

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED FINANCIAL STATEMENTS

SEPTEMBER 30, 2017 AND 2016

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
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Independent Auditors' Report

Board of Directors

Meals on Wheels and More, Inc. dba

Meals on Wheels Central Texas and Related Entities

Austin, Texas

Report on the Financial Statements

We have audited the accompanying combined financial statements of Meals on Wheels and More, Inc., dba Meals on Wheels Central Texas, and related entities (the Organizations), which comprise the combined statements of financial position as of September 30, 2017 and 2016, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We did not audit the financial statements of Helping the Aging, Needy and Disabled, Inc. (HAND), as of and for the year ended September 30, 2017, whose statements reflect total assets constituting 2 percent of combined total assets at September 30, 2017, and total revenues constituting 16 percent for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for HAND, is based solely on the report of the other auditors. 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 audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organizations as of September 30, 2017 and 2016, and the combined changes in their net assets and their combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combining statement of financial position as of September 30, 2017, and the combining statement of activities for the year then ended are presented for the purpose of additional analysis and are not required parts of the financial statements. The Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas Single Audit Circular, is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined 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 April 18, 2018, on our consideration of the Organization'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 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 the Organization's internal control over financial reporting and compliance.



Austin, Texas

April 18, 2018

FINANCIAL STATEMENTS

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2017 AND 2016

	2017	2016
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 2,734,972	\$ 3,427,802
Investments	1,500,352	458,498
Receivables		
Grants and Contracts, net of allowance	1,661,340	1,635,619
Other	4,073	1,196
Prepaid Items and Other Current Assets	232,953	150,202
Total Current Assets	6,133,690	5,673,317
Non-Current Assets		
Fixed Assets, net	5,834,042	5,199,098
Total Non-Current Assets	5,834,042	5,199,098
TOTAL ASSETS	\$ 11,967,732	\$ 10,872,415
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 421,156	\$ 336,436
Accrued Payroll Liabilities	207,164	183,314
Liability for Compensated Absences	134,382	103,324
Deferred Revenue	378,278	654,984
Current Portion of Long-Term Debt	130,071	126,179
Total Current Liabilities	1,271,051	1,404,237
Non-Current Liabilities		
Long-Term Debt	2,575,595	2,647,637
Total Non-Current Liabilities	2,575,595	2,647,637
Total Liabilities	3,846,646	4,051,874
Net Assets		
Unrestricted		
Undesignated	6,379,995	6,085,127
Board Designated	10,000	-
Designated for Endowment Fund	519,646	481,636
Designated for Debt	201,578	253,778
Total Unrestricted Net Assets	7,111,219	6,820,541
Temporarily Restricted Net Assets	9,867	-
Permanently Restricted Net Assets	1,000,000	-
Total Net Assets	8,121,086	6,820,541
TOTAL LIABILITIES AND NET ASSETS	\$ 11,967,732	\$ 10,872,415

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2017 AND 2016

UNRESTRICTED NET ASSETS	2017	2016
Support and Revenue		
Grants and Contracts	\$ 11,732,485	\$ 9,182,752
Public Contributions	3,077,149	4,635,174
United Way	14,803	13,820
Other Revenue	60,721	57,233
Net Assets Released from Restrictions	333,843	-
Total Support and Revenue	15,219,001	13,888,979
Expenses		
Program Services	12,832,409	10,378,659
Management and General	1,241,749	1,101,326
Fund Raising	888,679	904,350
Total Expenses	14,962,837	12,384,335
Revenues Over (Under) Expenses	256,164	1,504,644
Other Revenues and Expenses		
Investment Income	13,844	12,831
Unrealized Gains (Losses) on Investments	34,230	15,992
Gain (Loss) on Disposal of Fixed Assets	(13,560)	-
Total Other Revenues and Expenses	34,514	28,823
Change in Unrestricted Net Assets	290,678	1,533,467
TEMPORARILY RESTRICTED NET ASSETS		
Support and Revenue		
Grants and Contracts	342,687	-
Investment Income	1,023	-
Net Assets Released from Restrictions	(333,843)	-
Increase (Decrease) in Temporarily Restricted Net Assets	9,867	-
PERMANENTLY RESTRICTED NET ASSETS		
Support and Revenue		
Public Contributions	1,000,000	-
Increase (Decrease) in Permanently Restricted Net Assets	1,000,000	-
Increase (Decrease) in Net Assets	1,300,545	1,533,467
Net Assets, Beginning of Year	6,820,541	5,073,505
Net assets added with HAND	-	213,569
NET ASSETS, END OF YEAR	\$ 8,121,086	\$ 6,820,541

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2017

	Program Services			
	Meals on Wheels	Second Meals	Congregate	TDHCT Home Repair
EXPENSES				
Salaries	\$1,669,348	\$129,930	\$ 473,926	\$ 3,744
Payroll Taxes	126,601	9,599	35,036	400
Other Employee Benefits	255,016	38,085	51,753	479
Total Personnel	<u>2,050,965</u>	<u>177,614</u>	<u>560,715</u>	<u>4,623</u>
Recipient Meal Costs	1,326,430	84,649	231,486	-
Home Repair Construction Costs	-	-	-	1,734
Contract Labor	-	-	-	-
Supplies	28,424	1,732	30,533	356
Postage	26,164	821	2,358	131
Printing	45,668	3,809	6,656	342
Occupancy	68,555	5,094	19,743	991
Utilities	64,331	5,076	18,628	1,095
Telephone	36,185	2,304	5,623	123
Professional Fees	62,644	3,767	14,629	400
Computer Software	7,197	528	2,058	557
Equipment Maintenance	18,524	2,962	7,509	176
Insurance	67,192	4,279	16,815	-
Service Delivery and Mileage	80,533	6,864	21,711	246
Dues and Subscriptions	4,865	367	1,097	63
Conferences/Training/Travel	12,730	967	3,173	109
Interest	47,575	3,734	14,733	812
Special Client Assistance/Aid	-	-	-	-
Promotional	-	-	-	-
Volunteer Recognition/Recruitment	7,000	645	-	-
Grants to Other Agencies	-	-	-	-
Miscellaneous	29,642	1,674	5,344	307
Total Expenses Before Depreciation	<u>3,984,624</u>	<u>306,886</u>	<u>962,811</u>	<u>12,065</u>
Depreciation	203,784	14,614	51,987	-
TOTAL EXPENSES	<u><u>\$4,188,408</u></u>	<u><u>\$321,500</u></u>	<u><u>\$ 1,014,798</u></u>	<u><u>\$ 12,065</u></u>

