
ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2015

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2015

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1-2
<u>Financial Statements</u>	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Cash Flows	5
Notes to Financial Statements	6-10
<u>Supplementary Information</u>	
Schedules of Support and Revenue	11-12
Schedules of Functional Expenses	13-14
Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer	15
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16-17
Schedule of Findings and Questioned Costs	18
Schedule of Prior Findings and Questioned Costs	19

INDEPENDENT AUDITORS' REPORT

Board of Directors
Assumption Association for Retarded Citizens, Inc.
Napoleonville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Assumption Association for Retarded Citizens, Inc. (a not for profit organization) which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and changes in net assets, 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.

Auditors' Responsibility

Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assumption Association for Retarded Citizens, Inc. as of June 30, 2015 and 2014, and its changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Assumption Association for Retarded Citizens, Inc.'s basic financial statements. The accompanying schedules of support and revenue on pages 11-12, functional expenses on pages 13-14 and the schedule of compensation, benefits and other payments to chief executive officer on page 15 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedules of support and revenue, functional expenses and schedule of compensation, benefits and other payments to chief executive officer are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedules of support and revenue, functional expenses and schedule of compensation, benefits and other payments to chief executive officer are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2015 on our consideration of Assumption Association for Retarded Citizens, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Assumption Association for Retarded Citizens, Inc.'s internal control over financial reporting and compliance.

Postthwait & Nettleton

Gonzales, Louisiana
September 24, 2015

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS:</u>		
Cash and cash equivalents	\$ 824,583	\$ 493,711
Certificates of deposit	449,875	947,572
Accounts receivable	154,426	147,316
Inventory	11,641	7,703
Interest receivable	938	1,140
Prepaid expenses	26,000	-
Investments	636,546	604,240
Buildings and equipment, net	<u>982,523</u>	<u>1,067,561</u>
TOTAL ASSETS	<u>\$ 3,086,532</u>	<u>\$ 3,269,243</u>
 <u>LIABILITIES AND NET ASSETS:</u>		
Accounts payable	\$ 23,350	\$ 36,637
Salaries and payroll taxes payable	<u>72,366</u>	<u>76,679</u>
TOTAL LIABILITIES	<u>95,716</u>	<u>113,316</u>
 <u>NET ASSETS:</u>		
Unrestricted	2,964,816	3,129,927
Temporarily restricted	<u>26,000</u>	<u>26,000</u>
TOTAL NET ASSETS	<u>2,990,816</u>	<u>3,155,927</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,086,532</u>	<u>\$ 3,269,243</u>

The accompanying notes are an integral part of these statements.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>REVENUES AND OTHER SUPPORT, UNRESTRICTED:</u>		
Public Support:		
Public contributions	\$ 16,024	\$ 12,461
Allocated by Capital Area United Way	39,073	26,512
Contributions from government agencies	1,972,020	2,004,366
Other Revenue:		
Sales to public (net of expenses of \$33,138 and \$61,758, respectively)	150,815	89,372
Fundraising	28,390	21,950
Fundraising - unrestricted formerly restricted	26,000	48,600
Activity center services	126,618	135,865
Investment income	61,405	40,245
Miscellaneous	24,516	-
Net unrealized gain on investments	-	80,855
Total revenues and other support, unrestricted	<u>2,444,861</u>	<u>2,460,226</u>
<u>REVENUES, TEMPORARILY RESTRICTED:</u>		
Fundraising - restricted	26,000	26,000
Fundraising - removed from restriction	<u>(26,000)</u>	<u>(48,600)</u>
Total revenues, temporarily restricted	<u>-</u>	<u>(22,600)</u>
<u>EXPENSES AND LOSSES:</u>		
Residential Services		
Napoleonville Manor	473,463	453,242
Thibaut Manor	390,672	403,287
Day-Program Services		
Activity Center	519,119	481,074
Project Fund	164,525	144,173
Association Fund	54,541	82,020
Waiver Services	611,471	594,723
General and Administrative		
Central Office	<u>374,657</u>	<u>372,040</u>
Total expenses	2,588,448	2,530,559
Net unrealized loss on investments	<u>21,524</u>	<u>-</u>
Total expenses and losses	<u>2,609,972</u>	<u>2,530,559</u>
Change in net assets	(165,111)	(92,933)
Net assets at beginning of year	<u>3,155,927</u>	<u>3,248,860</u>
Net assets at end of year	<u>\$ 2,990,816</u>	<u>\$ 3,155,927</u>

