



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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January 19, 2023

Board of Directors
Lifestream Services, Inc.
1701 S. Pilgrim Blvd.
Yorktown, IN 47396

We have reviewed the audit report of Lifestream Services, Inc., which was opined upon by Comer, Nowling and Associates, PC, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Lifestream Services, Inc. as of June 30, 2021 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Comer, Nowling and Associates, PC, prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**LifeStream Services, Inc.
And Subsidiary
(Yorktown, Indiana)**

=====
**Consolidated Financial Statements
For The Years Ended
June 30, 2021 and 2020
(With Single Audit Section)**

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Certified Public Accountants

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
(Yorktown, Indiana)
CONSOLIDATED FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
LifeStream Services, Inc. and Subsidiary
Yorktown, Indiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of LifeStream Services, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated 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 *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 financial statements are free of 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of LifeStream Services, Inc. and Subsidiary as of June 30, 2021 and 2020, 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.

Other Matters

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021 on our consideration of LifeStream Services, 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 read in conjunction with this report in considering the results of our audit.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
Indianapolis, Indiana
December 7, 2021

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020**

ASSETS		<u>2021</u>	<u>2020</u>
CURRENT ASSETS:			
Cash and cash equivalents	\$	2,054,782	\$ 705,870
Grants and contributions receivable		1,447,365	1,840,637
Accounts receivable		133,780	144,208
Medicaid waiver receivable		281,059	364,409
Prepaid expenses		<u>58,857</u>	<u>52,493</u>
Total current assets		<u>3,975,843</u>	<u>3,107,617</u>
FIXED ASSETS:			
Land		150,000	150,000
Building and improvements		1,435,961	1,055,930
Furniture and fixtures		147,661	147,661
Equipment		<u>825,156</u>	<u>785,272</u>
		2,558,778	2,138,863
Less accumulated depreciation		<u>(1,592,507)</u>	<u>(1,491,715)</u>
Total fixed assets, net		<u>966,271</u>	<u>647,148</u>
OTHER ASSETS			
Investment in Indiana Aging Alliance		1,500	1,500
457(b) plan investment		115,182	127,279
Deposits		<u>1,228</u>	<u>1,228</u>
Total other assets		<u>117,910</u>	<u>130,007</u>
Total assets	\$	<u><u>5,060,024</u></u>	\$ <u><u>3,884,772</u></u>

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2021 AND 2020**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 786,453	\$ 936,313
Accrued payroll, taxes, and related expenses	176,365	135,019
Accrued vacation pay	228,742	215,527
Deferred revenue	-	3,932
Current portion - long term debt	<u>22,294</u>	<u>38,928</u>
Total current liabilities	<u>1,213,854</u>	<u>1,329,719</u>
 LONG TERM LIABILITIES		
Notes payable	408,021	44,242
457(b) plan payable	<u>115,182</u>	<u>127,279</u>
Total long-term liabilities	<u>523,203</u>	<u>171,521</u>
Total liabilities	<u>1,737,057</u>	<u>1,501,240</u>
 NET ASSETS:		
Without donor restrictions	3,297,967	2,358,532
Without donor restrictions - board designated	<u>25,000</u>	<u>25,000</u>
Total net assets	<u>3,322,967</u>	<u>2,383,532</u>
Total liabilities and net assets	<u>\$ 5,060,024</u>	<u>\$ 3,884,772</u>

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUE AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	2021 Totals
Federal grants and contracts	\$ 6,278,584	\$ -	\$ 6,278,584
State and local grants and fees	2,489,813	-	2,489,813
Other grants	157,957	-	157,957
Program service revenue	89,465	-	89,465
Medicaid waiver	4,719,735	-	4,719,735
Contributions and special events	189,447	-	189,447
Interest income	2,856	-	2,856
Other income	73,661	-	73,661
	<u>14,001,518</u>	<u>-</u>	<u>14,001,518</u>
Net assets released from restrictions	-	-	-
Total revenue and other support	<u>14,001,518</u>	<u>-</u>	<u>14,001,518</u>
OPERATING EXPENSES			
Program Services			
In-home services	2,016,943	-	2,016,943
Nutrition	2,248,449	-	2,248,449
Care management	1,136,100	-	1,136,100
Transportation	1,023,884	-	1,023,884
Aging and Disability Resource Center	978,883	-	978,883
Net excess programs	3,864,118	-	3,864,118
Other programs	254,999	-	254,999
Total Program Services	<u>11,523,376</u>	<u>-</u>	<u>11,523,376</u>
Administration	1,386,462	-	1,386,462
Property management	102,643	-	102,643
Fundraising	49,602	-	49,602
Total operating expenses	<u>13,062,083</u>	<u>-</u>	<u>13,062,083</u>
INCREASE (DECREASE) IN NET ASSETS	<u>939,435</u>	<u>-</u>	<u>939,435</u>
NET ASSETS - BEGINNING OF YEAR	<u>2,383,532</u>	<u>-</u>	<u>2,383,532</u>
NET ASSETS - END OF YEAR	<u>\$ 3,322,967</u>	<u>\$ -</u>	<u>\$ 3,322,967</u>

