



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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November 23, 2009

Board of Directors
Lifetime Resources, Inc.
13091 Benedict Drive
Dillsboro, IN 47018

We have reviewed the audit report prepared by Gauthier & Kimmerling, LLC, Independent Public Accountants, for the period July 1, 2006 to June 30, 2007. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Lifetime Resources, Inc., as of June 30, 2007, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

LIFETIME RESOURCES, INC.

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS**

JUNE 30, 2007

LIFETIME RESOURCES, INC.

TABLE OF CONTENTS

	<u>Page Number</u>
Independent Auditors' Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 – 9



Gauthier & Kimmerling, LLC

Accountants & Advisors

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Independent Auditors' Report

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

We have audited the accompanying statement of financial position of LifeTime Resources, Inc. (the Agency) as of June 30, 2007, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Agency's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LifeTime Resources, Inc. as of June 30, 2007, 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.

In accordance with Government Auditing Standards, we have also issued our report dated November 16, 2007, on our consideration of LifeTime Resources, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Gauthier & Kimmerling, LLC

November 16, 2007

LIFETIME RESOURCES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2007

	Unrestricted	Temporarily Restricted	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,059,053	\$ 23,550	\$ 1,082,603
Grants receivable (Note 6)	847,584	-	847,584
Accounts receivable	72,711	-	72,711
Accounts receivable - related party (Note 5)	13,061	-	13,061
Prepaid expenses	10,345	-	10,345
Property and equipment, net of accumulated depreciation of \$301,815 (Note 7)	880,867	-	880,867
Total Assets	\$ 2,883,621	\$ 23,550	\$ 2,907,171
 <u>LIABILITIES AND NET ASSETS</u>			
Liabilities:			
Accounts payable	\$ 562,632	\$ -	\$ 562,632
Accrued payroll and related liabilities	46,461	-	46,461
Custodial funds held for others	159,281	-	159,281
Other liabilities	703	-	703
Total Liabilities	769,077	-	769,077
Net Assets:			
Temporarily restricted funds (Note 10)	-	23,550	23,550
Unrestricted Funds (Note 8)			
Board designated	2,114,544	-	2,114,544
Total Net Assets	2,114,544	23,550	2,138,094
Total Liabilities and Net Assets	\$ 2,883,621	\$ 23,550	\$ 2,907,171

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

LIFETIME RESOURCES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>REVENUES AND OTHER SUPPORT</u>			
Donations	\$ 338,230	\$ 23,550	\$ 361,780
Grants	-	2,920,828	2,920,828
Medicaid revenue (net of contractual allowances of \$120,999)	187,427	-	187,427
Program revenue	527,272	-	527,272
Other	<u>8,569</u>	<u>-</u>	<u>8,569</u>
Revenues and other support	1,061,498	2,944,378	4,005,876
Revenues released from restriction	<u>2,920,828</u>	<u>(2,920,828)</u>	<u>-</u>
Total Revenues and Other Support	<u>3,982,326</u>	<u>23,550</u>	<u>4,005,876</u>
<u>EXPENSES</u>			
Program services	3,729,659	-	3,729,659
Support services	<u>217,527</u>	<u>-</u>	<u>217,527</u>
Total Expenses	<u>3,947,186</u>	<u>-</u>	<u>3,947,186</u>
Increase (decrease) in net assets before transfers	35,140	23,550	58,690
Transfer of net assets to Area 12	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
Total increase (decrease) in net assets	(164,860)	23,550	(141,310)
Net Assets - beginning of year	<u>2,279,404</u>	<u>-</u>	<u>2,279,404</u>
Net assets - end of year	<u>\$ 2,114,544</u>	<u>\$ 23,550</u>	<u>\$ 2,138,094</u>