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

Program Services							
Travis County Home Repair	Client Assistance	PALS Program	Groceries To Go	Handy Wheels	Country Wheels	Meals for Kids	Texas Veterans Food Program
\$ 53,799	\$ 77,690	\$ 72,287	\$ 43,536	\$ 17,617	\$ 62,141	\$ 34,430	\$ 291,832
3,777	5,828	5,351	3,146	1,232	4,586	2,216	21,635
13,614	15,032	10,271	8,696	377	9,097	3,864	46,735
71,190	98,550	87,909	55,378	19,226	75,824	40,510	360,202
-	-	-	-	-	79,474	7,760	119,297
209,503	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
598	27,397	32,133	658	13,863	953	142	3,620
181	498	302	129	111	389	102	1,529
396	1,088	1,404	426	311	1,102	278	7,223
1,615	3,871	2,013	1,148	856	3,126	440	10,123
1,266	3,593	1,623	1,010	915	2,936	500	10,480
194	510	725	207	101	1,018	157	3,840
1,476	2,336	24,255	817	578	2,227	183	7,982
625	1,653	228	115	104	313	32	1,183
317	746	459	217	158	1,546	400	4,534
2,088	3,396	1,500	960	36	4,776	823	4,875
3,245	1,905	1,177	259	(3,712)	33,290	861	12,888
73	220	86	60	53	172	36	708
181	361	884	115	81	273	55	1,873
1,099	2,291	1,903	817	677	2,268	125	8,475
-	25,831	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,181	594	-	-	-	955
-	-	-	-	-	-	-	-
358	1,125	1,403	305	246	835	(40)	3,378
294,405	175,371	159,185	63,215	33,604	210,522	52,364	563,165
5,655	8,818	4,072	2,593	98	31,512	3,837	15,470
\$ 300,060	\$ 184,189	\$ 163,257	\$ 65,808	\$ 33,702	\$ 242,034	\$ 56,201	\$ 578,635

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED
YEAR ENDED SEPTEMBER 30, 2017

	Program Services				
	Hope	Texas Veterans Home Repair	Home Repair	Respite Care	Barrier Removal
EXPENSES					
Salaries	\$ 9,862	\$ 1,590	\$ 132,383	\$ 75,048	\$ 59,540
Payroll Taxes	592	107	9,456	5,690	4,243
Other Employee Benefits	1,280	-	13,370	6,037	2,846
Total P Total Personnel	<u>11,734</u>	<u>1,697</u>	<u>155,209</u>	<u>86,775</u>	<u>66,629</u>
Recipient Meal Costs	-	-	-	9,615	-
Home Repair Construction Costs	-	-	843,216	-	217,529
Contract Labor	-	-	-	-	-
Supplies	855	-	1,283	4,207	92
Postage	92	-	343	349	31
Printing	380	-	841	943	81
Occupancy	654	36	2,897	3,064	360
Utilities	661	-	2,691	2,842	256
Telephone	210	-	4,080	357	40
Professional Fees	469	-	2,344	5,751	545
Computer Software	75	-	787	320	78
Equipment Maintenance	122	-	566	686	68
Insurance	192	-	1,980	2,052	432
Service Delivery and Mileage	524	16	1,405	217	7,522
Dues and Subscriptions	42	-	155	164	15
Conferences/Training/Travel	106	-	2,096	618	55
Interest	502	-	2,144	2,729	223
Special Client Assistance/Aid	-	-	-	-	-
Promotional	-	-	-	-	-
Volunteer Recognition/Recruitment	526	-	-	466	-
Grants to Other Agencies	-	-	-	-	-
Miscellaneous	113	-	800	875	-
Total Expenses Before Depreciation	<u>17,257</u>	<u>1,749</u>	<u>1,022,837</u>	<u>122,030</u>	<u>293,956</u>
Depreciation	507	-	5,371	5,668	1,190
TOTAL EXPENSES	<u><u>\$ 17,764</u></u>	<u><u>\$ 1,749</u></u>	<u><u>\$ 1,028,208</u></u>	<u><u>\$ 127,698</u></u>	<u><u>\$ 295,146</u></u>

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

Program Services					
Home Repair Other	Holly Good- neighbor	Home Depot	Community Services	Legislative Activities	Total
\$ 19,359	\$ 30,161	\$ 70,233	\$ 40,019	\$ -	\$ 3,368,475
1,253	2,032	5,229	1,433	-	249,442
-	5,508	14,510	2,966	-	499,536
20,612	37,701	89,972	44,418	-	4,117,453
-	-	-	137	-	1,858,848
152,129	394,420	1,119,444	-	-	2,937,975
-	-	-	-	-	-
-	1,047	154	6,617	-	154,664
-	335	57	46	-	33,968
-	979	127	154	-	72,208
-	3,295	548	623	-	129,052
-	3,047	409	1,763	-	123,122
-	330	66	489	-	56,559
-	2,011	1,365	3,592	5,133	142,504
-	852	527	299	-	17,531
-	561	178	5,903	-	45,632
-	852	2,256	648	-	115,152
1,045	227	4,370	166	90	174,849
-	167	24	799	-	9,166
-	269	639	1,541	-	26,126
-	358	2,246	501	-	93,212
-	-	-	-	-	25,831
-	-	-	-	-	-
-	-	-	-	-	11,367
-	-	-	-	-	-
-	593	473	468	-	47,899
173,786	447,044	1,222,855	68,164	5,223	10,193,118
-	2,283	5,833	8,916	-	372,208
\$ 173,786	\$ 449,327	\$ 1,228,688	\$ 77,080	\$ 5,223	\$ 10,565,326

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED
YEAR ENDED SEPTEMBER 30, 2017

	Supporting Services			MOWCT Totals
	Management & General	Fund Raising	Total	
EXPENSES				
Salaries	\$ 505,546	\$ 409,374	\$ 914,920	\$ 4,283,395
Payroll Taxes	36,616	31,032	67,648	317,090
Other Employee Benefits	73,326	23,486	96,812	596,348
Total P Total Personnel	<u>615,488</u>	<u>463,892</u>	<u>1,079,380</u>	<u>5,196,833</u>
Recipient Meal Costs	-	14	14	1,858,862
Home Repair Construction Costs	-	-	-	2,937,975
Contract Labor	-	-	-	-
Supplies	121	3,682	3,803	158,467
Postage	-	70,047	70,047	104,015
Printing	2,750	58,323	61,073	133,281
Occupancy	-	11,406	11,406	140,458
Utilities	-	10,507	10,507	133,629
Telephone	-	3,574	3,574	60,133
Professional Fees	4,070	67,770	71,840	214,344
Computer Software	792	4,501	5,293	22,824
Equipment Maintenance	-	8,026	8,026	53,658
Insurance	-	8,172	8,172	123,324
Service Delivery and Mileage	-	509	509	175,358
Dues and Subscriptions	-	1,315	1,315	10,481
Conferences/Training/Travel	694	3,575	4,269	30,395
Interest	-	8,507	8,507	101,719
Special Client Assistance/Aid	-	-	-	25,831
Promotional	-	1,357	1,357	1,357
Volunteer Recognition/Recruitment	-	-	-	11,367
Grants to Other Agencies	132,490	-	132,490	132,490
Miscellaneous	<u>18,812</u>	<u>127,280</u>	<u>146,092</u>	<u>193,991</u>
Total Expenses Before Depreciation	<u>775,217</u>	<u>852,457</u>	<u>1,627,674</u>	<u>11,820,792</u>
Depreciation	<u>14,977</u>	<u>21,013</u>	<u>35,990</u>	<u>408,198</u>
TOTAL EXPENSES	<u><u>\$ 790,194</u></u>	<u><u>\$ 873,470</u></u>	<u><u>\$ 1,663,664</u></u>	<u><u>\$ 12,228,990</u></u>

