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July 27, 2020

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

We have reviewed the audit report of LifeTime Resources, Inc. which was opined upon by Barnes, Dennig & Co., Ltd., Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of LifeTime Resources, Inc. as of June 30, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Barnes, Dennig & Co., Ltd. prepared the audit report in accordance with guidelines established by the State Board of Accounts.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

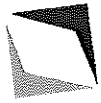
LifeTime Resources, Inc.

**Financial Statements with Supplementary Information
June 30, 2019 and 2018 and
Independent Auditors' Report**

LIFETIME RESOURCES, INC.
June 30, 2019 and 2018

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Independent Auditors' Report

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of Lifetime Resources, Inc., which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lifetime Resources, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Independent Auditors' Report
(Continued)**

Effect of Adopting New Accounting Standard

As discussed in Note 1, Lifetime Resources, Inc has adopted Financial Accounting Standards Board Accounting Standards Update 2016-14, *Presentation of Financial Statements of Not-for-Profits Entities*, which primarily addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return, and other financial statement presentation items and enhanced disclosures. Our opinion is not modified with respect to that matter.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applies in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly states, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2020 on our consideration of Lifetime Resources, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Lifetime Resources, Inc.'s internal control over financial reporting and compliance.



January 24, 2020
Indianapolis, Indiana

LIFETIME RESOURCES, INC.

**Statements of Financial Position
June 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 1,893,690	\$ 1,593,200
Cash held for others	135,910	289,930
Grants receivable	1,032,182	1,153,058
Accounts receivable	127,674	86,603
Other assets	8,398	7,081
Property and equipment, net	<u>727,858</u>	<u>952,945</u>
 Total assets	 <u>\$ 3,925,712</u>	 <u>\$ 4,082,817</u>
 Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 139,626	\$ 150,725
Accrued payroll and related liabilities	58,080	157,380
Custodial funds held for others	<u>135,773</u>	<u>287,404</u>
 Total liabilities	 333,479	 595,509
 Net assets without donor restrictions	 <u>3,592,233</u>	 <u>3,487,308</u>
 Total liabilities and net assets	 <u>\$ 3,925,712</u>	 <u>\$ 4,082,817</u>

See accompanying notes to financial statements

LIFETIME RESOURCES, INC.

**Statements of Activities
Years Ended June 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Revenues and other support		
Grants	\$ 3,104,759	\$ 3,417,050
Third party revenue, net	996,252	689,620
Local revenue	357,151	440,098
Program revenue	263,892	187,470
Other revenue	167,389	35,938
	<u>4,889,443</u>	<u>4,770,176</u>
Expenses		
Program services	4,457,569	4,114,604
Administration	326,949	277,194
	<u>4,784,518</u>	<u>4,391,798</u>
Change in net assets	104,925	378,378
Net assets, beginning of year	<u>3,487,308</u>	<u>3,108,930</u>
Net assets, end of year	<u>\$ 3,592,233</u>	<u>\$ 3,487,308</u>

See accompanying notes to financial statements

LIFETIME RESOURCES, INC.

Statement of Functional Expenses

Year Ended June 30, 2019

	Service Contracts	Care Management	Information and Assistance	Congregate Meals	Catch A Ride	Other Program Services	Total Program Services	Administration	Total
Salaries and wages	\$ -	\$ 853,032	\$ 68,985	\$ 119,582	\$ 1,113,612	\$ 34,791	\$ 2,190,002	\$ 152,650	\$ 2,342,652
Payroll taxes and benefits	-	269,442	20,548	32,140	224,446	16,694	563,270	56,063	619,333
Service providers	519,413	-	-	-	-	-	519,413	-	519,413
Contracted services	-	1,350	-	90,377	291,265	-	382,992	-	382,992
Depreciation	-	22,314	2,277	2,485	338,929	4,029	370,034	3,793	373,827
Insurance	-	9,404	600	654	76,513	3,261	90,432	13,251	103,683
Other costs	-	32,832	1,274	2,139	58,986	3,108	98,339	16,031	114,370
Travel and transportation	-	20,638	414	8,088	14,260	161	43,561	14,437	57,998
Furniture and equipment	-	5,503	4,299	-	25,200	1,000	36,002	9,638	45,640
Telephone	-	20,060	228	3,504	15,869	877	40,538	7,829	48,367
Equipment maintenance	-	8,012	168	513	16,937	5,625	31,255	37,334	68,589
Supplies	-	8,246	751	6,805	10,251	3,176	29,229	3,122	32,351
Building maintenance	-	13,949	1,469	1,604	9,096	2,604	28,722	2,469	31,191
Occupancy	-	6,613	675	736	4,706	1,194	13,924	1,124	15,048
Postage	-	2,979	304	441	4,034	376	8,134	1,962	10,096
Dues and subscriptions	-	2,204	-	-	910	129	3,243	6,556	9,799
Training	-	1,575	967	-	4,169	1,768	8,479	690	9,169
	<u>\$ 519,413</u>	<u>\$ 1,278,153</u>	<u>\$ 102,959</u>	<u>\$ 269,068</u>	<u>\$ 2,209,183</u>	<u>\$ 78,793</u>	<u>\$ 4,457,569</u>	<u>\$ 326,949</u>	<u>\$ 4,784,518</u>

