements.

NOTE 2: COMMITMENTS - OPERATING LEASES

Austin Groups for the Elderly is obligated on leases for program services space and office equipment. The leases are treated as operating leases for accounting purposes; therefore, the lease obligation is not reported in the financial statements. The future minimum lease payments due under leases are the following: 2015- \$76,221, 2016- \$63,280, 2017- \$38,465, 2018- \$37,300, 2019- \$38,500 and thereafter \$39,600.

Rental expense under operating leases for 2015 and 2014 was \$80,171 and \$71,270, respectively.

In 2012, Documation Inc. paid out the remainder of the equipment lease commitment from Dahill, Inc. for \$43,517. Expenses associated with the remaining lease obligations to Dahill after the buyout are recorded as lease cancellation expense. During 2014, the Dahill lease commitment concluded.

NOTE 3: UNRESTRICTED NET ASSETS - BOARD DESIGNATIONS

Designations are voluntary board of director approved segregations of unrestricted net assets for specific purposes, projects or investments. Since designations are voluntary, they may be reversed by future board action. A bequest to Austin Groups for the Elderly has been designated by the board of directors for possible investment or other long-term purposes.

AUSTIN GROUPS FOR THE ELDERLY, INC.
NOTES TO FINANCIAL STATEMENTS – continued
Years Ended December 31, 2015 and 2014

NOTE 4: TEMPORARILY RESTRICTED NET ASSETS

During 2015 and 2014, net assets of \$965,683 and \$680,924, respectively were released from accompanying stipulations due to the Organization’s actions or due to the passage of time and are considered net assets released from donor imposed restrictions. These funds are reported as transfers from temporarily restricted net assets to unrestricted net assets in the statement of activities.

At year end, Austin Groups for the Elderly had assets in the form of cash and receivables that were temporarily restricted for the following purposes.

Funding Source	Amount		Restrictions Imposed by Funding Source
	2015	2014	
<u>Contracts and Grants</u>			
St. David’s Foundation	\$ -	\$ 2,500	Elderhaven/Caregiver Resource Center programs, AGE building repairs and New Connections program
Topfer Foundation	30,000	30,000	Elderhaven Adult Day Care program
Austin Junior Forum	-	6,350	Elderhaven Adult Day Care program
Alzheimer's Foundation	2,500	5,000	Early memory loss support program
St. David's Episcopal Church	10,000	10,000	Early memory loss support program
Glimmer of Hope	-	10,000	Early memory loss support program
Theo Davis	3,000	3,000	Meals and snacks for seniors at centers
Lola Wright Foundation	25,707	2,500	Caregiver supplies
United Way of Williamson County	21,500	7,500	Funding for future periods
Anderson	-	15,000	Van purchase
Athenahealth, Inc	5,000	-	Early memory loss support program
Rachael & Ben Vaughn Foundation	1,000	-	Early memory loss support program
Austin Community Foundation	2,000	14,300	Transportation
Capital Metro	-	5,952	Transportation
<u>Contributions</u>			
AGE Computer Lab	-	-	AGE Computer lab contributions
Gift Cards	2,716	3,995	Adult Day Health Care program
Veritas	2,000	1,000	Equipment Lending program
Individual Contributions	-	3,947	Transportation
Total	\$ 105,423	\$ 121,044	

NOTE 5: PROGRAM SERVICE FEES

Program service fees reported in the financial statements are the following.

	2015	2014
Adult Day Health Care	\$ 891,076	\$ 861,478
AGE Computer Lab	23,247	33,281
AGE Building		
Tenant rents	142,733	134,861
Fees - copies, postage & vending	6,373	19,040
Total	\$1,063,429	\$1,048,660

AUSTIN GROUPS FOR THE ELDERLY, INC.
NOTES TO FINANCIAL STATEMENTS – continued
Years Ended December 31, 2015 and 2014

NOTE 6: CONTRIBUTED GOODS AND SERVICES

Contributed goods are reported in the financial statements as support if the goods are used in conducting programs services. Contributed services are recorded in the financial statements if the contributed services require specialized skills that the AGE would otherwise need to purchase. Contributed goods and services reported in the financial statements are accounting estimates. The estimates may be adjusted as more current information becomes available and any adjustment could be significant.

AGE received the following non-cash donations of goods and services that have been reflected in the financial statements.

	<u>2015</u>	<u>2014</u>
Contributed services		
Instructors/Coaches	135,256	104,641
Repairs and maintenance	-	839
Software	<u>3,135</u>	-
	<u>138,391</u>	<u>105,480</u>
Contributed goods		
Gift cards	<u>1,150</u>	<u>3,500</u>
	<u><u>\$ 139,541</u></u>	<u><u>\$ 108,980</u></u>

NOTE 7: COLLABORATIVE ARRANGEMENT

Under grant funding from St. David’s Foundation, AGE leads a collaborative referred to as Caregiver U. Under the grant terms, AGE identifies and trains participating agencies in providing evidence-based training for unpaid family caregivers. Upon fulfillment of performance criteria by these agencies, and as they spend funds to fulfill the obligations, they receive funds from the grant as determined by AGE. As part of an annual grant all terms are determined and renewed upon notification of grant funding. Revenue is recognized upon receipt and is recorded as grants and contracts revenue on the statement of activities and changes in net assets. Expenses related to the collaborative are recorded in the Caregiver Resource Center program services. Revenue and expenses related to the collaborative arrangement for 2015 were approximately \$219,603 for revenue and \$166,201 for expenses. In 2014, the revenue and expenses were approximately \$170,771 and \$197,017, respectively.