

**SENIOR CENTER RESOURCES
AND PUBLIC TRANSIT, INC.**

FINANCIAL STATEMENTS
&
INDEPENDENT AUDITOR'S REPORT

September 30, 2013

**SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2013**

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GENERAL INFORMATION

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.

ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2013

OFFICERS AND DIRECTORS

Chairman of the Board.....	L. E. Gibson
Vice Chairman/ Treasurer.....	Bryon Bell
Secretary.....	James C. Patton
Directors.....	Charles Adams
	Sheryl Zelhart
	Larry McKinney
	Maggie Mendoza
	Robert Mills
General Manager.....	David Caldwell

FINANCIAL SECTION



Michael Conway, CPA
Neil Conway, CPA

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CONWAY COMPANY CPAs PC ACCOUNTANTS & ADVISORS

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Greenville, Texas 75404-8234

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Texas Society of CPAs

Independent Auditor's Report

To the Board of Directors
Senior Center Resources and Public Transit, Inc.
Greenville, TX 75402

We have audited the accompanying financial statements of Senior Center Resources and Public Transit Corporation, a nonprofit organization, (the "Organization") which comprise the statement of financial position as of September 30, 2013 and the related statements of activities, functional expenses, cash flows for the year then ended, and the related notes to 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 and the standards applicable to financial statement audits contained in *Governmental 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 from 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 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 controls 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 Senior Center Resources and Public Transit, Inc. as of September 30, 2013, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2014 on our consideration of Senior Center Resources and Public Transit, 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 Audit Standards* in considering Senior Center Resources and Public Transit, Inc.'s internal control over financial reporting and compliance.

CONWAY COMPANY CPAs, P.C.



Rockwall, Texas
February 10, 2014



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INDEPENDENT AUDITOR'S 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*

To the Board of Directors
Senior Center Resources and Public Transit, Inc.

We have audited, in accordance with the 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 the Senior Center Resources and Public Transit, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 10, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Senior Center Resources and Public Transit, Inc.'s internal control over financial reporting (internal control) 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 Senior Center Resources and Public Transit Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center'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 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 combination of deficiencies, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 the Center’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

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of this testing, and not to provide an opinion on the effectiveness of the organization’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 organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CONWAY COMPANY CPAs, P.C.



Rockwall, Texas

February 10, 2014



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of
Senior Center Resources and Public Transit, Inc.

Report on Compliance for Each Major Federal Program

We have audited Senior Center Resources and Public Transit, Inc.'s ("Center") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Center's major federal programs for the year ended September 30, 2013. The Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Center's compliance.

Opinion on Each Major Federal Program

In our opinion, the Senior Center Resources and Public Transit, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Internal Control over Compliance

Management of the Center is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMC Circular A-133. Accordingly, this report is not suitable for any other purpose.

CONWAY COMPANY CPAs, P.C.

Conway Company CPAs, P.C.

Rockwall, Texas

February 10, 2014

**SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2013**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Reportable conditions identified that are not considered to be material weaknesses?	No
Noncompliance material to the financial statements' notes?	No

Federal and State Awards

Internal control over major programs:	
Material weaknesses identified	No
Reportable conditions identified that are not considered to be material weaknesses	No
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A133?	No

Major Federal Programs:

Federal Transit Capital Investment Grant (CFDA 20.509)	
Dollar threshold used to distinguish between type A and type B federal programs:	\$300,000
Auditee qualified as low risk auditee?	Yes

Section II - Findings Related to Financial Statements

None

Section III - Findings and Questioned Costs Related to Federal and State Awards

None

BASIC FINANCIAL STATEMENTS

**SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2013**

	<u>2013</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 1,275,552
Due from Contracting Agencies	290,080
Prepaid Expenses	49,445
Total Current Assets	<u>1,615,077</u>
Non-current Assets:	
Restricted Cash	<u>13,802</u>
Fixed Assets:	
Non-depreciable Asset:	
Land	<u>25,201</u>
Depreciable Assets:	
Buildings	2,922,134
Equipment	758,561
Vehicles	1,279,351
Accumulated Depreciation	<u>(1,783,223)</u>
Depreciable Assets, net	<u>3,176,823</u>
Total Fixed Assets, net	<u>3,202,024</u>
Total Non-current Assets	<u>3,215,826</u>
Total Assets	<u><u>4,830,903</u></u>
 LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts Payable	38,956
Accrued Liabilities	16,826
Total Current Liabilities	<u>55,782</u>
Total Liabilities	<u>55,782</u>
Net Assets:	
Restricted Net Assets	13,802
Unrestricted Net Assets	<u>4,761,319</u>
Total Net Assets	<u>4,775,121</u>
Total Liabilities and Net Assets	<u><u>\$ 4,830,903</u></u>