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

LIFETIME RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2007

	Service Contracts	Care Management	Information and Assistance	Congregate Meals	Meals on Wheels	Catch A Ride	Other Program Services	Total Program Services	Administration	Resource Development	Total Support Services	Total Program & Support Services
Salaries and wages	\$ -	\$ 433,676	\$ 63,600	\$ 86,297	\$ 60,452	\$ 737,303	\$ 79,674	\$ 1,461,002	\$ 41,833	\$ 41,582	\$ 83,415	\$ 1,544,417
Payroll taxes and benefits	-	92,012	14,390	13,708	9,910	101,457	14,847	246,324	3,984	11,228	15,212	261,536
Occupancy	-	9,687	1,546	1,659	1,302	9,506	2,861	26,561	1,258	2,023	3,281	29,842
Telephone	-	9,581	1,363	3,690	2,154	10,789	1,587	29,164	5,515	860	6,375	35,539
Postage	-	1,246	191	292	200	536	559	3,024	7,092	-	7,092	10,116
Supplies	-	8,062	1,033	6,550	7,286	6,038	3,896	32,895	20,669	-	20,669	53,564
Furniture and equipment	-	-	-	-	-	244,887	-	244,887	-	-	-	244,887
Insurance	-	4,796	859	1,290	1,064	144,826	1,108	153,943	19,408	697	20,105	174,048
Equipment maintenance	-	10,732	1,861	1,216	2,441	286,694	3,088	306,032	15,731	2,032	17,763	323,795
Dues and subscriptions	-	-	424	-	-	40	3,763	4,227	917	-	917	5,144
Contracted services	-	963	1,128	8,608	7,288	8,509	8,088	34,584	9,551	78	9,629	44,213
Service providers	588,467	-	-	-	-	-	-	588,467	-	-	-	588,467
Travel and transportation	-	22,164	1,329	45,031	31,169	191,799	5,559	297,051	7,566	-	7,566	304,617
Other costs	-	2,369	565	4,120	1,890	926	8,716	18,586	15,810	-	15,810	34,396
Catered foods	-	-	-	109,852	95,916	-	-	205,768	-	-	-	205,768
Printing	-	7	5,237	16	12	797	321	6,390	5,018	-	5,018	11,408
Depreciation	-	13,803	2,203	2,364	1,855	46,452	4,077	70,754	1,792	2,883	4,675	75,429
	\$ 588,467	\$ 609,098	\$ 95,729	\$ 284,723	\$ 222,939	\$ 1,790,559	\$ 138,144	\$ 3,729,659	\$ 156,144	\$ 61,383	\$ 217,527	\$ 3,947,186

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

**LIFETIME RESOURCES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (141,310)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	75,429
(Increases) decreases in operating assets:	
Grants receivable	(297,783)
Accounts receivable	192,533
Accounts receivable - related party	(3,371)
Prepaid office supplies	695
Increases (decreases) in operating liabilities:	
Accounts payable	319,229
Accrued payroll and related liabilities	16,746
Grant revenue refundable	(20,866)
Custodial funds held for others	25,106
Other liabilities	<u>(5,901)</u>
Net Cash Provided by (Used in) Operating Activities	<u>160,507</u>
Net increase (decrease) in cash	<u>160,507</u>
Cash - beginning of year	<u>922,096</u>
Cash - end of year	<u>\$ 1,082,603</u>
Interest paid during the year	<u>\$ -</u>

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

LIFETIME RESOURCES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

1. NATURE OF THE ORGANIZATION

LifeTime Resources, Inc. (the Agency) was created to plan, coordinate, and provide services primarily for the elderly. The Agency also provides services to disabled and low-to moderate-income individuals of any age in southeastern Indiana.

The Agency's services include information and referral, transportation, legal assistance, care management, homemaker, respite and attendant care, congregate meals, meal delivery, home modifications, and employment services.

The Agency receives a major portion of its funding through the Indiana Family and Social Services Administration (IFSSA). The Agency submits claims to this party for approval and payment. The Agency depends significantly on IFSSA funding to carry out its program activities.

The Agency also receives income from local government and local agencies whose citizens and beneficiaries often receive support from the Agency.

2. SIGNIFICANT ACCOUNTING POLICIES

The Agency maintains its accounts on the accrual basis and in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources are classified for internal accounting purposes into funds that are associated with specific activities or objectives.

In accordance with Statement of Financial Accounting Standards (SFAS) 117, Financial Statements of Not-for-Profit Organizations, unrestricted net assets include all assets over which the Agency has full discretion as to use. Temporarily restricted net assets include net assets whose use by the Agency is limited by donor-imposed restrictions that either expire by the passage of time or are fulfilled by the Agency. As the restrictions are met, the net assets are released from restrictions and included in unrestricted net assets. Contributions for which the restrictions are met in the same period in which the contribution is received are also recorded as temporarily restricted. Permanently restricted net assets include net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Agency.

Land, building, vehicles, and improvements are stated at cost or, for donations, at fair market value at the date of donation, and include expenditures for additions and betterments, which substantially increase the useful lives of existing fixed assets. Maintenance, repairs, and minor renewals are expensed as incurred.