See accompanying notes to financial statements

LIFETIME RESOURCES, INC.

Statement of Functional Expenses

Year Ended June 30, 2018

	Service Contracts	Care Management	Information and Assistance	Congregate Meals	Catch A Ride	Other Program Services	Total Program Services	Administration	Total
Salaries and wages	\$ -	\$ 743,072	\$ 74,859	\$ 117,212	\$ 1,035,659	\$ 41,793	\$ 2,012,595	\$ 132,422	\$ 2,145,017
Payroll taxes and benefits	-	230,350	19,829	27,899	226,374	13,505	517,957	49,804	567,761
Service providers	513,979	8,960	-	-	-	-	522,939	98	523,037
Contracted services	-	3,608	471	99,435	321,702	1,159	426,375	5,878	432,253
Depreciation	-	14,561	2,504	2,059	235,145	3,383	257,652	8,433	266,085
Insurance	-	8,166	589	523	65,504	2,655	77,437	12,808	90,245
Other costs	9,610	10,097	2,953	1,154	34,856	6,373	65,043	16,202	81,245
Travel and transportation	-	8,457	737	6,852	23,376	304	39,726	11,510	51,236
Furniture and equipment	-	17,702	2,331	1,942	10,531	1,772	34,278	12,361	46,639
Telephone	-	22,127	857	4,592	12,678	743	40,997	2,516	43,513
Equipment maintenance	-	13,553	1,626	1,402	13,368	1,775	31,724	6,115	37,839
Supplies	-	7,557	1,649	9,256	14,941	723	34,126	3,314	37,440
Building maintenance	-	10,828	1,739	1,289	10,998	1,847	26,701	5,445	32,146
Occupancy	-	4,269	681	560	5,090	920	11,520	2,296	13,816
Postage	-	2,773	318	554	3,989	261	7,895	1,668	9,563
Dues and subscriptions	-	518	30	227	712	87	1,574	5,508	7,082
Training	-	2,940	117	14	2,325	669	6,065	816	6,881
	<u>\$ 523,589</u>	<u>\$ 1,109,538</u>	<u>\$ 111,290</u>	<u>\$ 274,970</u>	<u>\$ 2,017,248</u>	<u>\$ 77,969</u>	<u>\$ 4,114,604</u>	<u>\$ 277,194</u>	<u>\$ 4,391,798</u>

See accompanying notes to financial statements

LIFETIME RESOURCES, INC.

Statements of Cash Flows
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 104,925	\$ 378,378
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	373,827	266,085
Changes in:		
Cash held for others	154,020	(32,240)
Grants receivable	120,876	(440,921)
Accounts receivable	(41,071)	3,211
Other assets	(1,317)	(1,361)
Accounts payable	(11,099)	58,719
Accrued payroll and related liabilities	(99,300)	22,505
Custodial funds held for others	(151,631)	31,430
	<u>449,230</u>	<u>285,806</u>
Net cash provided by operating activities		
	449,230	285,806
Cash flows from investing activities		
Purchase of property and equipment	<u>(148,740)</u>	<u>(614,126)</u>
Net change in cash and cash equivalents	300,490	(328,320)
Cash and cash equivalents, beginning of year	<u>1,593,200</u>	<u>1,921,520</u>
Cash and cash equivalents, end of year	<u>\$ 1,893,690</u>	<u>\$ 1,593,200</u>

See accompanying notes to financial statements

LIFETIME RESOURCES, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of 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 assistance, preadmission screening, guardianship, transportation, legal assistance, care management, options counseling, congregate meals, health and wellness, in-home services, and ombudsman services.