The accompanying notes are an integral part of this financial statement.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	2013		
	Unrestricted	Temporarily Restricted	Total
Support and Revenues:			
Federal Financial Assistance	\$ 857,398	\$ -	\$ 857,398
State Financial Assistance	434,808	-	434,808
Program Income	304,407	-	304,407
Hunt Memorial Hospital District	18,145	-	18,145
United Way	15,647	-	15,647
Intergovernmental Support	73,250	-	73,250
Public Donations	128,164	-	128,164
Interest Income	1,485	-	1,485
Miscellaneous Income	18,680	-	18,680
Release of Restricted Assets	9,079	(9,079)	-
Unrestricted Support and Revenues	<u>1,861,063</u>	<u>(9,079)</u>	<u>1,851,984</u>
Expenses			
Program Services:			
Aging Programs	571,255	-	571,255
Transportation Programs	1,184,561	-	1,184,561
Supporting Services:			
Administration Costs	152,312	-	152,312
Total Expenses	<u>1,908,128</u>	<u>-</u>	<u>1,908,128</u>
Net Increase (Decrease) in Net Assets	(47,065)	(9,079)	(56,144)
Net Assets, October 1	<u>4,808,384</u>	<u>22,881</u>	<u>4,831,265</u>
Net Assets, September 30	<u>\$ 4,761,319</u>	<u>\$ 13,802</u>	<u>\$ 4,775,121</u>

The accompanying notes are an integral part of this financial statement.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2013

Expenses	Program Services			Support Services	
	Aging Programs	Transportation Programs	Total	Administration Expenses	Total Expenses
Salaries and Employee Benefits	\$ 176,539	\$ 459,522	\$ 636,061	\$ 123,784	\$ 759,845
Travel	175	953	1,128	-	1,128
Food Costs	200,756	-	200,756	-	200,756
Supplies	1,467	5,304	6,771	4,514	11,285
Utilities	10,499	24,412	34,911	1,079	35,990
Automobile Expense	15,444	241,478	256,922	-	256,922
Insurance	13,532	50,994	64,526	-	64,526
Center Maintenance	1,687	9,137	10,824	-	10,824
Operations	37,204	1,494	38,698	-	38,698
Professional Fees	2,701	13,998	16,699	13,820	30,519
Marketing	1,097	7,888	8,985	-	8,985
Human Resources	1,770	7,169	8,939	-	8,939
Communications	1,416	10,664	12,080	-	12,080
Office Expenses	559	16,694	17,253	-	17,253
Other Operating Costs	55,679	46,553	102,232	-	102,232
Expenses before Depreciation and Loss on Sale of Assets	<u>520,525</u>	<u>896,260</u>	<u>1,416,785</u>	<u>143,197</u>	<u>1,559,982</u>
Loss on Sale of Assets	12,080	-	12,080	-	12,080
Depreciation	<u>38,650</u>	<u>288,301</u>	<u>326,951</u>	<u>9,115</u>	<u>336,066</u>
Total Functional Expenses	<u>\$ 571,255</u>	<u>\$ 1,184,561</u>	<u>\$ 1,755,816</u>	<u>\$ 152,312</u>	<u>\$ 1,908,128</u>
Functional Expense Percentages	29.94%	62.08%	92.02%	7.98%	100%

The accompanying notes are an integral part of this financial statement.

**SENIOR CENTER RESOURCES AND PUBLIC TRANSIT INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	2013
Cash Flows from Operating Activities:	
Change in Net Assets	\$ (56,144)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	336,066
Changes in operating assets and liabilities:	
Decrease in Accounts Receivable	(78,510)
Increase in Prepaid Expenses	(49,445)
Increase in Accounts Payable	26,414
Increase in Accrued Expenses	5,611
Interest Income	(1,485)
Loss on Sale of Fixed Assets	12,080
Net Cash Provided by Operating Activities	194,587
Cash Flows from Investing Activities:	
Proceeds from the Sale of Fixed Assets	15,386
Purchases of Vehicles and Equipment, Net	(157,822)
Net Cash Used by Capital Activities	(142,436)
Cash Flows from Financing Activities:	
Investment Income	1,485
Net Cash Provided by Investing Activities	1,485
Net Increase in Cash and Cash Equivalents	53,636
Cash and Cash Equivalents at Beginning of Year	1,235,718
Cash and Cash Equivalents at End of Year	\$ 1,289,354
Supplemental Cash Flow Information:	
Non-cash contributions received: In-kind	\$ 102,855