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

Helping the Aging, Needy and Disabled, Inc.			
Program Services	Management & General	Fund Raising	HAND Totals
\$ 1,804,264	\$ 370,488	\$ -	\$ 2,174,752
160,910	34,448	-	195,358
111,364	62,546	-	173,910
<u>2,076,538</u>	<u>467,482</u>	<u>-</u>	<u>2,544,020</u>
-	-	-	-
-	-	-	-
9,157	46,873	14,406	70,436
7,680	7,679	-	15,359
1,175	2,853	168	4,196
-	4,101	-	4,101
15,179	15,179	-	30,358
-	-	-	-
14,932	1,124	-	16,056
58,732	20,134	-	78,866
7,118	971	-	8,089
13,256	1,639	-	14,895
48,582	6,625	-	55,207
-	-	-	-
2,726	1,398	635	4,759
17,852	2,434	-	20,286
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	4,202	-	4,202
<u>2,272,927</u>	<u>582,694</u>	<u>15,209</u>	<u>2,870,830</u>
<u>17,956</u>	<u>1,351</u>	<u>-</u>	<u>19,307</u>
<u>\$ 2,290,883</u>	<u>\$ 584,045</u>	<u>\$ 15,209</u>	<u>\$ 2,890,137</u>

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2016

EXPENSES	Program Services				
	Meals on Wheels	Second Meals	Congregate	Care Calls	TDHCT Home Repair
Salaries	\$1,480,917	\$129,521	\$ 454,753	\$ -	\$ 221
Payroll Taxes	119,856	9,577	33,860	-	16
Other Employee Benefits	227,940	32,680	53,825	-	-
Total Personnel	1,828,713	171,778	542,438	-	237
Recipient Meal Costs	1,340,454	112,902	227,501	-	-
Home Repair Construction Costs	-	-	-	-	-
Contract Labor	-	-	-	-	-
Supplies	23,398	1,614	28,939	-	-
Postage	23,765	696	2,666	-	-
Printing	57,372	4,630	7,685	-	-
Occupancy	49,571	4,080	15,912	18	-
Utilities	66,542	5,431	19,954	-	-
Telephone	31,642	2,090	5,534	-	-
Professional Fees	54,136	2,842	11,457	-	-
Computer Software	3,984	251	973	-	-
Equipment Maintenance	42,807	3,738	10,317	-	-
Insurance	64,152	4,262	17,058	-	-
Service Delivery and Mileage	74,052	6,643	18,188	-	-
Dues and Subscriptions	6,910	526	1,779	-	-
Conferences/Training/Travel	7,220	576	3,159	-	-
Interest	45,112	3,631	14,130	-	-
Special Client Assistance/Aid	-	-	-	-	-
Promotional	1,224	98	376	-	-
Volunteer Recognition/Recruitment	8,825	842	-	-	-
Grants to Other Agencies	-	-	-	-	-
Miscellaneous	20,350	1,552	5,301	-	-
Total Expenses Before Depreciation	3,750,229	328,182	933,367	18	237
Depreciation	205,985	14,081	50,409	-	-
TOTAL EXPENSES	\$3,956,214	\$342,263	\$ 983,776	\$ 18	\$ 237

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

Program Services							
Travis County Home Repair	Client Assistance	PALS Program	Groceries To Go	Handy Wheels	Country Wheels	Meals for Kids	Texas Veterans Food Program
\$ 57,534	\$ 87,827	\$ 59,133	\$ 40,044	\$ 9,801	\$ 58,303	\$ 42,194	\$ 186,849
3,028	6,656	4,401	2,855	751	4,612	3,018	13,641
10,665	14,590	10,262	7,860	477	9,296	2,056	39,172
71,227	109,073	73,796	50,759	11,029	72,211	47,268	239,662
-	-	-	-	-	74,917	7,922	120,640
256,351	-	-	-	1,153	-	-	-
-	-	-	-	-	-	-	-
824	47,260	24,419	681	11,579	1,095	209	1,830
360	731	377	177	46	491	92	775
975	2,096	1,656	1,369	134	1,538	502	4,743
2,167	3,509	1,639	1,056	155	2,947	560	4,472
2,743	4,266	1,974	1,258	38	3,857	753	6,252
741	1,160	897	342	18	2,374	182	2,007
2,005	2,529	16,164	722	141	2,025	383	3,259
141	220	102	65	2	182	34	298
969	1,525	708	450	36	2,484	442	3,071
1,994	3,321	1,485	946	150	6,170	914	4,677
2,004	1,791	1,208	186	74	13,078	2,206	7,613
255	399	184	117	4	341	65	603
287	552	3,146	117	9	341	67	647
2,006	3,175	1,470	939	91	2,640	498	4,261
-	32,372	-	-	-	-	-	-
55	85	40	25	1	71	13	117
-	-	926	218	-	-	-	771
-	-	-	-	-	-	-	-
474	1,503	1,484	343	21	969	185	1,760
345,578	215,567	131,675	59,770	24,681	187,731	62,295	407,458
5,424	8,683	4,057	2,580	459	27,988	3,486	14,524
\$ 351,002	\$ 224,250	\$ 135,732	\$ 62,350	\$ 25,140	\$ 215,719	\$ 65,781	\$ 421,982

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED
YEAR ENDED SEPTEMBER 30, 2016