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020**

REVENUE AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	2020 Totals
Federal grants and contracts	\$ 5,620,076	\$ -	\$ 5,620,076
State and local grants and fees	3,098,167	-	3,098,167
Other grants	208,984	-	208,984
Program service revenue	177,605	-	177,605
Medicaid waiver	3,974,042	-	3,974,042
Contributions and special events	153,448	-	153,448
Interest income	1,747	-	1,747
Other income	89,196	-	89,196
	<u>13,323,265</u>	<u>-</u>	<u>13,323,265</u>
Net assets released from restrictions	-	-	-
Total revenue and other support	<u>13,323,265</u>	<u>-</u>	<u>13,323,265</u>
OPERATING EXPENSES			
Program Services			
In-home services	2,429,302	-	2,429,302
Nutrition	2,019,913	-	2,019,913
Care management	1,021,894	-	1,021,894
Transportation	1,153,287	-	1,153,287
Aging and Disability Resource Center	944,621	-	944,621
Net excess programs	3,660,053	-	3,660,053
Other programs	384,014	-	384,014
Total Program Services	<u>11,613,084</u>	<u>-</u>	<u>11,613,084</u>
Administration	1,381,186	-	1,381,186
Property management	69,976	-	69,976
Fundraising	19,115	-	19,115
Total operating expenses	<u>13,083,361</u>	<u>-</u>	<u>13,083,361</u>
INCREASE (DECREASE) IN NET ASSETS	239,904	-	239,904
NET ASSETS - BEGINNING OF YEAR	<u>2,143,628</u>	<u>-</u>	<u>2,143,628</u>
NET ASSETS - END OF YEAR	<u>\$ 2,383,532</u>	<u>\$ -</u>	<u>\$ 2,383,532</u>

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

	In-Home Services	Nutrition	Care Management	Transportation	Aging and Disability Resource Center	Net Excess Programs	Other Programs	Total Program Services	Administration	Property Management	Fundraising	2021 Total
OPERATING EXPENSES												
Salaries	\$ -	\$ 173,313	\$ 694,450	\$ 604,576	\$ 552,495	\$ 2,426,599	\$ 124,168	\$ 4,575,601	\$ 718,545	\$ -	\$ 1,420	\$ 5,295,566
Payroll taxes and employee benefits	-	61,437	241,932	126,697	212,008	794,433	43,868	1,480,375	225,424	-	1,443	1,707,242
Contract services	2,016,940	1,937,427	23,194	27,516	43,578	306,090	32,262	4,387,007	91,108	1,105	90	4,479,310
Occupancy	-	21,921	25,600	6,030	15,846	94,359	1,676	165,432	19,853	-	36	185,321
Telephone	-	6,314	18,189	18,066	17,814	67,489	2,874	130,746	27,432	-	23	158,201
Postage	3	2,976	6,013	114	2,415	14,897	820	27,238	7,193	38	668	35,137
Supplies	-	6,213	11,302	18,721	11,754	49,111	3,333	100,434	22,150	5	44	122,633
Printing and copying	-	1,644	2,402	565	3,035	10,197	211	18,054	11,042	-	2	29,098
Insurance	-	7,560	1,571	42,272	1,881	6,313	528	60,125	20,467	5,236	12	85,840
Equipment	-	2,827	17,161	-	17,115	53,859	583	91,545	10,253	-	4	101,802
Fuel Expense	-	-	-	114,371	-	-	-	114,371	-	-	-	114,371
Travel	-	4,211	4,047	55	898	8,807	1,814	19,832	2,012	-	58	21,902
Repairs and maintenance	-	5,441	82,930	42,868	3,301	5,352	1,237	141,129	55,657	21,684	2	218,472
Conferences and training	-	1,899	3,997	705	3,118	14,503	8,136	32,358	12,478	-	22	44,858
Dues and memberships	-	721	258	418	1,417	973	445	4,232	34,762	75	11	39,080
Marketing and advertising	-	14,536	2,769	17,872	91,959	9,941	1,380	138,457	62,499	-	1,399	202,355
Interest expense	-	-	-	-	-	-	-	-	-	12,244	-	12,244
Depreciation	-	-	-	-	-	-	-	-	44,846	55,946	-	100,792
Special events	-	-	-	-	-	-	31,663	31,663	-	-	8,769	40,432
Miscellaneous	-	9	285	3,038	249	1,195	1	4,777	20,741	6,310	35,599	67,427
Total operating expenses	\$2,016,943	\$2,248,449	\$ 1,136,100	\$ 1,023,884	\$ 978,883	\$3,864,118	\$254,999	\$ 11,523,376	\$ 1,386,462	\$ 102,643	\$ 49,602	\$ 13,062,083