(Continued)

2. SIGNIFICANT ACCOUNTING POLICIES – Continued

Equipment and vehicles acquired by LifeTime under certain grant agreements are expensed to the authorized programs when acquired consistent with accounting practices prescribed by the Indiana Family Social Services Administration and the Indiana Department of Transportation. Ownership of the equipment and any proceeds on disposition are subject to applicable grant regulations. As of June 30, 2007, LifeTime has acquired 35 vehicles under grant agreements. Management estimates the value of these vehicles to be approximately \$525,000. Since grantors retain control as to the disposition of these vehicles, the vehicles have not been capitalized and are not shown as assets in the financial statements.

Depreciation is computed using the straight-line method over estimated useful lives of 3 to 40 years.

Compensated absences are not vested and are charged to expense when paid to the employee.

The costs of providing the various programs and other activities have been summarized in the statement of functional expenses. Costs are charged directly to the programs they benefit whenever possible. Certain overhead costs that cannot be directly charged to an individual program are allocated to the various programs they benefit using relevant allocation bases such as square footage.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts. Actual amounts may differ from these estimates.

All liquid investments purchased with a maturity of three months or less is considered to be cash equivalents.

The Agency is exempt from income taxation under the Internal Revenue Code Section 501(c)(3).

3. FINANCIAL INSTRUMENTS

The Agency maintains its cash in deposit accounts, the cumulative balance of which exceeds federally insured limits. As of June 30, 2007, such excess totaled approximately \$875,000.

The Agency has not experienced any losses in its accounts and management believes it is not exposed to any significant credit risk on cash and cash equivalents.

4. EXPENDITURES TO SUBGRANTEES

LifeTime Resources, Inc. uses certain funds received under Title V to issue a subcontract for older Americans' employment services. Although expenditures made by the subgrantee are certified as grant compliant to LifeTime Resources, Inc., documentation of the purpose of such expenditures is subject to audit under the appropriate governmental agency. To the extent the local subgrantee would be unable to document expenditures and would be unable to refund the resultant unearned funds, LifeTime Resources, Inc. would become liable for the funds required to be returned to the agency funding the contract.

5. RELATED PARTIES

Certain members of the Agency's Board of Directors also serve on the Board of Directors of LifeTime Housing Group. As of June 30, 2007, the Agency is reporting \$13,061 in accounts receivable from LifeTime Housing Group, as shown in the statement of financial position. This amount represents personnel costs and expenses paid by LifeTime Resources for LifeTime Housing staff and are reimbursable to LifeTime Resources.

During the year the agency transferred \$200,000 to LifeTime Housing Group, Inc. to fund some of their programs.

6. GRANT REVENUE AND RECEIVABLE

The Agency's grant revenue and related receivable at June 30, 2007, consist of the following:

	<u>No.</u>	<u>6/30/07</u>	<u>6/30/07</u>	<u>6/30/07</u>
U.S. Department of Labor				
Title V Senior Employment	17.235	\$ 18,086	\$ 18,086	\$ -
U.S. Department of Health and Human Services:				
Title III - A	93.044	46,495	6,244	40,251
Title III - B	93.044	153,325	93,434	59,891
Title III - C-1	93.045	172,032	119,495	52,537
Title III - C-2	93.045	92,990	46,706	46,284
Title III - D	93.043	8,780	5,694	3,086
Title III - E	93.052	57,737	47,165	10,572
Nutrition Service Incentive Program	93.053	37,351	37,351	-
TANF Family Caregiver	93.558	719	598	121
Title VII Ombudsman	93.042	5,697	3,030	2,667
PASRR	93.778	80,136	72,588	7,548
Social Services Block Grant	93.667	166,216	97,863	68,353
Other		4,957	4,957	-
U.S. Department of Transportation Section 5311 and 5310 Mass Transit (2005)		676,241	367,815	308,426
State Grants		1,377,066	1,129,218	247,848
Other		<u>23,000</u>	<u>23,000</u>	<u>-</u>
Total		<u>\$ 2,920,828</u>	<u>\$ 2,073,244</u>	<u>\$ 847,584</u>

7. PROPERTY AND EQUIPMENT

The Agency's property and equipment consists of the following at June 30, 2007:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 50,000	\$ -	\$ 50,000
Buildings	950,432	242,349	708,083
Building improvements	100,138	11,492	88,646
Vehicles	<u>82,118</u>	<u>47,974</u>	<u>34,144</u>
Total	<u>\$ 1,182,688</u>	<u>\$ 301,815</u>	<u>\$ 880,873</u>

Depreciation expense for the year totaled \$75,429.