	Program Services				
	Hope	Texas Veterans Home Repair	Home Repair	Respite Care	Barrier Removal
EXPENSES					
Salaries	\$ 9,386	\$ 8,499	\$ 112,959	\$ 86,423	\$ 41,507
Payroll Taxes	593	709	8,881	6,441	3,215
Other Employee Benefits	2,109	1,099	11,853	8,529	2,474
Total Personnel	<u>12,088</u>	<u>10,307</u>	<u>133,693</u>	<u>101,393</u>	<u>47,196</u>
Recipient Meal Costs	-	-	-	10,234	-
Home Repair Construction Costs	-	36,070	961,925	-	365,945
Contract Labor	-	-	-	-	-
Supplies	2,343	-	1,123	4,458	174
Postage	57	48	520	391	86
Printing	1,007	6	934	1,165	205
Occupancy	269	169	2,266	2,351	535
Utilities	251	-	2,606	2,859	578
Telephone	72	9	3,358	769	158
Professional Fees	205	141	2,192	4,153	847
Computer Software	13	-	134	146	30
Equipment Maintenance	101	27	962	1,119	210
Insurance	246	140	2,128	2,031	444
Service Delivery and Mileage	174	665	1,895	360	1,942
Dues and Subscriptions	24	1	243	265	54
Conferences/Training/Travel	32	5	2,033	405	52
Interest	220	73	2,021	2,011	436
Special Client Assistance/Aid	-	-	-	-	-
Promotional	5	-	52	56	12
Volunteer Recognition/Recruitment	548	-	-	415	-
Grants to Other Agencies	-	-	-	-	-
Miscellaneous	76	13	754	900	158
Total Expenses Before Depreciation	<u>17,731</u>	<u>47,674</u>	<u>1,118,839</u>	<u>135,481</u>	<u>419,062</u>
Depreciation	681	429	5,810	5,648	1,231
TOTAL EXPENSES	<u><u>\$ 18,412</u></u>	<u><u>\$ 48,103</u></u>	<u><u>\$ 1,124,649</u></u>	<u><u>\$ 141,129</u></u>	<u><u>\$ 420,293</u></u>

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

Program Services					
Home Repair Other	Holly Good- neighbor	Home Depot	Community Services	Legislative Activities	Total
\$ -	\$ 44,024	\$ 57,430	\$ 39,086	\$ 17,742	\$ 3,024,153
-	3,364	4,428	2,213	-	232,115
-	3,751	5,476	3,503	-	447,617
-	51,139	67,334	44,802	17,742	3,703,885
-	-	-	-	-	1,894,570
21,452	414,178	565,669	-	-	2,622,743
-	-	-	-	-	-
-	809	358	253	-	151,366
49	270	112	125	-	31,834
-	947	389	303	-	87,656
-	1,929	790	739	-	95,134
-	2,694	1,106	2,434	-	125,596
-	711	292	231	-	52,587
-	830	1,448	11,385	6,573	123,437
-	139	57	43	-	6,814
-	693	601	6,164	-	76,424
-	712	1,882	662	-	113,374
-	441	4,901	1,660	-	139,081
-	249	102	579	-	12,700
-	227	1,129	81	-	20,085
-	762	1,942	643	-	86,061
-	-	-	-	-	32,372
-	54	22	17	-	2,323
-	-	-	-	-	12,545
-	-	-	-	-	-
-	545	765	610	-	37,763
21,501	477,329	648,899	70,731	24,315	9,428,350
-	1,881	4,807	8,564	-	366,727
\$ 21,501	\$ 479,210	\$ 653,706	\$ 79,295	\$ 24,315	\$ 9,795,077

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

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 dba MEALS ON WHEELS CENTRAL TEXAS
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED
 YEAR ENDED SEPTEMBER 30, 2016

	Supporting Services			MOWCT Totals
	Management & General	Fund Raising	Total	
EXPENSES				
Salaries	\$ 505,994	\$ 397,410	\$ 903,404	\$ 3,927,557
Payroll Taxes	32,457	29,525	61,982	294,097
Other Employee Benefits	64,905	38,185	103,090	550,707
Total Personnel	<u>603,356</u>	<u>465,120</u>	<u>1,068,476</u>	<u>4,772,361</u>
Recipient Meal Costs	-	-	-	1,894,570
Home Repair Construction Costs	-	-	-	2,622,743
Contract Labor	-	-	-	-
Supplies	1,209	3,445	4,654	156,020
Postage	164	97,898	98,062	129,896
Printing	4,714	62,701	67,415	155,071
Occupancy	-	8,434	8,434	103,568
Utilities	-	10,058	10,058	135,654
Telephone	-	4,020	4,020	56,607
Professional Fees	3,200	77,405	80,605	204,042
Computer Software	-	4,311	4,311	11,125
Equipment Maintenance	(800)	4,099	3,299	79,723
Insurance	-	8,134	8,134	121,508
Service Delivery and Mileage	-	240	240	139,321
Dues and Subscriptions	400	1,637	2,037	14,737
Conferences/Training/Travel	-	8,592	8,592	28,677
Interest	-	7,498	7,498	93,559
Special Client Assistance/Aid	-	-	-	32,372
Promotional	-	1,459	1,459	3,782
Volunteer Recognition/Recruitment	-	-	-	12,545
Grants to Other Agencies	272,740	-	272,740	272,740
Miscellaneous	6,970	111,183	118,153	155,916
Total Expenses Before Depreciation	<u>891,953</u>	<u>876,234</u>	<u>1,768,187</u>	<u>11,196,537</u>
Depreciation	<u>-</u>	<u>20,704</u>	<u>20,704</u>	<u>387,431</u>
TOTAL EXPENSES	<u><u>\$ 891,953</u></u>	<u><u>\$ 896,938</u></u>	<u><u>\$ 1,788,891</u></u>	<u><u>\$ 11,583,968</u></u>

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

Helping the Aging, Needy and Disabled, Inc.			
Program Services	Management & General	Fund Raising	HAND Totals
706,635	55,296	-	\$ 761,931
61,559	4,028	-	65,587
32,483	18,864	-	51,347
<u>800,677</u>	<u>78,188</u>	<u>-</u>	<u>878,865</u>
-	-	-	-
-	-	-	-
-	67,875	-	67,875
-	3,713	-	3,713
-	856	-	856
-	463	-	463
14,731	14,731	-	29,462
-	-	-	-
-	6,623	-	6,623
3,294	22,063	-	25,357
5,224	476	7,412	13,112
251	4,179	-	4,430
19,011	1,554	-	20,565
-	-	-	-
2,613	3,070	-	5,683
7,180	2,466	-	9,646
-	131	-	131
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	2,857	-	2,857
<u>852,981</u>	<u>209,245</u>	<u>7,412</u>	<u>1,069,638</u>
<u>3,341</u>	<u>128</u>	<u>-</u>	<u>3,469</u>
<u>\$ 856,322</u>	<u>\$ 209,373</u>	<u>\$ 7,412</u>	<u>\$1,073,107</u>