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>In-Home Services</u>	<u>Nutrition</u>	<u>Care Management</u>	<u>Transportation</u>	<u>Aging and Disability Resource Center</u>	<u>Net Excess Programs</u>	<u>Other Programs</u>	<u>Total Program Services</u>	<u>Administration</u>	<u>Property Management</u>	<u>Fundraising</u>	<u>2020 Total</u>
OPERATING EXPENSES												
Salaries	\$ -	\$ 134,250	\$ 628,051	\$ 597,816	\$ 540,855	\$ 2,317,260	\$ 156,043	\$ 4,374,275	\$ 742,707	\$ -	\$ 4,311	\$ 5,121,293
Payroll taxes and employee benefits	-	45,569	211,855	133,220	186,647	734,848	51,272	1,363,411	212,557	-	1,189	1,577,157
Contract services	2,429,293	1,704,625	14,650	107,381	27,648	293,931	80,093	4,657,621	120,006	3,319	206	4,781,152
Occupancy	-	18,470	24,189	5,428	13,510	95,938	3,167	160,702	19,768	-	249	180,719
Telephone	-	5,483	17,459	14,166	13,347	70,491	3,346	124,292	20,686	-	226	145,204
Postage	9	2,493	4,730	189	2,110	11,411	1,350	22,292	6,745	-	314	29,351
Supplies	-	30,278	9,359	13,716	15,185	39,308	3,943	111,789	23,708	120	81	135,698
Printing and copying	-	2,299	2,467	669	4,176	10,560	1,172	21,343	13,506	-	68	34,917
Insurance	-	5,166	414	28,494	192	2,660	63	36,989	18,013	3,872	4	58,878
Equipment	-	229	1,771	41,863	1,325	6,317	3,048	54,553	6,416	-	9	60,978
Fuel Expense	-	-	7	128,227	-	-	-	128,234	-	-	-	128,234
Travel	-	5,897	12,731	2,232	6,617	50,645	11,819	89,941	8,346	-	169	98,456
Repairs and maintenance	-	8,354	90,531	62,713	2,051	6,325	3,793	173,767	62,457	15,640	70	251,934
Conferences and training	-	1,831	2,204	2,125	3,401	8,976	3,088	21,625	12,661	-	19	34,305
Dues and memberships	-	249	48	2,713	6,956	309	668	10,943	38,106	-	1	49,050
Marketing and advertising	-	54,718	1,118	5,475	120,083	5,112	6,485	192,991	16,710	-	1,574	211,275
Interest expense	-	-	-	-	-	-	-	-	-	4,833	-	4,833
Depreciation	-	-	-	-	-	-	-	-	43,808	41,489	-	85,297
Special events	-	-	-	-	-	-	54,652	54,652	-	-	4,089	58,741
Miscellaneous	-	2	310	6,860	518	5,962	12	13,664	14,986	703	6,536	35,889
Total operating expenses	<u>\$2,429,302</u>	<u>\$2,019,913</u>	<u>\$ 1,021,894</u>	<u>\$ 1,153,287</u>	<u>\$ 944,621</u>	<u>\$3,660,053</u>	<u>\$384,014</u>	<u>\$ 11,613,084</u>	<u>\$ 1,381,186</u>	<u>\$ 69,976</u>	<u>\$ 19,115</u>	<u>\$ 13,083,361</u>