The accompanying notes are an integral part of this financial statement.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE A – FINANCIAL REPORTING ENTITY

Senior Center Resources and Public Transit, Inc. (the “Center”) was chartered as an organization other than a private foundation under the laws of the State of Texas. The center was formed in 1976 to provide transportation and nutrition and supporting aging services to the residents of Hunt County, Texas.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the recommendations of the American Institute of Certified Public Accountants.

Method of Accounting

The financial statements of the Center have been prepared utilizing the accrual basis of accounting. Contributions are recorded when received unless susceptible to accrual. The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management estimates.

Financial Statement Presentation

The Center prepares its financial statements in accordance with Accounting Standards Codification (ASC) 958-205 and subsections (formerly Statements of Financial Accounting Standards [“SFAS”] No. 117, *Financial Statements of Not-for-Profit Organizations* [“SFAS 117”]). Thus, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Center is required to present a statement of cash flows.

Cash and Cash Equivalents

The carrying amounts of cash and cash equivalents reported in the statement of financial position approximate fair values as of September 30, 2013. The Center considers all highly liquid investments with a maturity of twelve months or less when purchased to be cash equivalents.

Receivables

The Center believes that sufficient detail of receivable balances is provided in the notes to the financial statements to avoid the obscuring of significant components by aggregation. Management has evaluated the necessity of providing for an allowance for doubtful accounts and has concluded that no such allowance is required as of September 30, 2013.

Revenue Recognition

Grants – Support received under grant contract agreements with various federal and state agencies are recorded as revenue when the related costs are incurred. Grant amounts receivable at September 30, 2013 represent amounts due for expenses incurred prior to year end.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition (cont'd)

Contributions – Contributions received from the public, Corporations, intercounty agencies and local governments are recognized as support when received and are reported as unrestricted net assets.

In-Kind Donations – The Center receives ongoing in-kind donations for municipal facilities provided for congregant meal service and certain vehicle maintenance items, such as oil changes and tire rotations. All donations are recorded as valued by the donor, which values most closely approximate the arms length purchase price for the items or facilities received.

Recognition of Donor Restrictions – Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. As of September 30, 2013, restricted net assets total \$13,802 and are held for use for facility capital improvements.

Income Taxes

The Center operates under Section 501(c) (3) of the Internal Revenue Code and is generally exempt from federal, state, and local income taxes. Accordingly, no provision for income taxes is included in the financial statements. The Center is classified as an organization other than a private foundation.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in recording depreciation. It is at least reasonably possible that the significant estimates used will change within the next year.

Fixed Assets and Accumulated Depreciation

Expenditures for property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long these donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service or as instructed by the donor.

**SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2013**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fixed Assets and Accumulated Depreciation (cont'd)

The Center defines capital assets as those with an individual cost of \$5,000 or more and a useful life exceeding three years. Property and equipment are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset – Class</u>	<u>Estimated Life</u>
Buildings	40 Years
Furniture & Equipment	5-7 Years
Vehicles	5 Years

Description of Programs

Title III – Aging Services

The Center provides the following service to senior citizens age sixty and over with priority given to low income minorities, as addressed in the Older American Act. The objective of these programs is to enhance the participants’ overall quality of life.

Congregate Meals Program – Meals meeting one-third of the required daily nutrition requirements are provided at specified nutrition sites.

Home Delivered Meals – Home delivered meals are provided to home bound eligible participants. These meals meet one-third of the required daily nutrition requirements.

Transportation – Transportation is provided to nutrition sites, medical appointments and essential shopping for eligible individuals.

Senior Center Operations – A multi-purpose center is available to help senior citizens deal with various issues affecting their daily life such as health screening, advocacy, information, and insurance benefits counseling.

Case Management – The Center provides needs assessment along with the development of a plan of care for helping individuals maintain independent living at home. The Center also provides for assistance in obtaining medications, equipment or treatment not otherwise attainable by the participant. In addition, the Center makes arrangements for minor repairs or modifications to home necessary for health considerations or to adjust to a new disability.