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	2017	2016
Cash Flows From Operating Activities		
Change in Net Assets	\$ 1,300,545	\$ 1,533,467
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities		
Depreciation	427,505	390,900
(Gain) Loss on Disposal of Fixed Assets	13,560	14,921
Unrealized Gain on Investments	(34,230)	(15,992)
Contributions Restricted for Endowment	(1,000,000)	-
Change in Operating Assets and Liabilities -		
Grants and Contracts Receivable	(25,721)	(379,825)
Other Receivable	(2,877)	59
Prepaid Items and Other Current Assets	(82,751)	(51,230)
Accounts Payable	84,720	(180,267)
Accrued Liabilities	54,908	30,027
Deferred Revenues	(276,706)	321,373
Net Cash Flows From Operating Activities	458,953	1,663,433
Cash Flows from Investing Activities		
Proceeds from Sale of Investments	58,448	960,867
Purchase of Investments	(1,066,072)	(967,883)
Proceeds from the Sale of Fixed Assets	43,103	1,000
Acquisition of Fixed Assets	(1,119,112)	(295,097)
Net Cash Flows From Investing Activities	(2,083,633)	(301,113)
Cash Flows from Financing Activities		
Contributions Restricted for Endowment	1,000,000	-
Payments on Long-Term Debt	(68,150)	(119,539)
Net Cash Flows From Financing Activities	931,850	(119,539)
Net Change in Cash and Cash Equivalents	(692,830)	1,242,781
Cash and Cash Equivalents, Beginning of Year	3,427,802	2,160,733
Cash added with HAND	-	24,288
Cash and Cash Equivalents, End of Year	\$ 2,734,972	\$ 3,427,802
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	\$ 102,195	\$ 93,690

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

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1: ORGANIZATION BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES

Organizations - Meals on Wheels and More, Inc. (MOWAM), formerly known as United Austin for the Elderly, Inc., was founded in 1972 by a group of volunteers who created the Meals on Wheels program to help meet the nutritional needs of homebound elderly people in Austin and Travis County. MOWAM has grown to provide a variety of program services that are designed to enable the homebound elderly to remain independent and in their own homes. MOWAM depends significantly on third-party reimbursement arrangements to carry out its program services. Effective March 2, 2016, MOWAM obtained an assumed name certificate to begin conducting business as Meals on Wheels Central Texas (MOWCT).

Austin Meals on Wheels Endowment Fund (the Endowment) was established August 10, 1993, by the board of directors and designated for the purpose and intent of receiving, investing, and managing contributions received for the benefit of MOWCT. The Endowment may distribute up to 5% of the average of the previous 12 quarters' ending market value. The withdrawals should never be such as to take the corpus below the inception money value plus net additions. There were no transfers to MOWCT from the Endowment in 2017 or 2016.

All funds in the Endowment represent discretionary transfers from unrestricted net assets and are therefore not restricted, but are designated for the purposes described above. The net assets of the Endowment are shown in the combined statements of financial position as Unrestricted, Designated for Endowment Fund, and totaled \$519,646 and \$481,636 at September 30, 2017 and 2016, respectively.

As of May 17, 2016, MOWCT became the sole member of Helping the Aging, Needy and Disabled, Inc. dba Meals on Wheels Central Texas In-Home Care (HAND), another nonprofit organization located in Austin, Texas. HAND promotes dignity and independence for the aged and disabled by providing household care, personal care, and other supportive services to those individuals. The activities of HAND for the year ended September 30, 2017, and the period from May 17, 2016 through September 30, 2016, are included in these combined financial statements.

Method of Accounting - MOWCT, the Endowment, and HAND (collectively, the Organizations) use the accrual basis method of accounting. Such method of accounting recognizes support, revenue and the related receivables as earned, regardless of when the cash is collected. Expenses and related payables are recognized as incurred, regardless of when the obligation is paid.

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1: ORGANIZATION BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED

Financial Statement Presentation - To ensure that temporarily restricted grant funds are used for the purpose to which they are intended, the Organizations maintain their accounts in accordance with the principles of fund accounting. Funds are established for each of the Organizations' activities, based on their nature and purpose. Separate accounts are maintained for each fund. For financial statement purposes, the Organizations follow the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Financial Statements of Not-for-Profit Organizations*.

The classification of the Organizations' net assets and their support, revenue and expenses are based on the existence or absence of donor-imposed restrictions. FASB ASC 958 requires that the amounts for each of the three classes of net assets - permanently restricted, temporarily restricted and unrestricted - be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor imposed stipulations.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and net assets released from restrictions.

Certain income received under grant agreements is temporarily restricted until the organization meets purpose restrictions by satisfying specified program initiatives. If the program restrictions are satisfied in the same period as the income received, the organization records the income as unrestricted revenues. Temporarily restricted income received that has not satisfied program restrictions is recorded as temporarily restricted until program restrictions are satisfied. The Organizations have \$9,867 and \$0 temporarily restricted net assets at September 30, 2017 and 2016, respectively.

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. The Organizations have \$1,000,000 and \$0 permanently restricted net assets at September 30, 2017 and 2016, respectively.

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1: ORGANIZATION BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED

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

Revenue Recognition - Grants and contributions of cash and other assets are reported as temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets.

Annual campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor. The majority of the contributions are from a broad base of contributions as a result of the annual campaign. Promises to give are typically neither received nor recorded by the Organizations.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Organizations did not receive any contributions of donated services in 2017 and 2016 that meet the criteria for recording in the financial statements.

Program service fees are recognized as revenue when the fee is earned.

Fair Value Measurement - The Organizations follow FASB ASC 820, *Fair Value Measurements and Disclosures*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access.

Level 2 - Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
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NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1: ORGANIZATION BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organizations believe the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Following is a description of the valuation methodologies used for assets measured at fair value.

Money market and mutual funds: Valued at the net asset value (NAV) of shares held at fiscal year end.

Cash and Cash Equivalents - For the purposes of the combined statement of cash flows, cash is defined as cash held in checking and money market accounts and certificates of deposit with maturities of less than 90 days.

Investments - The Organizations' investments in equity securities with readily determinable fair value and all debt securities are reported at their fair value. Unrealized gains and losses arising from changes in the fair value of investments are reported in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by donors to a specified purpose or future period.

Receivables - Grants and contract receivables represent expenses incurred, which will be offset by funds to be received. Receivables considered a problem to collect are reflected as an allowance for uncollectible accounts. At year-end, MOWCT considered all receivables to be fully collectible. HAND has an allowance for uncollectible accounts of \$0 and \$15,000, as of September 30, 2017 and 2016, respectively.

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 AND RELATED ENTITIES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017 AND 2016

NOTE 1: ORGANIZATION BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES,
 CONTINUED

Fixed Assets - Generally, items with a cost or fair value over \$500 are capitalized as fixed assets and are stated at cost if purchased and fair value if donated. Depreciation is calculated by applying the straight-line method over the estimated useful lives of the assets of generally three to thirty years.

Income Taxes - The Organizations are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code for any income related to the Organizations' exempt purposes. The Internal Revenue Service classifies the Organizations as other than private foundations.

The Organizations have adopted ASC 740, *Accounting for Uncertainty in Income Taxes*. That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in financial statements. It also provides guidance for de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Organizations' Federal exempt organization returns for the years ended September 30, 2014, and after are subject to examination by the Internal Revenue Service.

Functional Expense Allocations - Functional expenses which are not specifically attributable to program services or supporting services are allocated by management based on various allocation factors.

Subsequent Events - Management of the Organizations has evaluated subsequent events for disclosure through the date of the Independent Auditors' Report, the date the combined financial statements were available to be issued.