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 939,435	\$ 239,904
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	100,792	85,297
Donated transportation equipment	-	5,148
Increase (decrease) in cash from changes in:		
Grants and contributions receivable	393,272	(141,032)
Accounts receivable	10,428	10,344
Medicaid waiver receivable	83,350	120,985
Prepaid expense	(6,364)	10,917
Accounts Payable	(149,860)	71,512
Accrued salaries and wages	41,346	38,241
Accrued vacation pay	13,215	39,539
Deferred revenue	(3,932)	(32,299)
Net cash provided by (used in) operating activities	<u>1,421,682</u>	<u>448,556</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of building improvements	(380,031)	(12,363)
Purchase of furniture and equipment	(39,884)	(7,118)
Proceeds on sale of fixed assets	-	1,500
Net cash provided by (used in) investing activities	<u>(419,915)</u>	<u>(17,981)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	439,411	-
Principal payments against notes payable	(92,266)	(37,116)
Net cash provided by (used in) financing activities	<u>347,145</u>	<u>(37,116)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,348,912	393,459
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>705,870</u>	<u>312,411</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,054,782</u>	<u>\$ 705,870</u>
SUPPLEMENTAL INFORMATION:		
Interest paid on notes payable	<u>\$ 8,995</u>	<u>\$ 4,833</u>

See accompanying notes to consolidated financial statements.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

LifeStream Services, Inc.. (the “Organization”) is an Indiana nonprofit corporation whose mission is to improve the quality of life and maintaining independence for older adults and those with disabilities. As an Area Agency on Aging designated by the State of Indiana, the Organization is responsible for Planning and Service Area 6 which includes Blackford, Delaware, Grant, Henry, Jay, Madison, and Randolph counties as well as Planning and Service Area 9 which includes Fayette, Franklin, Rush, Union and Wayne counties.

The Agency’s primary purpose is to plan, develop, coordinate, and provide services, which enable persons aged 60 or over and disabled of any age to remain independent. Other services are provided to low or moderate-income persons as appropriate.

The Organization’s primary program services are in-home services, nutrition, care management, transportation, and aging/disability resources.

Yorktown Properties, Inc. (Subsidiary) was formed in April 1997 to own and hold title to the office building located at 1701 Pilgrim Boulevard in Yorktown, Indiana. LifeStream Services, Inc. leases the office building from its Subsidiary.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of LifeStream Services, Inc.. and its affiliated subsidiary, Yorktown Properties, Inc.

All material transactions and balances between the entities have been eliminated in these consolidated financial statements.

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

INCOME TAX STATUS

LifeStream Services, Inc. is exempt from income tax under Internal Revenue Code Section 501(c)(3) and a similar section of the Indiana Code. Yorktown Properties, Inc. is exempt from income taxes under Internal Revenue Code Section 501(c)(2) and a similar section of the Indiana Code. Consequently, the accompanying financial statements do not generally include any provision for income taxes. The Internal Revenue Service classifies both entities as other than private foundations under internal Revenue Code Section 509(a)(1).

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

INCOME TAX STATUS – (continued)

The Organization recognizes a tax benefit only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. The Organization has examined this issue and has determined there are no material contingent tax liabilities.

FINANCIAL STATEMENT PRESENTATION

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Per the applicable standards, LifeStream Services, Inc. is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

A description of the net asset classes follows:

Net assets without donor restrictions represent the portion of net assets of LifeStream Services, Inc. that is not subject to donor-imposed restrictions. Net assets without donor restrictions include expendable funds available for the support of the Organization. Board designated net assets are net assets without donor restrictions with self-imposed designations by action of the governing board.

Net assets with donor restrictions represent contributions and other inflows of assets whose use by LifeStream Services, Inc. is limited by donor-imposed stipulations that either expire by passage of time, can be fulfilled and removed by actions of LifeStream Services, Inc. pursuant to those stipulations, or net assets that must be held in perpetuity.