Preventive Health – The Center makes referrals to the Area Agency on Aging for medical supplies, residential repairs, medical equipment, or prescriptions that can not be obtained by any other means.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Programs (continued)

Section 5311 Rural Public Transit

This program provides daily public transportation with the origin and destination within the the service area of Hunt County. Weekly transportation is provided as needed within a 55 mile radius.

Title XIX - Medical Transportation

Eligible participants are approved by Medicaid Central Dispatch for the provision of non-emergency medical transportation within Hunt County. Limited service is also provided to counties contiguous to Hunt County.

Financial Instruments

Carrying values of the Center's financial instruments (receivables, checking and money market accounts, Certificates of Deposit, accounts payable and accrued expenses) approximate fair market value due to their relatively short maturities. These values all qualify as Level 1 inputs in in accordance with FAS no. 157.

Compensated Absences

Employees of the Center are entitled to paid vacation and sick leave, depending upon length of of service. It is not practical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Center's policy is to record the cost of compensated time off when approved and paid to the employees.

Risk Management

The Center is exposed to various risks of loss related to collisions, theft of, damage to and destruction of assets; injuries to employees; errors and omissions; and natural disasters. During During fiscal 2013, the Center contracted for commercial insurance to cover these liabilities. There were no settlements exceeding insurance coverage for each of the past four fiscal years.

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE C - RESTRICTED CASH

The Center received restricted donations towards the construction of their existing building, all of which were not used it its initial completion. The 2013 activity relating to these funds is as follows:

Balance as of October 1	\$ 22,881
Interest Income	-
2013 Building Repairs	<u>(9,079)</u>
Balance as of September 30	<u><u>\$ 13,802</u></u>

NOTE D - FIXED ASSETS

The following is a summary of property and equipment and the related accumulated depreciation at September 30, 2013:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Decreases</u>	<u>Ending Balances</u>
Non-Depreciated				
Capital Assets:				
Land	\$ 25,201	\$ -	\$ -	\$ 25,201
	<u>25,201</u>	<u>-</u>	<u>-</u>	<u>25,201</u>
Depreciable Assets:				
Buildings and Improvements	2,922,134	-	-	2,922,134
Machinery & Equipment	753,721	4,840	-	758,561
Vehicles	1,190,997	152,982	(64,628)	1,279,351
	<u>4,866,852</u>	<u>157,822</u>	<u>(64,628)</u>	<u>4,960,046</u>
Total Fixed Assets	<u>4,892,053</u>	<u>157,822</u>	<u>(64,628)</u>	<u>4,985,247</u>
Less accumulated depreciation for:				
Buildings and Improvements	(426,753)	(73,053)	0	(499,806)
Machinery & Equipment	(434,760)	(95,166)	0	(529,926)
Vehicles	(622,809)	(167,847)	37165	(753,491)
Total Accumulated Depreciation	<u>(1,484,322)</u>	<u>(336,066)</u>	<u>37,165</u>	<u>(1,783,223)</u>
Total Capital Assets being Depreciated, net	<u>3,382,530</u>	<u>(178,244)</u>	<u>(101,793)</u>	<u>3,176,823</u>
Capital Assets, net	<u><u>\$ 3,407,731</u></u>	<u><u>\$ (178,244)</u></u>	<u><u>\$ (101,793)</u></u>	<u><u>\$ 3,202,024</u></u>

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE D - FIXED ASSETS (cont'd)

TxDOT holds title to all vehicles used in the public transportation program as their funding was at least partially used to purchase the vehicles in question. The net asset value of these vehicles was \$426,366 as of September 30, 2013. By holding title to these vehicles, TxDOT retains the right to control the sale of the vehicles and also can transfer the vehicles to use by another Texas transportation authority should the vehicles be idled by the current location. This right has not been exercised by TxDOT for any vehicles used by the Center either in the past or during the current fiscal year. Management believes its purchase and usage policy is such that TxDOT will not find it necessary to do so.

NOTE E - DUE FROM CONTRACTING AGENCIES

Due from contracting agencies at September 30, 2013, consists of the following:

	2013
North Central Texas Council of Governments	\$ 41,287
Texas Department of Transportation	207,377
Logisticare - Medicaid	14,781
Texas Department of Health and Human Services	26,635
Total	\$ 290,080

Since all receivables are from state and local agencies, the Center does not record an allowance for doubtful accounts.