NOTE 2: INVESTMENTS

The following table sets forth by level, within the fair value hierarchy, the Organizations' assets measured at fair value as of September 30, 2017:

	Level 1	Level 2	Level 3	Total
Cash and MM Accounts	\$ 1,037,763	\$ -	\$ -	\$ 1,037,763
U.S. Equities	221,351	-	-	221,351
International Equities	77,388	-	-	77,388
Fixed Income Bond Funds	155,202	-	-	155,202
Other	8,648	-	-	8,648
	<u>\$ 1,500,352</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500,352</u>

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
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NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 2: INVESTMENTS, CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Organizations' assets measured at fair value as of September 30, 2016:

	Level 1	Level 2	Level 3	Total
Cash and MM Accounts	\$ 41,931	\$ -	\$ -	\$ 41,931
U.S. Equities	218,857	-	-	218,857
International Equities	52,584	-	-	52,584
Fixed Income Bond Funds	135,866	-	-	135,866
Other	9,260	-	-	9,260
	<u>\$ 458,498</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 458,498</u>

Investment income totaled \$14,867 and \$12,831 for the years ended September 30, 2017 and 2016, respectively, and is comprised of interest and dividends. See board designated restrictions set forth in Note 5.

NOTE 3: FIXED ASSETS

Fixed assets as of September 30, 2017 and 2016, and activity in fixed assets for the year ended September 30, 2017, consists of the following:

	Balance 2016	Additions	Retirements	Balance 2017
Cost				
Land	\$ 169,032	\$ -	\$ -	\$ 169,032
Buildings	5,851,077	77,709	-	5,928,786
Automobiles	745,875	105,549	(60,112)	791,312
Furniture & Equipment	1,131,736	283,593	(89,344)	1,325,985
Kitchen Equipment	843,773	70,343	(53,964)	860,152
Furniture, Equipment & Automobiles - HAND	174,757	769	(105,224)	70,302
Construction in Progress	9,813	581,149	-	590,962
Total Cost	<u>8,926,063</u>	<u>1,119,112</u>	<u>(308,644)</u>	<u>9,736,531</u>
Accumulated Depreciation				
MOWCT	3,623,728	408,198	(194,117)	3,837,809
HAND	103,237	19,307	(57,864)	64,680
	<u>\$ 5,199,098</u>	<u>\$ 691,607</u>	<u>\$ (114,527)</u>	<u>\$ 5,834,042</u>

Certain real property owned by MOWCT is used to secure a loan payable to a bank. See Note 4.

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 AND RELATED ENTITIES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017 AND 2016

NOTE 4: LONG-TERM DEBT

MOWCT maintains a line of credit in the amount of \$200,000. This line of credit has a variable interest rate (currently 5.5%). No borrowings were made on this line of credit during the years ended September 30, 2017 and 2016.

MOWCT has a loan payable to a bank with a balance of \$2,705,666 and \$2,824,340 at September 30, 2017 and 2016, respectively. Proceeds from the loan were used in prior years for the expansion of facilities located on East 5th Street. The promissory note had an initial amount of three million one hundred forty-six thousand six hundred and sixty-one dollars (\$3,146,661) and is secured by real property and capital campaign receipts. The note has a ten-year term, maturing on December 15, 2023, and a variable interest rate adjusted monthly to the lender's Prime Rate, which is calculated based on an indexed rate less 0.25%, but shall not be greater than 4.50% per year (Rate is 4.00% at September 30, 2017). Under the terms of the agreement, MOWCT is required to maintain the Organizations' primary depository account with the lender.

Maturities required on long-term debt in future years are as follows:

2018	\$	130,071
2019		134,083
2020		138,018
2021		142,476
2022		146,870
Thereafter		2,014,148
		\$ 2,705,666

NOTE 5: NET ASSETS DESIGNATED FOR SPECIFIC PURPOSES

The Organizations have designated that certain unrestricted net assets be used for specific purposes. The amounts and specific purposes are as follows:

	2017	2016
Designated for Endowment Fund	\$ 519,646	\$ 481,636
Designated for Debt	\$ 201,578	\$ 253,778
Board Designated	\$ 10,000	\$ -

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 AND RELATED ENTITIES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017 AND 2016

NOTE 6: POST EMPLOYMENT BENEFIT PLAN

MOWCT maintains a 401(k) profit sharing plan, a defined contribution plan, for all eligible employees. During the fiscal years ended September 30, 2017 and 2016, MOWCT contributed 4% of eligible salaries to the plan. Total contributions in 2017 amounted to \$247,353; \$112,614 by employees, and \$134,739 by MOWCT. Total contributions in 2016 amounted to \$245,782; \$124,738 by employees, and \$121,044 by MOWCT. Eligible employees may voluntarily contribute a portion of their salary to the plan as well. All eligible employees are fully vested in voluntary contributions and are fully vested in MOWCT's contributions after 5 years of service.

NOTE 7: GRANTS AND CONTRACTS

Grants and contracts reported in the accompanying combined financial statements represent 77% and 66% of total support and revenue for the years ended September 30, 2017 and 2016, respectively. Details of grants and contracts are as follows:

Meals on Wheels Central Texas

Cost Reimbursement Contracts

	2017	2016
City of Austin Meals	\$ 526,394	\$ 483,341
Travis County, Texas Meals	167,376	167,376
City of Austin Home Repair Program	1,011,859	1,153,970
Texas Veterans Commission Housing Program	-	44,352
Texas Veterans Commission Food Program	231,815	202,268
State of Texas Barrier Removal Program	217,393	423,507
Federal Emergency Management Assistance	20,940	-
Travis County Home Repair Program	241,004	294,805
Travis County Congregate Meals	143,059	143,059
Seton Meal Program	-	267
Home Depot Home Repair Programs	1,246,281	670,555

Grants

Texas Department of Agriculture - 1st Meals	389,455	399,406
Texas Department of Agriculture - 2nd Meals	33,121	35,241
	422,576	434,647

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
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NOTES TO COMBINED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 7: GRANTS AND CONTRACTS, CONTINUED

<u>Unit Cost Reimbursement Contracts</u>	<u>2017</u>	<u>2016</u>
Texas Department of Human Services:		
Title XX Meals on Wheels	\$ 713,859	\$ 705,801
Community Based Alternatives - Evercare	331,587	334,558
Community Based Alternatives - Amerigroup	261,673	283,079
Texas Department on Aging:		
Title III C-1 - Congregate Meals	584,446	584,761
Title III C-2 - HDM	550,371	599,752
Title III C-2 - Rural Delivery	150,099	133,159
Title III B - Home Repair	86,585	23,410
City of Austin - Congregate Meals	18,107	15,900
St. David's Foundation	132,490	344,740
Various Grants	2,594,401	1,284,059
Total Meals on Wheels	<u>9,652,315</u>	<u>8,327,366</u>
 HAND		
<u>Unit Cost Reimbursement Contracts</u>		
United Healthcare	321,747	143,800
Amerigroup	859,846	339,725
Texas Department of Aging and Disability Services	819,260	319,263
	<u>2,000,853</u>	<u>802,788</u>
<u>Grants</u>		
St. David's Foundation	325,000	-
Various Grants and Program Fees	97,004	52,598
Total HAND	<u>2,422,857</u>	<u>855,386</u>
Total Grants and Contracts	<u>\$ 12,075,172</u>	<u>\$ 9,182,752</u>

MOWCT also receives grants and contracts from others as follows:

	<u>2017</u>	<u>2016</u>
Round Rock United Way	<u>\$ 14,803</u>	<u>\$ 13,820</u>

MOWCT operates under various grant agreements with government agencies which generally cover a one-year period, subject to annual renewals. The terms of these grants allow the grantors the right to audit the costs incurred there under. Any costs disallowed by the grantor would be absorbed by MOWCT. Management believes any adjustments by the grantors, if any, would be immaterial and would not have a material adverse effect on the financial position of MOWCT.

