

**MEALS ON WHEELS OF FULLERTON, INC.**

Statement of Financial Position

June 30, 2015

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 168,379
Accounts receivable - clients	610
Grants receivable	8,200
Prepaid expenses	<u>4,125</u>

Total Current Assets 181,314

PROPERTY AND EQUIPMENT

Furniture and equipment	<u>11,370</u>
	11,370
Less: Accumulated depreciation	<u>(10,189)</u>

Total Property and Equipment 1,181

TOTAL ASSETS \$ 182,495

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ <u>9,766</u>
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Total Current Liabilities 9,766

NET ASSETS

Unrestricted	134,229
Temporarily Restricted	38,500
Permanently Restricted	<u>-</u>

Total Net Assets 172,729

TOTAL LIABILITIES AND NET ASSETS \$ 182,495

See accompanying notes and independent auditors' report.

**MEALS ON WHEELS OF FULLERTON, INC.**

Statement of Activities

For the Year Ended June 30, 2015

<u>Support and Revenue</u>	<u>Unrestricted Assets</u>	<u>Temporarily Restricted Assets</u>	<u>Totals</u>
Client fees	\$ 46,778	\$ -	\$ 46,778
Public Support	17,892	38,500	56,392
Grant - CDBG	32,800		32,800
Interest income	88		88
Fundraisers	17,656		17,656
In-kind	13,134		13,134
Net assets released from restrictions	<u>39,500</u>	<u>(39,500)</u>	<u>-</u>
Total Support and Revenue	<u>167,848</u>	<u>(1,000)</u>	<u>166,848</u>
<u>Expenses</u>			
Program expenses	153,391		153,391
Administration	25,985		25,985
Fundraising	<u>1,147</u>	<u>-</u>	<u>1,147</u>
Total Expenses	<u>180,523</u>	<u>-</u>	<u>180,523</u>
Decrease in Net Assets	(12,675)	(1,000)	(13,675)
Net Assets at beginning of the year	<u>146,904</u>	<u>39,500</u>	<u>186,404</u>
Net Assets at the end of the Year	<u>\$134,229</u>	<u>\$ 38,500</u>	<u>\$172,729</u>

See accompanying notes and independent auditors' report.

**MEALS ON WHEELS OF FULLERTON, INC.**  
Statement of Functional Expenses  
For the Year Ended June 30, 2015

	<u>Program Expenses</u>	<u>General &amp; Administrative</u>	<u>Fund Raising</u>	<u>Total</u>
Meal costs	\$ 80,772	\$ -	\$ -	\$ 80,772
Salaries & Wages	53,554	9,560		63,114
Payroll taxes	3,907	1,302		5,209
Insurance	4,794	1,598		6,392
Rent & occupancy	2,533	7,600		10,133
Audit fees	6,300			6,300
Accounting/bookkeeping	750	2,250		3,000
Office supplies	250	758		1,008
Postage	12	140		152
Printing	30	249	1,147	1,426
Telephone	180	1,394		1,574
Staff travel	60	419		479
Depreciation	249	217		466
Miscellaneous	-	498		498
	<u>\$153,391</u>	<u>\$ 25,985</u>	<u>\$1,147</u>	<u>\$180,523</u>

See accompanying notes and independent auditors' report.

**MEALS ON WHEELS OF FULLERTON, INC.**  
Statement of Cash Flows  
For the Year Ended June 30, 2015

Operating Activities:

Cash Flows from Operations:

Changes in Net Assets	\$(13,675)	
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	465	
(Increase)Decrease in client receivables	209	
(Increase)Decrease in prepaid expenses	(24)	
(Decrease)Increase in accrued liabilities	<u>3,157</u>	
Net cash used in operations		\$ <u>(9,868)</u>
Decrease in cash & cash equivalents		(9,868)
Cash & Cash Equivalents, Beginning		<u>178,247</u>
Cash & Cash Equivalents, Ending		\$ <u>168,379</u>

\* \* \* \* \*

During the year ended June 30, 2015 the Organization had no investing or financing activities. Interest of \$0 and taxes of \$10 were paid during the year ended June 30, 2015.

See accompanying notes and independent auditors' report.

# Mead, Allsup & Lim

A PROFESSIONAL CORPORATION

**CERTIFIED PUBLIC ACCOUNTANTS**

JEFFREY E. MEAD, CPA  
ROBERT L. ALLSUP, CPA  
KENT LIM, CPA

**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 of  
Meals on Wheels of Fullerton, 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 Meals on Wheels of Fullerton, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, 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 September 8, 2015.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Meals on Wheels of Fullerton, 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 Meals on Wheels of Fullerton, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Meals on Wheels of Fullerton, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 Meals on Wheels of Fullerton, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Mead, Allsup & Lim*

Anaheim, California

September 8, 2015