The accompanying notes are an integral part of these statements.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ (165,111)	\$ (92,933)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	95,535	100,249
Unrealized loss/(gain) on investments	21,524	(80,855)
(Increase) decrease in accounts receivable	(7,110)	13,813
Increase in inventory	(3,938)	(439)
Decrease in interest receivable	202	111
Increase in prepaid expenses	(26,000)	-
(Decrease) increase in accounts payable	(13,287)	3,867
(Decrease) increase in salaries and payroll taxes payable	(4,313)	16,985
Net cash used in operating activities	<u>(102,498)</u>	<u>(39,202)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Maturity of certificates of deposit	497,697	551,099
Purchase of certificates of deposit	-	(210,006)
Purchases of investments	(53,830)	(28,659)
Purchases of property and equipment	(10,497)	(37,545)
Net cash provided by investing activities	<u>433,370</u>	<u>274,889</u>
Net increase in cash and cash equivalents	330,872	235,687
Cash and cash equivalents at beginning of year	<u>493,711</u>	<u>258,024</u>
Cash and cash equivalents at end of year	<u>\$ 824,583</u>	<u>\$ 493,711</u>

The accompanying notes are an integral part of these statements.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

- A. The Association is a non-profit organization which was formed to furnish education and recreation to the mentally retarded and handicapped persons of Assumption Parish. The Association is solely dependent upon appropriation from State agencies and other contributions.
- B. To ensure proper usage of restricted and unrestricted assets, the Association maintains its accounts according to generally accepted accounting principles, whereby funds are classified in accordance with specified restrictions or objectives.
- C. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:
- | | |
|--------------------------|---------------|
| Buildings | 30 - 40 years |
| Transportation equipment | 5 years |
| Other equipment | 5 - 10 years |
- D. Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. Management considers accounts receivable that are more than 30 days old to be past due. Additionally, management has determined that accounts receivable that are more than one year old may not be collectible. Therefore, the reserve for uncollectible accounts is based upon the balance of receivables that are more than one year old. Management has determined that all receivables as of yearend are collectible.
- E. The majority of the Association's revenue is derived from third-party reimbursement arrangements. These revenues and the allowability of the related expenditures are subject to audits by the granting agencies.
- F. The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. The Association has temporarily restricted assets of \$26,000 and \$26,000 at June 30, 2015 and 2014, respectively, derived from a fundraising raffle ticket sale of which winners will be selected each week for a 52 week period. The restricted assets will be used to purchase the prizes during that period. The Association has no permanently restricted net assets at June 30, 2015 or 2014.

The Association reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of donated noncash assets as well as contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

- G. 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.
- H. The Association considers all cash and cash equivalents with a maturity of three months or less when purchased to be cash and cash equivalents. During the year and as of June 30, 2015, the Association had deposits that exceed FDIC insurance limits. Management believes this risk is limited.
- I. The Association accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Association is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Association has not recorded a provision for income taxes in the accompanying financial statements and the Association does not have any uncertain tax positions. The Association files a federal income tax return under U.S. federal jurisdiction.

- J. Expenses are charged directly to programs in categories based on specific identification. Indirect expenses have been allocated based on total expenses for each program.
- K. Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.
- L. Inventory is stated at cost that approximates market value using the first-in first-out method.