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 AND RELATED ENTITIES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017 AND 2016

NOTE 8: CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

MOWCT maintains cash accounts at financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC). At September 30, 2017, there was \$133,495 that exceeded the amount of FDIC coverage.

NOTE 9: CONCENTRATION OF FUNDING SOURCE

The Organizations received approximately 10% and 12% of their total revenues from the City of Austin for the years ended September 30, 2017 and 2016, respectively. A loss of any of these contracts could ultimately affect operating results.

NOTE 10: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30, 2017 and 2016, and their stipulated purposes were as follows:

	2017	2016
HAND - Program service grants	\$ 8,844	\$ -
MOWCT - The Myrtle Agnew Walker Endowment for in home care activities within HAND	1,023	-
	\$ 9,867	\$ -

Net assets were released from restrictions by incurring expenses satisfying the purpose restrictions specified.

NOTE 11: THE MYRTLE AGNEW WALKER ENDOWMENT

On July 7, 2017, MOWCT established The Myrtle Agnew Walker Endowment (The MAW Endowment) with the purpose of creating a permanent endowment to support MOWCT's in home care activities within HAND.

MOWCT has interpreted the Uniform Prudent Management of Institutional Funds Acts (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Permanently restricted net assets are classified at the original value of gifts donated to the permanent endowment, plus the original value of subsequent gifts to the permanent endowment. Certain gifts do require a portion of earnings to be added to the permanently restricted net assets. The earnings portion of the donor restricted endowment fund is classified as temporarily restricted net assets until those funds are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
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 NOTES TO COMBINED FINANCIAL STATEMENTS
 SEPTEMBER 30, 2017 AND 2016

NOTE 11: THE MYRTLE AGNEW WALKER ENDOWMENT, CONTINUED

Changes in The MAW Endowment fund were as follows for the year ended September 30, 2017:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning of year	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	1,000,000	1,000,000
Interest and dividends	-	1,023	-	1,023
	<u>\$ -</u>	<u>\$ 1,023</u>	<u>\$ 1,000,000</u>	<u>\$ 1,001,023</u>

SUPPLEMENTAL INFORMATION

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
AND RELATED ENTITIES
COMBINING STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2017

	Meals on Wheels and More	Austin Meals on Wheels Endowment Fund	Helping the Aging, Needy and Disabled
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 2,592,294	\$ 19,468	\$ 123,210
Investments	1,001,023	499,329	-
Receivables			
Grants and Contracts, net of allowance	1,703,484	-	117,371
Other	4,073	-	-
Prepaid Items and Other Current Assets	211,014	849	21,090
Total Current Assets	<u>5,511,888</u>	<u>519,646</u>	<u>261,671</u>
Non-Current Assets			
Fixed Assets			
Land and Building	6,097,818	-	-
Office Furniture and Equipment	1,325,985	-	53,320
Kitchen Equipment	860,152	-	-
Vehicles	791,312	-	16,982
Construction in Progress	590,962	-	-
Accumulated Depreciation	(3,837,809)	-	(64,680)
Total Non-Current Assets	<u>5,828,420</u>	<u>-</u>	<u>5,622</u>
TOTAL ASSETS	<u>\$ 11,340,308</u>	<u>\$ 519,646</u>	<u>\$ 267,293</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable	\$ 399,876	\$ -	\$ 21,280
Accrued Payroll Liabilities	109,954	-	97,210
Liability for Compensated Absences	105,000	-	29,382
Deferred Revenue	378,278	-	-
Current Portion of Long-Term Debt	130,071	-	-
Total Current Liabilities	<u>1,123,179</u>	<u>-</u>	<u>147,872</u>
Non-Current Liabilities			
Long-Term Debt	2,575,595	-	159,515
Total Non-Current Liabilities	<u>2,575,595</u>	<u>-</u>	<u>159,515</u>
Total Liabilities	<u>3,698,774</u>	<u>-</u>	<u>307,387</u>
Net Assets			
Unrestricted			
Undesignated	6,438,933	-	(58,938)
Board Designated	-	-	10,000
Designated for Endowment Fund	-	519,646	-
Designated for Debt	201,578	-	-
Total Unrestricted Net Assets	<u>6,640,511</u>	<u>519,646</u>	<u>(48,938)</u>
Temporarily Restricted Net Assets	1,023	-	8,844
Permanently Restricted Net Assets	1,000,000	-	-
Total Net Assets	<u>7,641,534</u>	<u>519,646</u>	<u>(40,094)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,340,308</u>	<u>\$ 519,646</u>	<u>\$ 267,293</u>

<u>Eliminations</u>	<u>Total</u>
\$ -	\$ 2,734,972
-	1,500,352
(159,515)	1,661,340
-	4,073
-	232,953
(159,515)	6,133,690

-	6,097,818
-	1,379,305
-	860,152
-	808,294
-	590,962
-	(3,902,489)
-	5,834,042
\$ (159,515)	\$ 11,967,732

-	\$ 421,156
-	207,164
-	134,382
-	378,278
-	130,071
-	1,271,051
(159,515)	2,575,595
(159,515)	2,575,595
(159,515)	3,846,646

-	6,379,995
-	10,000
-	519,646
-	201,578
-	7,111,219
-	9,867
-	1,000,000
-	8,121,086
\$ (159,515)	\$ 11,967,732