8. UNRESTRICTED FUND BALANCES

During a previous year, the Agency's Board of Directors designated a portion of their fund balance for future programs and costs. The designation of the fund balance as of June 30, 2007, is as follows:

Development	\$ 100,000
Revenue sharing	22,472
Catch A Ride	46,137
Service contracts	75,000
Vehicle replacement	205,000
Building fund	844,168
Building reserves	55,926
Sentry services	32,413
Equipment/technical reserve	80,000
Training reserve	30,000
Cash flow reserve	<u>623,428</u>
Total	<u>\$ 2,114,544</u>

9. CONTINGENCIES

Under the terms of the grant agreement for building expansion, the Agency must continue its activities and programs for a period of five years after a certificate of completion is received. The certificate of completion is dated June 3, 2005. In the event the Agency discontinues its programs and services before June of 2010, ownership of the building will transfer to the town of Dillsboro, Indiana.

10. TEMPORARILY RESTRICTED NET ASSETS

The Agency receives support from grantors and donors with restrictions related to either the passage of time or the funds use for a specified purpose. At June 30, 2007, the Agency had received \$23,550 of contributions that are applicable to the year ended June 30, 2008. Of that amount, \$7,500 is intended for operating expense with the remaining amount to be used for program services. Accordingly, such contributions are recorded as temporarily restricted net assets at June 30, 2007.

LIFETIME RESOURCES, INC.

**REPORTS PRESCRIBED BY
OMB CIRCULAR A-133**

JUNE 30, 2007



Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

We have audited the financial statements of LifeTime Resources, Inc. (the Agency) as of and for the year ended June 30, 2007, and have issued our report thereon dated November 16, 2007. We conducted our audit 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures 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 Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Agency'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 that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Agency's Board of Directors, management, other within the entity, and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gauthier & Lumsden, LLC

November 16, 2007



Report on Compliance with Requirements Applicable to
Each Major Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

COMPLIANCE

We have audited the compliance of LifeTime Resources, Inc. (the Agency) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

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 Non-Profit 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 Agency'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. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

INTERNAL CONTROL OVER COMPLIANCE

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Agency's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the basic financial statements of LifeTime Resources, Inc. as of and for the year ended June 30, 2007, and have issued our report thereon dated November 16, 2007. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the Agency's Board of Directors, management, others within the entity, and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gauthier & Linnertz, LLC

November 16, 2007

LifeTime Resources, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Labor			
Title V Senior Employment	17.235	15-06-OK-2337-02	\$ 18,086
U.S. Dept. of Health & Human Services:			
Title III - Admin	93.044	15-06-OV-2337-02	46,495
Title III - B	93.044	15-06-OV-2337-04	153,325
Title III - C-1 Cong	93.045	15-06-OV-2337-06	172,032
Title III - C-2 HDM	93.045	15-06-OV-2337-08	92,990
Title III - D	93.043	15-06-OV-2337-10	8,780
Title III - E	93.052	15-06-OV-2337-12	57,737
Nutrition Services Incentive Program	93.053	15-06-02-2337-02	37,351
Title VII - Ombudsman	93.042	15-06-OV-2337-14	5,697
TANF	93.558	15-06-OC-2337-02	719
PASSR	93.778	15-06-70-2337-02	80,136
Social Services Block Grant	93.667	15-06-0C-2337-02	166,216
Other	unknown	15-06-PA-2337-01	4,957
Total U.S. Department of Health & Human Services			<u>826,435</u>
U.S. Department of Transportation:			
Section 5311 Mass Transit	20.509	18024230	128,878
Section 5311 Mass Transit	20.509	18025230	426,878
Section 5310 Capital	20.513	1603235C	120,485
Total U.S. Department of Transportation			<u>676,241</u>
Total Expenditure of Federal Awards			<u>\$ 1,520,762</u>

See the accompanying note.

LifeTime Resources, Inc.
Note to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

The following describes the significant accounting policies used in the preparation of the schedule of expenditures of federal awards:

Basis of Accounting – The Agency maintains its financial records using the accrual basis of accounting in which revenues are recognized when earned and expenses are recognized when the related goods or services are received. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

LifeTime Resources, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2007

ITEM NUMBER

AUDIT FINDING

None reported.

LifeTime Resources, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007

Section I - Summary of Auditors' Results

Financial Statements:

Type of auditor report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? *No*
- Significant(ies) identified that are not considered to be material weaknesses? *No*

Noncompliance material to financial statements noted: *No*

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified: *No*
- Significant(ies) identified that are not considered to be material weaknesses? *No*

Type of auditors' 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 A-133? *No*

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
93.043 - 93.045	U.S. Department of Health and Human Services
93.052 - 93.053	Title III Aging Cluster

LifeTime Resources, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007

Section I - Summary of Auditors' Results - continued

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.