2. **Buildings and Equipment**

Buildings and equipment at June 30, 2015 and 2014 consisted of the following:

	<u>2015</u>	<u>2014</u>
Building	\$ 1,552,116	\$ 1,552,116
Transportation equipment	489,067	483,371
Furniture and equipment	342,143	337,343
	<u>2,383,326</u>	<u>2,372,830</u>
Less: Accumulated depreciation	<u>(1,400,803)</u>	<u>(1,305,269)</u>
	<u>\$ 982,523</u>	<u>\$ 1,067,561</u>

Depreciation expense was \$95,535 and \$100,249 for the years ended June 30, 2015 and 2014, respectively.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
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NOTES TO FINANCIAL STATEMENTS

3. **Contributions from Government Agencies**

Contributions from government agencies for the year ended June 30, 2015 consisted of the following:

	Napoleonville Manor	Thibaut Manor	Activity Center	Waiver Services	Total
Title XIX	\$ 408,239	\$298,109	\$ -	\$ -	\$ 706,348
Patient Liability	49,018	61,476	-	-	110,494
OMR	-	-	10,780	-	10,780
Waiver Contract	-	-	391,632	752,766	1,144,398
Department of Transportation Grant	-	-	-	-	-
Total	\$ 457,257	\$359,585	\$402,412	\$ 752,766	\$1,972,020

Contributions from government agencies for the year ended June 30, 2014 consisted of the following:

	Napoleonville Manor	Thibaut Manor	Activity Center	Waiver Services	Total
Title XIX	\$ 393,784	\$330,560	\$ -	\$ -	\$ 724,344
Patient Liability	46,515	61,819	-	-	108,334
OMR	-	-	7,070	-	7,070
Waiver Contract	-	-	397,442	737,408	1,134,850
Department of Transportation Grant	-	-	29,768	-	29,768
Total	\$ 440,299	\$392,379	\$434,280	\$ 737,408	\$2,004,366

4. **Line of Credit**

The Association entered into an open line of credit in the amount of \$50,000 maturing September 2015, of which, \$50,000 was unused for the year ended June 30, 2015. The line bears interest at a 3.3 percent interest rate. Interest payments are due monthly. The line is secured by a certificate of deposit.

5. **Commitments and Contingencies**

Various suits and claims arising in the ordinary course of operations are pending against the Association. The majority of the claims are either covered by insurance or other defenses; however, the ultimate effect of such litigation cannot be ascertained at this time. It is the opinion of the Association's management that the ultimate resolution of such litigation will not have a material effect on the financial position of the Association.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

6. Fair Values of Financial Instruments

In Accordance with the Fair Value Measurements and Disclosure topic of FASB ASC, disclosure of fair value information about financial instruments, whether or not recognized in the statements of financial position is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Association.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with this guidance, the Association groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

6. Fair Values of Financial Instruments (continued)

The following methods and assumptions were used by the Association in estimating its fair value disclosures for financial instruments:

Securities

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

The following table presents for each fair value hierarchy levels, of the Association's financial assets and liabilities that are measured at fair value on a recurring basis.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
June 30, 2015			
Certificates of Deposit	\$ -	\$ -	\$ 449,875
Mutual funds invested in stocks	636,546	-	-
	<u>\$ 636,546</u>	<u>\$ -</u>	<u>\$ 449,875</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
June 30, 2014			
Certificates of Deposit	\$ -	\$ -	\$ 947,572
Mutual funds invested in stocks	604,240	-	-
	<u>\$ 604,240</u>	<u>\$ -</u>	<u>\$ 947,572</u>

7. Subsequent Events

Assumption Association for Retarded Citizens, Inc. has evaluated subsequent events through September 24, 2015, the date that the financial statements were available to be issued, and determined that there were no events that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF SUPPORT AND REVENUE
YEARS ENDED JUNE 30, 2015 AND 2014