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 AND RELATED ENTITIES
 COMBINING STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Meals on Wheels and More	Austin Meals on Wheels Endowment Fund
UNRESTRICTED NET ASSETS		
Support and Revenue		
Grants and Contracts	\$ 9,652,315	\$ -
Public Contributions	3,060,055	1,777
United Way	14,803	-
Other Revenue	67,440	-
Net Assets Released from Restrictions	-	-
Total Support and Revenue	12,794,613	1,777
Expenses		
Program Services	10,565,326	-
Management and General	781,907	8,287
Fund Raising	873,470	-
Total Expenses	12,220,703	8,287
Revenues Over (Under) Expenses	573,910	(6,510)
Other Revenues and Expenses		
Investment Income	3,554	10,290
Unrealized Gains (Losses) on Investments	-	34,230
Gain (Loss) on Disposal of Fixed Assets	(1,978)	-
Total Other Revenues and Expenses	1,576	44,520
Increase (Decrease) in Unrestricted Net Assets	575,486	38,010
TEMPORARILY RESTRICTED NET ASSETS		
Support and Revenue		
Grants and Contracts	-	-
Investment Income	1,023	-
Net Assets Released from Restrictions	-	-
Increase (Decrease) in Temporarily Restricted Net Assets	1,023	-
PERMANENTLY RESTRICTED NET ASSETS		
Support and Revenue		
Public Contributions	1,000,000	-
Increase (Decrease) in Permanently Restricted Net Assets	1,000,000	-
Increase (Decrease) in Net Assets	1,576,509	38,010
Net Assets, Beginning of Year	6,065,025	481,636
NET ASSETS, END OF YEAR	\$ 7,641,534	\$ 519,646

Helping the Aging, Needy and Disabled	Eliminations	Total
\$ 2,212,660	\$ (132,490)	\$ 11,732,485
15,317	-	3,077,149
-	-	14,803
17,081	(23,800)	60,721
333,843	-	333,843
<u>2,578,901</u>	<u>(156,290)</u>	<u>15,219,001</u>
2,290,883	(23,800)	12,832,409
584,045	(132,490)	1,241,749
15,209	-	888,679
<u>2,890,137</u>	<u>(156,290)</u>	<u>14,962,837</u>
(311,236)	-	256,164
-	-	13,844
-	-	34,230
<u>(11,582)</u>	<u>-</u>	<u>(13,560)</u>
<u>(11,582)</u>	<u>-</u>	<u>34,514</u>
<u>(322,818)</u>	<u>-</u>	<u>290,678</u>
342,687		342,687
-		1,023
<u>(333,843)</u>		<u>(333,843)</u>
<u>8,844</u>	<u>-</u>	<u>9,867</u>
		1,000,000
<u>-</u>	<u>-</u>	<u>1,000,000</u>
(313,974)	-	1,300,545
273,880	-	6,820,541
<u>\$ (40,094)</u>	<u>\$ -</u>	<u>\$ 8,121,086</u>

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED SEPTEMBER 30, 2017

Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Agency Pass-Through Number	Expenditures
Federal Assistance			
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Texas Department on Aging:			
Capital Area Planning Council:			
Title III C-1 - Congregate Meals	93.045	AAA09-06	\$ 299,647
Title III C-2 - Home Delivered Meals	93.045	AAA09-06	550,370
Title III C-2 - Rural Delivery	93.045	AAA09-06	150,099
Title III B - Home Repair Revenue	93.044	AAA09-06	<u>86,585</u>
Total U. S. Department of Health and Human Services			<u>1,086,701</u>
U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY			
Passed Through Travis and Williamson County Local Boards			
Emergency Food and Shelter National Board Program	97.024	LRO-016	<u>26,138</u>
Total U.S. Department of Homeland Security Federal Emergency Management Agency			<u>26,138</u>
TOTAL FEDERAL ASSISTANCE			<u><u>\$ 1,112,839</u></u>
State Assistance			
Texas Dept. of Agriculture			
Home Delivered Meal Program	N/A	---	\$ 422,576
Texas Department of Housing and Community Affairs			
Amy Young Barrier Removal Program	N/A	1001524	253,472
Texas Veterans Commission			
Food Program	N/A	N/A	<u>231,815</u>
TOTAL STATE ASSISTANCE			<u><u>\$ 907,863</u></u>

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2017

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of MOWCT and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas Single Audit Circular.

NOTE 2: CONTINGENT LIABILITIES

MOWCT participates in federal and state assisted programs. These programs are audited in accordance with Government Auditing Standards, Uniform Guidance, and the State of Texas Single Audit Circular, if applicable, in accordance with the required levels of Federal and State Financial Assistance. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, management believes that further examinations would not result in any significant disallowed costs.

NOTE 3: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related Federal or State financial reports filed with the grantor agencies because of accruals made in the schedule which will be included in future reports filed with agencies.

NOTE 4: INDIRECT COST RATE

MOWCT has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

COMPLIANCE AND INTERNAL CONTROLS



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*

To the Board of Directors
Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas
Austin, Texas

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 Meals on Wheels and More, Inc. dba Meals on Wheels Central Texas (MOWCT), which comprise the statement of financial position as of September 30, 2017, 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 April 18, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MOWCT'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MOWCT's internal control. Accordingly, we do not express an opinion on the effectiveness of MOWCT'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 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 MOWCT'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 matter that is 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.

A handwritten signature in black ink that reads "Atchley & Associates, LLP". The signature is written in a cursive, flowing style.

Austin, Texas

April 18, 2018



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
UNIFORM GUIDANCE AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Board of Directors
Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas
Austin, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Meals on Wheels and More, Inc. dba Meals on Wheels Central Texas' (MOWCT), a non-profit organization, compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of MOWCT's major federal and state programs for the year ended September 30, 2017. MOWCT's major federal and state programs are identified in the summary of auditors' 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 and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on the compliance for each of MOWCT's major federal and state 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; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas Single Audit Circular. Those standards, Uniform Guidance and the State of Texas Single Audit Circular, 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 and state program occurred. An audit includes examining, on a test basis, evidence about MOWCT'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 and state program. However, our audit does not provide a legal determination on MOWCT's compliance.

Opinion on Each Major Federal and State Program

In our opinion MOWCT 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 and state programs for the year ended September 30, 2017.

Report on Internal Control Over Compliance

Management of MOWCT 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 MOWCT's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance and State of Texas Single Audit Circular, 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 MOWCT's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a 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 or state 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 or state 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state 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 compliance 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. 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.

Purpose of this Report

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 Uniform Guidance and State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

Ackley & Associates, LLP

Austin, Texas

April 18, 2018

MEALS ON WHEELS AND MORE, INC.
 dba MEALS ON WHEELS CENTRAL TEXAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED SEPTEMBER 30, 2017

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

Federal/State Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes X None Reported

Type of auditors' report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

Identification of major programs:

<u>CFDA No.</u>	<u>Name of Federal/State Program</u>
Federal 93.045/93.044	Title III Cluster
State N/A	Texas Veterans Commission Food Program

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

Auditee qualified as low-risk auditee? X Yes No

II. Financial Statement Findings

No matters were reported

III. Findings and Questioned Costs for Federal/State Awards

No matters were reported

MEALS ON WHEELS AND MORE, INC.
dba MEALS ON WHEELS CENTRAL TEXAS
STATUS OF PRIOR YEAR AUDIT FINDINGS
SEPTEMBER 30, 2017

None reported.