Net assets with donor restrictions also include, pursuant to Indiana law, cumulative appreciation and reinvested gains on net assets with donor restrictions that are held in perpetuity, which have not been appropriated by the Board of Directors.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

USE OF ESTIMATES

The process of preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Significant estimates used in the accompanying consolidated financial statements include:

- Revenue earned from cost-reimbursement awards: The majority of the Organization's revenue is earned on such awards from governmental agencies that are governed by cost principles and other administrative and programmatic regulations and are subject to audit by regulatory authorities. It is at least reasonably possible that revenue earned under such awards will be adjusted upon audit.
- The allocations of costs among programs and the supporting services, which are based on time and facility usage studies and other cost allocation methods.

CASH AND CASH EQUIVALENTS

The Organization considers time deposits, certificates of deposit, and other highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

GRANTS, CONTRIBUTIONS AND ACCOUNTS RECEIVABLE

Grants and contributions receivable consist of reimbursements due under government cost-reimbursement awards and unconditional promises to give to the Organization. All amounts are due within one year, and no allowance for collectible's is considered necessary.

Accounts receivable consist primarily of amounts due for services rendered. An allowance for doubtful accounts is considered by management based upon historical losses, specific circumstances, and general economic conditions. Periodically, management reviews receivables and records an allowance based on current circumstances, and charges off the receivable against the allowance when attempts to collect the receivables have failed in accordance with the Organization's collection policy. At June 30, 2021 and 2020, management estimated that no allowance was needed for outstanding receivables.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

REVENUE RECOGNITION

The majority of the Organization's revenue is earned under cost-reimbursement awards from governmental agencies. Revenues are recognized under such awards when costs allowable under the terms of the awards are incurred. Advances received in excess of allowable costs are reported as liabilities.

The Organization reports grants and contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a 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 consolidated statements of activities as net assets released from restrictions. However, contributions received with donor-imposed restrictions in which the restrictions are satisfied in the same reporting period are reported as net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Amortization of the discounts is included in contributions revenue. Conditional promises to give are not recognized as revenue until the conditions are substantially met.

Fees for services are recognized as revenue when performance obligations are satisfied which is at the point of service. Fees received in advance of substantial performance are reported as liabilities.

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance non-financial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. A substantial number of volunteers have donated significant amounts of their time in relation to the Organizations' program services. Management tracks this volunteer time, as it may be allowable for matching purposes for grants. However, during the fiscal years ended June 30, 2021 and 2020, the value of contributed services meeting the requirement for recognition in the financial statements was not material and has not been recorded.

PROPERTY AND EQUIPMENT

Property, buildings, improvements, furniture, and equipment are recorded at cost for items purchased and at fair-market value at the date of gift, or items donated. It is the Organization's policy to capitalize fixed assets with a cost of \$5,000 or greater. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which are generally as follows:

Building	15 - 30 years
Equipment.....	5 - 7 years

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

PROPERTY AND EQUIPMENT – (continued)

Vehicles for transportation services are acquired by Jay County in accordance with the Federal Sec 5311 Rural Public Transit Program. The Organization matches 20% of the federal funds as part of the grant requirements. Jay County retains the title to these vehicles for the useful life of 5 years. After five years, the Organization takes title to the vehicles. Since the vehicles are considered fully depreciated, the net book value of these assets are not reflected in these financial statements.

Substantially all of the Organization's equipment has been purchased with governmental grant funds. Disposition of these assets, as well as, the ownership of any sale proceeds, is subject to funding source and other regulatory directives. When property is sold, retired, or otherwise disposed of, the related cost and accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to income. Expenditures for maintenance and repairs are expensed when incurred.

The depreciation expense incurred by the Organization on corporate owned property and equipment totaled \$44,846 and \$43,808 for the years ended June 30, 2021 and 2020, respectively. The depreciation expense incurred by the Subsidiary totaled \$55,946 and \$41,489 for the years ended June 30, 2021 and 2020, respectively.

COST ALLOCATION

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among program and supporting services benefited. The financial statements may report certain categories of expense that are attributed to more than one program or supporting function.

Expenses are allocated to each program based on direct expenditures incurred. Program expenditures relating to more than one function are allocated based on estimates made by management according to periodic time, utilized space, and other expense studies. Management and general expenses relate to administrative expenses associated with those programs and are allocated based on estimates of time and effort considered by management to be reasonable. Fundraising expense relates to the direct cost of special events and development activities carried on by the Organization. Fundraising includes the allocation of employees' salaries, when applicable, and other costs involved in fundraising and special events.