NOTE F - FEDERAL AND STATE FINANCIAL ASSISTANCE

Following is a summary of federal and state financial assistance by contracting source for the fiscal year ending:

	September 30, 2013		
	Federal	State	Total
North Central Texas			
Council of Governments	\$ 228,200	\$ -	\$ 228,200
Texas Department of Transportation	629,198	305,041	934,240
Texas Department of H & HS	-	61,682	61,682
Texas Department of Agriculture	-	68,085	68,085
Totals	\$ 857,398	\$ 434,808	\$ 1,292,206

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

NOTE G - ECONOMIC DEPENDENCY

The Center receives a majority of its revenue through grants and contracts with the North Central Central Texas Council of Governments, the Texas Department of Human Services, and the Texas Department of Transportation. In addition, all of the Center's receivables are due from these agencies (see note D). The Center is economically dependent on these revenues as they comprise more than 70% of total funding received. At September 30, these grants and contracts have been extended through September 30, 2014.

NOTE H - CONCENTRATION OF CREDIT RISK

The Center maintains cash balances at financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. A total of \$452,231 were in excess of FDIC insurance amounts as of September 30, 2013; however, the Center obtained pledged securities collateral for its regular bank accounts in January, 2014. It also maintained pledged for all of its certificates of deposit via a C.D.A.R.S Deposit Placement Agreement for all of fiscal 2013. The Center has never experienced any such losses and believes it is not exposed to any significant credit risk to cash.

NOTE I - LITIGATION

The Center is party to various legal proceedings arising in the ordinary course of business. Management, based on the Board's opinion, believes the Center has adequate legal defenses and/or insurance coverage for each of these proceedings and does not believe they will materially alter the Center's financial position.

NOTE J - SUBSEQUENT EVENTS

The Center has evaluated all events and transactions that occurred after September 30, 2013 up through February 10, 2014, the date the financial statements were available for issuance. During this period, management noted no significant events requiring disclosure.

FEDERAL AND STATE AWARDS

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended September 30, 2013

State/ Federal Grantor Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Program Expenditures
STATE GRANTS			
Texas Department of Transportation			
TxDOT State Fund	N/A	51201F7030	\$ 260,918
TxDOT State Fund	N/A	51301F7029	44,123
Total Texas Department of Transportation			<u>305,041</u>
Texas Department of Agriculture			
Texans Feeding Texans			<u>68,085</u>
			68,085
Passed Through Texas Department of Health and Human Services :			
Title III, Part C Congregate and Home Delivery Meals	N/A	N/A	<u>61,682</u>
Total Texas Department of Health and Human Services			<u>61,682</u>
Total State Grant Awards			<u><u>434,808</u></u>
FEDERAL GRANTS			
U.S. Department of Transportation			
Passed through Texas Department of Transportation :			
Capital Assistance Programs - Elderly/Disabled	20.513	51101F7146	26,987
Capital Assistance Programs - Elderly/Disabled	20.513	51101F7132	<u>10,950</u>
			<u>37,936</u>
Grants for Other than Urban Areas *	20.509	51101F7228	350,093
Grants for Other than Urban Areas *	20.509	51201F7198	106,168
Grants for Other than Urban Areas	20.500	51301F7118	<u>135,000</u>
			<u>591,262</u>
Total Department of Transportation			<u>629,198</u>
U.S. Department of Health and Human Services			
Passed through North Central Texas Council of Governments:			
Title III, Part B - Transportation and Senior Option Services	93.044	N/A	35,097
Title III, Part C Congregate and Home Delivered Meals	93.045	N/A	<u>193,103</u>
Total passed through North Central Texs Council of Governments			<u>228,200</u>
Total U.S. Department of Health and Human Services			<u>228,200</u>
Total Federal Grant Awards			<u>857,398</u>
Grand Total of Federal and State Grant Awards			<u><u>\$ 1,292,206</u></u>

* Denotes Major Program

SENIOR CENTER RESOURCES AND PUBLIC TRANSIT, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
SEPTEMBER 30, 2013

A. General

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all federal and state financial assistance programs of Senior Center Resources and Public Transit, Inc. ("SCRPT"). SCRPT's financial reporting is defined in Note A to the basic financial statements. Federal financial assistance received directly from federal agencies, federal financial assistance passed through from other governmental agencies, as well as state assistance received from the State of Texas are included in the schedule.

B. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the U.S. Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Certain amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.