	<u>Napoleonville Manor</u>		<u>Thibaut Manor</u>		<u>Activity Center</u>		<u>Project Fund</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Unrestricted:								
Public Support:								
Public contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,420	\$ 1,333
Allocated by Capital Area United Way	-	-	-	-	-	-	-	-
Contributions from governmental agencies	457,257	440,299	359,585	392,379	402,412	434,280	-	-
Other Revenue:								
Unrealized (loss) gain on investments	(1,898)	7,131	(5,654)	21,239	-	-	-	-
Sales to public (net of expenses)	-	-	-	-	-	-	150,815	89,372
Fundraising	-	-	-	-	-	-	-	-
Fundraising - unrestricted, formerly restricted	-	-	-	-	-	-	-	-
Activity Center services	-	-	-	-	126,618	135,865	-	-
Investment income	4,895	2,707	14,620	8,117	-	-	14	15
Miscellaneous income	-	-	-	-	522	-	-	-
Total Public Support and Other Revenue, unrestricted	<u>\$ 460,254</u>	<u>\$ 450,137</u>	<u>\$ 368,551</u>	<u>\$ 421,735</u>	<u>\$ 529,552</u>	<u>\$ 570,145</u>	<u>\$ 153,249</u>	<u>\$ 90,720</u>
Temporarily restricted:								
Fundraising - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fundraising - removed from restriction	-	-	-	-	-	-	-	-
Total Revenue, temporarily restricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF SUPPORT AND REVENUE
YEARS ENDED JUNE 30, 2015 AND 2014

	<u>Association Fund</u>		<u>Waiver Services</u>		<u>Central Office</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Unrestricted:						
Public Support:						
Public contributions	\$ 13,604	\$ 11,128	\$ -	\$ -	\$ -	\$ -
Allocated by Capital Area United Way	39,073	-	-	-	-	26,512
Contributions from governmental agencies	-	-	752,766	737,408	-	-
Other Revenue:						
Unrealized (loss) gain on investments	(2,259)	8,486	(11,713)	43,999	-	-
Sales to public (net of expenses)	-	-	-	-	-	-
Fundraising	28,390	21,950	-	-	-	-
Fundraising - unrestricted, formerly restricted	26,000	48,600	-	-	-	-
Activity Center services	-	-	-	-	-	-
Investment income	7,460	3,174	34,416	26,232	-	-
Miscellaneous income	23,994	-	-	-	-	-
Total Public Support and Other Revenue, unrestricted	<u>\$136,262</u>	<u>\$ 93,338</u>	<u>\$775,469</u>	<u>\$ 807,639</u>	<u>\$ -</u>	<u>\$26,512</u>
Temporarily restricted:						
Fundraising - restricted	\$ 26,000	\$ 26,000	\$ -	\$ -	\$ -	\$ -
Fundraising - removed from restriction	(26,000)	(48,600)	-	-	-	-
Total Revenue, temporarily restricted	<u>\$ -</u>	<u>\$ (22,600)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2015 AND 2014

	Napoleonville Manor		Thibaut Manor		Activity Center		Project Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
Salaries	\$ 209,233	\$ 200,866	\$ 192,565	\$ 197,580	\$ 246,373	\$ 254,204	\$ 127,217	\$ 130,275
Employee benefits	-	-	-	-	-	-	-	-
Activity center services	71,340	72,994	55,279	62,871	-	-	-	-
Insurance	33,073	26,666	19,889	16,407	137,813	96,417	93	-
Office supplies	-	-	-	-	541	-	-	-
Auto expense	4,964	4,646	5,202	7,310	33,786	28,384	8,118	-
Professional services	4,893	6,594	5,168	7,394	-	-	-	-
Telephone	962	872	668	665	673	910	280	-
Travel and entertainment	55	174	-	230	484	525	159	-
Food	25,747	23,107	21,966	21,624	82	-	-	-
Payroll taxes	16,131	15,282	14,792	15,053	18,800	18,171	9,971	8,958
Contract work	1,378	593	885	254	751	825	-	-
Other	3,165	1,703	3,686	1,602	376	332	6,320	4,047
Repairs and maintenance	8,300	4,995	7,324	9,374	7,964	8,146	8,845	621
Depreciation	23,702	30,612	5,128	5,352	54,314	50,903	272	272
Advertising	-	-	-	-	68	-	150	-
Fundraising	-	-	-	-	-	-	-	-
Utilities	7,895	7,426	8,958	8,725	8,983	14,053	3,100	-
Supplies	9,770	10,216	8,431	8,977	8,111	8,204	-	-
Medical services	10,154	8,779	8,269	6,839	-	-	-	-
Bed fee	42,701	37,717	32,462	33,030	-	-	-	-
Total expense before central office	<u>\$ 473,463</u>	<u>\$ 453,242</u>	<u>\$ 390,672</u>	<u>\$ 403,287</u>	<u>\$ 519,119</u>	<u>\$ 481,074</u>	<u>\$ 164,525</u>	<u>\$ 144,173</u>
Central office overhead	<u>\$ 78,658</u>	<u>\$ 70,686</u>	<u>\$ 65,758</u>	<u>\$ 63,109</u>	<u>\$ 86,486</u>	<u>\$ 75,445</u>	<u>\$ 32,510</u>	<u>\$ 31,862</u>
Change in net assets	<u>\$ (91,867)</u>	<u>\$ (73,791)</u>	<u>\$ (87,879)</u>	<u>\$ (44,661)</u>	<u>\$ (76,053)</u>	<u>\$ 13,626</u>	<u>\$ (43,786)</u>	<u>\$ (85,315)</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2015 AND 2014