The Agency receives significant funding through the Indiana Family and Social Services Administration (IFSSA) and the Indiana Department of Transportation (INDOT). The Agency depends significantly on these funding sources 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.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The Agency is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net assets with donor restrictions, which are either temporary in nature, such as those met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and Cash Equivalents

The Agency maintains its cash in deposit accounts, the cumulative balance of which may exceed federally insured limits. 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. All liquid investments purchased with a maturity of three months or less are considered to be cash equivalents.

Cash Held for Others

As part of the Agency's Sentry Services program, they serve as the agent for certain individuals' bank accounts. All transactions from these accounts require proper approval before the funds are distributed. The corresponding liability is included in custodial funds held from others and accounts payable.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Agency provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts past due more than 120 days are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

LIFETIME RESOURCES, INC.

Notes to Financial Statements (Continued)

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are recorded at cost or fair value at the time of the gift in the case of donated items. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets. Major improvements are capitalized, while maintenance and repairs are expensed as incurred. Items over \$10,000 are capitalized.

In accordance with applicable GAAP, the Agency assesses the recoverability of the carrying amount of property and equipment if certain events or changes occur, such as a significant decrease in market value of the assets or a significant change in operating conditions. Based on its most recent analysis, the Agency believes no impairments existed at June 30, 2019 and 2018.

Public Funding

Public funding by governmental and other agencies is recognized as the Agency performs the contracted services or incurs outlays eligible for reimbursement under the support agreements. Activities and outlays may be subject to audit and acceptance by the supporting agency and, as a result of such audit, adjustments could be required.

Gifts and Contributions

Gifts of cash and other assets received without donor stipulations are reported as revenue without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenues with donor restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as revenue without donor restrictions

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions. In the absence of explicit donor stipulations about how long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service

Functional Classification of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Expenses have been classified based upon the actual direct expenditures and cost allocations. The most significant allocations are salary and related expenses, which are allocated to programs based on activity revenues.

Income Taxes

The Agency is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of Indiana law. However, the Agency is subject to federal income tax on any unrelated business taxable income. The Agency is not aware of any activities that are subject to tax on unrelated business income, excise or other taxes.

LIFETIME RESOURCES, INC.

**Notes to Financial Statements
(Continued)**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

Effect of Adopting New Accounting Standard

In 2018, the Agency adopted Financial Accounting Services Board ("FASB") Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The update primarily addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return, and other financial statement presentation items and enhanced disclosures. Net asset classifications have been reduced from three classes (unrestricted, temporarily restricted and permanently restricted) to two classes (net assets with donor restrictions and net assets without donor restrictions). In addition, updated disclosure requirements are presented regarding risk exposure and availability of cash for short-term use and expenses are reported by both natural and functional classification. The Agency adopted ASU 2016-14 as of July 1, 2018 and has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented except for disclosing information about liquidity and availability of resources, which is permitted to be omitted for any periods presented before the period of adoption.

Subsequent Events

The Agency has evaluated subsequent events through January 24, 2020, which is the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Agency's financial assets available within one year of the statement of financial position date for general expenditure are as follows as of June 30, 2019:

Cash and cash equivalents	\$ 1,893,690
Receivables	<u>1,159,856</u>
	<u>\$ 3,053,546</u>

The Agency maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

LIFETIME RESOURCES, INC.

**Notes to Financial Statements
(Continued)**

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2019 and 2018:

	2019	2018
Land	\$ 50,000	\$ 50,000
Buildings	950,432	950,432
Building improvements	100,138	100,138
Vehicles	1,884,828	2,098,166
Less accumulated depreciation	(2,257,540)	(2,245,791)
	\$ 727,858	\$ 952,945

NOTE 4 WITHOUT DONOR RESTRICTIONS FUND BALANCES

During previous years, the Agency's Board of Directors designated a portion of its fund balance for future programs and costs. The designated fund balances as of June 30, 2019 and 2018, are as follows:

	2019	2018
Cash flow reserve	\$ 1,433,075	\$ 1,619,392
Vehicle asset fund	530,937	705,248
Building reserve	512,000	101,000
Revenue fluctuations	325,000	-
Building fund	237,419	288,195
Equipment reserve	223,322	60,000
Sentry services	180,887	22,150
Catch A Ride	65,184	42,238
Vehicle replacement	65,000	210,829
Local government funding fund balance	19,404	19,404
Business development	-	332,985
Restricted business development fund balance	-	57,186
Unemployment	-	20,280
CAR capital	-	6,430
VASIA Dearborn County match	-	1,971
	\$ 3,592,228	\$ 3,487,308

NOTE 5 EMPLOYEE BENEFIT PLAN

The Agency offers a 401(k) retirement plan. An employee must be 19 years of age and have completed three months of employment to be eligible. The Agency provides a matching contribution equal to 100% of salary deferrals not to exceed \$50 per month. Matching contributions made by the Agency totaled \$29,774 and \$28,419 for the years ended June 30, 2019 and 2018, respectively.