ADVERTISING COSTS

Advertising costs are expensed as incurred and are included in operating expenses within the statement of functional expenses.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

RECENT ACCOUNTING PRONOUNCEMENTS

Leases

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact the adoption of this guidance will have on the financial statements.

SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 7, 2021, which is the date the financial statements were available to be issued.

NOTE 2 – CONCENTRATION OF RISK

The Organization maintains its cash balances in a financial institution located in Muncie, Indiana. As of June 30, 2021 and 2020, the balances were insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2021 and 2020, the Organizations did not have cash balances on deposit with these financial institutions in excess of the FDIC insurance threshold. The Organization has an insured sweep account which sweeps funds in excess of the FDIC insured amount to other institutions.

As of June 30, 2021 and 2020, Indiana Family and Social Services Administration accounted for approximately 84% and 91%, respectively, of the Organizations' grant reimbursements receivable. The Indiana Department of Family and Social Services Administration accounted for approximately 51% and 55%, respectively, of the Organizations' revenue and support during the years ended June 30, 2021 and 2020.

Financial instruments that expose the Organization to concentrations of credit risk consist primarily of cash and cash equivalents, as well as, grants and contributions receivable.

Grants and contributions receivable are due primarily from Indiana Family and Social Services Administration under contracts and cost-reimbursement grants, which represent a concentration of credit risk.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 3 – GRANT REIMBURSEMENTS RECEIVABLE

The Organizations’ grant reimbursements receivable consisted of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Title III	\$ 458,059	\$ 1,020,862
CHOICE	515,314	448,144
Social Services Block Grant	169,975	150,647
INDOT	230,602	152,803
Older Hoosier	15,691	-
USDA	22,191	35,396
Adult Guardianship	17,829	18,561
JRDS	7,257	7,257
State Ombudsman	3,117	2,818
Title VII	6,733	2,397
Medicaid PAS	597	1,752
	<u>\$ 1,447,365</u>	<u>\$ 1,840,637</u>

NOTE 4 – LONG-TERM DEBT

The Organization’s and Subsidiary’s long-term debt is summarized below:

	<u>2021</u>	<u>2020</u>
Note payable to Northwest Bank, Muncie, Indiana. The note requires monthly payments of \$3,550 with a variable interest rate of 4.70 % and 3.64% at both June 30, 2020 and 2019, respectively. The loan has a maturity date of July 15, 2022, and is secured by property in Yorktown, Indiana.	\$ -	\$ 83,170
Note payable to Northwest Bank, Muncie, Indiana of \$439,411. The note requires monthly payments of \$3,207 with an interest rate of 3.8%. The loan has a maturity date of January 18, 2031, and is secured by property in Yorktown, Indiana.	<u>430,315</u>	<u>-</u>
	430,315	83,170
Less current portion	<u>(22,294)</u>	<u>(38,928)</u>
Long-term debt (net of current portion)	<u>\$ 408,021</u>	<u>\$ 44,242</u>

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 4 – LONG-TERM DEBT (continued)

Maturities of debt as of June 30, 2021 for each of the next five years and in the aggregate are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 22,294
2023	23,168
2024	24,037
2025	25,019
2026	26,000
Thereafter	<u>309,797</u>
	<u>\$ 430,315</u>

NOTE 5 – NET ASSETS

Net assets subject to board designations consist of a \$25,000 maintenance reserve for building-specific repair needs for Yorktown Properties.

NOTE 6 – LINE OF CREDIT

LifeStream Services, Inc.. maintains a revolving line of credit with Northwest Bank, Muncie, Indiana. The credit line is secured by accounts receivable and equipment. The line has a limit of \$600,000 with a variable interest rate of 5.50%. The line of credit was renewed in September 2020 as a demand note. At June 30, 2021 and 2020, there were no balances due on the line of credit.

The Organization participates in a sweep agreement with Northwest Bank to automatically transfer funds in excess of \$5,000 from their operating checking account to the line of credit. Funds are also transferred from the line of credit to operating checking to cover cleared disbursements.