	<u>Association Fund</u>		<u>Waiver Services</u>		<u>Central Office</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Salaries	\$ -	\$ -	\$ 544,645	\$ 531,736	\$ 196,265	\$ 197,730
Employee benefits	327	2,651	-	-	-	-
Activity center services	-	-	-	-	-	-
Insurance	-	-	13,297	10,163	83,386	81,029
Office supplies	-	-	10	319	13,452	15,303
Auto expense	-	-	3,332	3,016	462	-
Professional services	-	-	-	-	21,187	16,334
Telephone	-	-	224	179	4,134	3,821
Travel and entertainment	329	3,900	388	661	435	1,124
Food	4,462	391	-	-	-	-
Payroll taxes	518	-	41,809	40,678	14,793	16,133
Contract work	-	-	37	-	13,327	7,765
Other	6,904	20,185	869	610	1,485	1,218
Repairs and maintenance	6,605	-	121	-	9,223	12,431
Depreciation	-	-	6,524	6,524	5,595	6,586
Advertising	341	-	-	-	729	1,335
Fundraising	28,485	52,701	-	-	-	-
Utilities	-	-	-	-	8,798	7,891
Supplies	6,570	2,192	215	837	1,336	3,340
Medical services	-	-	-	-	50	-
Bed fee	-	-	-	-	-	-
Total expense before central office	<u>\$ 54,541</u>	<u>\$ 82,020</u>	<u>\$ 611,471</u>	<u>\$ 594,723</u>	<u>\$ 374,657</u>	<u>\$ 372,040</u>
Central office overhead	<u>\$ 8,854</u>	<u>\$ 11,285</u>	<u>\$ 102,391</u>	<u>\$ 93,141</u>	<u>\$ (374,657)</u>	<u>\$ (345,528)</u>
Change in net assets	<u>\$ 72,867</u>	<u>\$ (22,567)</u>	<u>\$ 61,607</u>	<u>\$ 119,775</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED JUNE 30, 2015

CHIEF EXECUTIVE OFFICER: Marvin Schwartzenburg

	<u>Totals</u>
Salary	\$ 71,015
Travel & Meals	54
	<u>\$ 71,069</u>

See independent accounts' report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Assumption Association for
Retarded Citizens, Inc.
Napoleonville, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Assumption Association for Retarded Citizens, Inc. (a not for profit organization), which comprise the statement of financial position as of June 30, 2015, the statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 24, 2015.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Assumption Association for Retarded Citizens, Inc.'s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assumption Association for Retarded Citizens, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Assumption Association for Retarded Citizens, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Assumption Association for Retarded Citizens, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gonzales, Louisiana
September 24, 2015

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expressed an unmodified opinion on the financial statements of Assumption Association for Retarded Citizens, Inc.
2. No material weaknesses relating to the audit of the financial statements are reported for the year ended June 30, 2015.
3. No instances of noncompliance material to the financial statements of Assumption Association for Retarded Citizens, Inc. were disclosed during the audit for the year ended June 30, 2015.

FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

SECTION I – FINANCIAL STATEMENT FINDINGS

NONE