



Board of Directors
Austin Groups for the Elderly
3710 Cedar Street, Box 2
Austin, Texas 78705

We are pleased to present this report related to our audit of the financial statements of Austin Groups for the Elderly (AGE) as of and for the year ended December 31, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for AGE's financial reporting process.

Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated January 30, 2022. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated April 5, 2022, regarding the planned scope and timing of our audit and identified significant risks.

Qualitative Aspects of the Entity's Significant Accounting Practices

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by AGE. AGE did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions

We did not identify any significant unusual transactions.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the useful lives of fixed assets and the related depreciation expense which is based on industry standards.

Management's estimate of the fair value of in-kind contribution of services which is based on market values of similar services.

Management's allowance for doubtful accounts for pledges which is based on past experiences with pledges.

Management's expense allocation method for functional expense classifications, based on direct assignment of specifically identified usage, time studies, physical space assignment, and/or other relevant factors.

We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by AGE are shown in the attached list of Recorded Audit Adjustments.

We are not aware of any uncorrected misstatements, other than misstatements that are clearly trivial.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting AGE's financial statements relate to pledges receivable and other non-current assets.

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed or the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of AGE, including the representation letter provided to us by management, is included in an attached letter.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to Austin Groups for the Elderly.



Austin, Texas
August 26, 2022

AGE of Central Texas
Year End: December 31, 2021
Recorded Audit Adjustments

Number	Name	Account No	Debit	Credit
1	Grant Revenues:St. David's Foundation	4314	\$ 295,000	
	Emergency Funding - COVID 19	4907	150,000	
	Grant Revenues:Grants-Restricted Released	4336	46,667	
	Grant Revenues:Anderson	4301	25,000	
	Grant Revenues:Topfer Foundation	4316	25,000	
	Grant Revenues:Georgetown Health Fdn.	4329	17,500	
	Grant Revenues:Austin Community Foundation	4300	7,500	
	Retained Earnings	3000	3,131	
	Grant Revenues:Theo Davis	4322	3,000	
	Miscellaneous Income:Investment Income	4900	2	
	Temp. Restricted Net Assets	3004		\$ 460,833
	Grant Revenues	4330		111,967
	To reverse entries client made to net asset accounts			
2	Campaign Pledges Receivable:Present Value Discount	1210	8,138	
	Pledge Discount	4855		8,138
	To true up present value discount for 2021			
3	Repairs & Maintenance:Building Repairs	5202	80,944	
	Depreciation Expense	5139	69,433	
	Capital in Process	1850	55,414	
	Accounts Receivable	1200	25,530	
	Building & Improvements	1803		80,944
	Accumulated Depreciation	1900		69,433
	Repairs & Maintenance:Building Repairs	5202		55,414
	Repairs & Maintenance:Building Repairs	5202		25,530
	To record depreciation and fixed asset adjustments.			
4	Contributed Volunteer Hours	5250	11,844	
	General Contributions:General Contributions	4802		11,844
	To book in-kinds.			



August 26, 2022

Atchley & Associates, LLP
1005 La Posada Drive
Austin, Texas 78752

This representation letter is provided in connection with your audit of the financial statements of Austin Groups for the Elderly (the Organization) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. We confirm that we are responsible for the fair presentation in the financial statements of financial position, results of activities, and cash flows in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audits:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated January 30, 2022, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. With respect to you drafting the financial statements, we have performed the following:
 - a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.
7. We have no knowledge of any uncorrected misstatements in the financial statements.

Founded By:

Bert Kruger Smith
Willie Kocurek, J.D.

AGE Central Office and Thrive Social & Wellness Center - Austin

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8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. The following have been properly recorded and/or disclosed in the financial statements:
 - a. Lines of credit or similar arrangements.
 - b. All leases and material amounts of rental obligations under long-term leases.
 - c. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
 - d. All recordable contributions, by appropriate net asset class.
 - e. Reclassifications between net asset classes.
 - f. Allocations of functional expenses based on reasonable basis.
 - g. Composition of assets in amounts needed to comply with all donor restrictions.
 - h. Board designated net assets without restrictions.
 - i. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification.
 - j. Liens or encumbrances on assets and all other pledges of assets.

Information Provided

10. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of allegations of fraud or suspected fraud, affecting the Organization's financial statements involving:
 - a. Management.
 - b. Employees who have significant roles in the internal control.
 - c. Others where the fraud could have a material effect on the financial statements.

14. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements received in communications from employees, former employees, regulators, or others.
15. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
16. We are not aware of any pending or threatened litigation and claims that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP and we have not consulted legal counsel concerning litigation or claims.
17. We have disclosed to you the identity of the Organization's related parties and all the related-party relationships and transactions of which we are aware.
18. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Organization's ability to record, process, summarize, and report financial data.
19. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have no plans or intentions that may materially affect the carrying value or classification of assets. In that regard:
 - a. The Organization has no significant amounts of idle property and equipment.
 - b. The Organization has no plans or intentions to discontinue the operations of any division or to discontinue any significant services.
 - c. Provision has been made to reduce all assets that have permanently declined in value to their realizable values.
 - d. We have reviewed long-lived assets and certain identifiable intangibles to be held and used for impairment whenever events or changes in circumstances have indicated that the carrying amount of the assets might not be recoverable and have appropriately recorded the adjustment.
21. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:
 - a. To reduce receivables to their estimated net collectable amounts.
 - b. For any material loss to be sustained in the fulfillment of or from the inability to fulfill any commitment, including promises to give.
22. There are no:
 - a. Liabilities that are subordinated to any other actual or possible liabilities of the Organization.
 - b. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the Contingencies Topic of the FASB Accounting Standards Codification.
 - d. Security agreements in effect under the Uniform Commercial Code.
 - e. Guarantees, whether written or oral, under which the Organization is contingently liable.

- f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
 - g. Amounts held for others under agency and/or split interest agreements.
 - h. Agreements to repurchase assets previously sold.
 - i. Amounts of contractual obligations for construction and/or purchase of real property, equipment, other assets, and intangibles.
23. The Organization has satisfactory title to all owned assets.
24. We have complied with all aspects of contractual agreements, grants, and donor restrictions that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act and Uniform Guidance, because we have not received, expended, or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
25. We have received a determination from the Internal Revenue Service that we are exempt from federal income taxes as a Section 501(c)(3) not-for-profit corporation, and we have complied with the IRS regulations regarding this exemption.
26. We are responsible for determining that significant events or transactions that have occurred since the date of the statement of financial position and through the date of this letter have been recognized or disclosed in the financial statements. No events or transactions, other than those disclosed in the financial statements, have occurred subsequent to the date of the statement of financial position and through the date of this letter that would require recognition or disclosure in the financial statements. We further represent that, as of the date of this letter, the financial statements were complete in a form and format that complied with U.S. GAAP, and all approvals necessary for issuance of the financial statements had been obtained.
27. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Austin Groups for the Elderly, Inc



Suzanne Anderson, Chief Executive Officer