LIFETIME RESOURCES, INC.

Notes to Financial Statements (Continued)

NOTE 6 RELATED PARTIES

Certain members of the Agency's Board of Directors also serve on the Board of Directors of LifeTime Housing Group (LTHG), but controlling interest is not present. Included in accounts receivable are personnel costs and expenses paid by the Agency for LTHG staff and are reimbursable to the Agency. As of June 30, 2019 and 2018, the Agency has a net amount of \$16,768 and \$17,921 in accounts receivable from LTHG, respectively. For 2019 and 2018, LTHG paid \$99,100 and \$47,916, respectively, to the Agency for various overhead expenses.

LTHG shares board members with Alpha Properties, Inc. (Alpha). During the year ended June 30, 2019, the Agency entered into a contract with Alpha for operating of a Senior Nutrition Center at Alpha. Expense incurred on the contract was \$8,800 in the year ended June 30, 2019.

NOTE 7 CHANGE IN ACCOUNTING ESTIMATE

During 2019, the Agency revised its estimate of the accrual for unemployment liability. The revision resulted in other revenue of \$112,202 and a corresponding increase in ending net assets for the year then ended.

Supplementary Information

LIFETIME RESOURCES, INC.

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019**

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Dept. of Health & Human Services:			
Indiana Family and Social Services Administration			
Aging Cluster			
Title III-B Admin	93.044	15AAINT3SS	\$ 55,764
Title III-B Social Services	93.044	15AAINT3SS	212,416
Total Title III-B			268,180
Title III- Congregate Meals	93.045	15AAINT3HD	172,000
Title III-C Home Delivered Meals	93.045	15AAINT3CM	43,640
Total Title III-C			215,640
Nutrition Services Incentive Program	93.053	15AAINNSIP	23,368
Total Aging Cluster			507,188
Title III - D	93.043	15AAAINT3PH	9,603
Title III - E	93.052	15AAINT3FC	62,862
Title VII - Ombudsman	93.042	15AAINT7OM	5,151
Social Services Block Grant	93.667	1002INSOSR	196,208
Medical Assistance Program			
Waiver Intake	93.778	15-18-KM-2337	167,486
Pre-Pas Assessment	93.778	15-18-KM-2337	11,350
Total U.S. Department of Health & Human Services			959,848
U.S. Department of Transportation:			
Historic Hoosier Hills RC&D			
Formula Grants for Rural Areas	20.509	1803574O	771,048
Bus and Bus Facilities Formula	20.526	1803674C	116,362
Total U.S. Department of Transportation			887,410
Total Expenditure of Federal Awards			\$ 1,847,258

See accompanying notes

LIFETIME RESOURCES, INC.

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

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

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Lifetime Resources, Inc and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance.

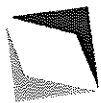
Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained the Uniform Guidance, whereby certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect Cost Rate

The Agency has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Subrecipients - The Agency provided no federal awards to subrecipients.



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

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lifetime Resources, Inc. (the Agency), which comprise the statement of financial position as June 30, 2018, 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 January 24, 2020

Internal Control Over Financial Reporting

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

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

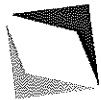
**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*
(Continued)**

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 Agency's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable of any other purpose.

Barnes, Dennig & Co., Ltd.

January 24, 2020
Indianapolis, Indiana



**Independent Auditors' Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by Uniform Guidance**

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

Report on Compliance for Each Major Federal Program

We have audited Lifetime Resources, Inc's (the Agency) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2019. The Agency's major federal 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 federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

**Independent Auditors' Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by Uniform Guidance
(Continued)**

Report on Internal Control over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 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 program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over 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 over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable of any other purpose.

Barnes, Dennig & Co. Ltd.

January 24, 2020
Indianapolis, Indiana

LIFETIME RESOURCES, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's 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 weaknesses? _____ Yes X None noted
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs

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

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

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

Identification of major programs

<u>CFDA #</u>	<u>Name of Federal Programs or Clusters</u>
93.044/ 93.045/ 93.053	Aging Cluster

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

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

LIFETIME RESOURCES, INC
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2019

Reference Number	Summary of Finding	Status
	No matters are reportable.	