NOTE 7 – RETIREMENT AND 457(b) PLANS

LifeStream Services, Inc.. maintains a defined contribution plan for the benefit of substantially all its employees. Contributions are made by the Organization to the plan. LifeStream Services, Inc.'s contributions to the plan were \$199,234 and \$188,980 for the years ended June 30, 2021 and 2020, respectively.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 7 – RETIREMENT AND 457(b) PLANS – (continued)

The Organization also maintains a 457(b) plan for key members of management. Plan contributions are considered owned by the Organization until the assets are paid to the beneficiary of the plan. The Organization made contributions to the plan in the amounts of \$17,758 and \$18,100 for the years ended June 30, 2021 and 2020, respectively. Distributions of \$64,027 and \$192,792 were made for the years ended June 30, 2021 and 2020, respectively.

LifeStream Services, Inc.. has also established a Section 125 Cafeteria Plan for health insurance in which employees who are full-time participate. The employees’ share of the health insurance premium, which is 30% of the total premium, is included in the plan.

NOTE 8 – OTHER PROGRAM EXPENSES

Other Program service expenses relate to the following activities:

	<u>2021</u>	<u>2020</u>
Wellness and nutrition	\$ 48,047	\$ 155,062
Home and community based services	141,004	137,547
Special events	<u>65,948</u>	<u>91,405</u>
	<u>\$ 254,999</u>	<u>\$ 384,014</u>

NOTE 9 – OPERATING LEASES

LifeStream Services, Inc.. leases office space in other communities in order to further its charitable purposes. In addition, LifeStream Services, Inc. leases copiers and a postage meter. Rent expense for the years ended June 30, 2021 and 2020, was \$108,664 and \$102,226, respectively.

<u>Year</u>	<u>Amounts</u>
2022	\$ 190,964
2023	35,980
2024	1,764
2025	1,617
2026	-
Thereafter	<u>-</u>
Total	<u>\$ 230,325</u>

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 10 – INFORMATION ABOUT LIQUIDITY

LifeStream Services, Inc.’s general expenditures include administration, property management, fundraising, and program services that are expected to be paid in a subsequent year. The Organization and Subsidiary’s annual operating cash needs are determined during their budgeting process. Cash is monitored and evaluated as determined necessary by management. The Organization and Subsidiary have cash and cash equivalents, receivables, and an operating line of credit with a \$600,000 limit available as sources of liquidity. Upon approval by the Board of Directors, board designated net assets could be made available for general expenditures. The Organization has no donor restricted assets that were not available for expenditure within one year.

The table below represents financial assets available for general expenditures within one year as of June 30, 2021 and 2020:

	2021	2020
Cash and cash equivalents	\$ 2,054,782	\$ 705,870
Grants and contributions receivable	1,447,365	1,840,637
Accounts receivable	133,780	144,208
Medicaid waiver receivable	281,059	364,409
Subtotal	3,916,986	3,055,124
Less board designated net assets	(25,000)	(25,000)
Financial assets available to meet general expenditures within one year	\$ 3,891,986	\$ 3,030,124

NOTE 11 – SUBSEQUENT EVENT

Effective December 1, 2021, LifeStream Services, Inc. was assigned and assumed 49% membership rights and interest in Heather Park, LLC from Quality Housing Development, Inc. Heather Park, LLC is the general partner with 75% interest in BBR-Vison II, L.P.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
LifeStream Services, Inc. and Subsidiary
Yorktown, Indiana

Our report on our audits of the consolidated financial statements of LifeStream Services, Inc. and Subsidiary of June 30, 2021 and 2020, respectively, appears on page one. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information (shown on pages 21 through 28) is presented for purposes of additional analysis of the consolidated financial statements rather than to present the statements of financial position and results of activities of the individual organizations. Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole for the years ended June 30, 2021 and 2020.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
December 7, 2021

LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

	LifeStream Services, Inc.	Yorktown Properties, Inc.	Eliminations	2021 Total
CURRENT ASSETS:				
Cash and cash equivalents	\$ 2,043,204	\$ 11,578	\$ -	\$ 2,054,782
Grants and contributions receivable	1,447,365	-	-	1,447,365
Accounts receivable	133,880	-	(100)	133,780
Medicaid waiver receivable	281,059	-	-	281,059
Prepaid expenses	58,857	-	-	58,857
Total current assets	<u>3,964,365</u>	<u>11,578</u>	<u>(100)</u>	<u>3,975,843</u>
FIXED ASSETS:				
Land	-	150,000	-	150,000
Building and improvements	-	1,435,961	-	1,435,961
Furniture and fixtures	147,661	-	-	147,661
Equipment	745,964	79,192	-	825,156
	893,625	1,665,153	-	2,558,778
Less accumulated depreciation	<u>(796,846)</u>	<u>(795,661)</u>	<u>-</u>	<u>(1,592,507)</u>
Total fixed assets, net	<u>96,779</u>	<u>869,492</u>	<u>-</u>	<u>966,271</u>
OTHER ASSETS				
Investment in Indiana Aging Alliance	1,500	-	-	1,500
457(b) plan investment	115,182	-	-	115,182
Deposits	-	1,228	-	1,228
Total other assets	<u>116,682</u>	<u>1,228</u>	<u>-</u>	<u>117,910</u>
Total assets	<u>\$ 4,177,826</u>	<u>\$ 882,298</u>	<u>\$ (100)</u>	<u>\$ 5,060,024</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:				
Accounts payable	\$ 785,573	\$ 980	\$ (100)	\$ 786,453
Accrued payroll, taxes, and related expenses	176,365	-	-	176,365
Accrued vacation pay	228,742	-	-	228,742
Current portion - long term debt	-	22,294	-	22,294
Total current liabilities	<u>1,190,680</u>	<u>23,274</u>	<u>(100)</u>	<u>1,213,854</u>
LONG TERM LIABILITIES				
Notes payable	-	408,021	-	408,021
457(b) plan payable	115,182	-	-	115,182
Total long term liabilities	<u>115,182</u>	<u>408,021</u>	<u>-</u>	<u>523,203</u>
Total liabilities	<u>1,305,862</u>	<u>431,295</u>	<u>(100)</u>	<u>1,737,057</u>
NET ASSETS:				
Without donor restrictions	2,871,964	426,003	-	3,297,967
Without donor restrictions - board designated	-	25,000	-	25,000
Total net assets	<u>2,871,964</u>	<u>451,003</u>	<u>-</u>	<u>3,322,967</u>
Total liabilities and net assets	<u>\$ 4,177,826</u>	<u>\$ 882,298</u>	<u>\$ (100)</u>	<u>\$ 5,060,024</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020**

ASSETS

	LifeStream Services, Inc.	Yorktown Properties, Inc.	Eliminations	2020 Total
CURRENT ASSETS:				
Cash and cash equivalents	\$ 695,561	\$ 10,309	\$ -	\$ 705,870
Grants and contributions receivable	1,840,637	-	-	1,840,637
Accounts receivable	144,208	-	-	144,208
Medicaid waiver receivable	364,409	-	-	364,409
Prepaid expenses	52,493	-	-	52,493
Total current assets	<u>3,097,308</u>	<u>10,309</u>	<u>-</u>	<u>3,107,617</u>
FIXED ASSETS:				
Land	-	150,000	-	150,000
Building and improvements	-	1,055,930	-	1,055,930
Furniture and fixtures	147,661	-	-	147,661
Equipment	706,080	79,192	-	785,272
	853,741	1,285,122	-	2,138,863
Less accumulated depreciation	<u>(752,000)</u>	<u>(739,715)</u>	<u>-</u>	<u>(1,491,715)</u>
	101,741	545,407	-	647,148
Fixed assets not yet placed in service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fixed assets, net	<u>101,741</u>	<u>545,407</u>	<u>-</u>	<u>647,148</u>
OTHER ASSETS				
Investment in Indiana Aging Alliance	1,500	-	-	1,500
457(b) plan investment	127,279	-	-	127,279
Deposits	<u>-</u>	<u>1,228</u>	<u>-</u>	<u>1,228</u>
Total other assets	<u>128,779</u>	<u>1,228</u>	<u>-</u>	<u>130,007</u>
Total assets	<u>\$ 3,327,828</u>	<u>\$ 556,944</u>	<u>\$ -</u>	<u>\$ 3,884,772</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:				
Accounts payable	\$ 935,533	\$ 780	\$ -	\$ 936,313
Accrued payroll, taxes, and related expenses	135,019	-	-	135,019
Accrued vacation pay	215,527	-	-	215,527
Deferred revenue	3,932	-	-	3,932
Current portion - long term debt	<u>-</u>	<u>38,928</u>	<u>-</u>	<u>38,928</u>
Total current liabilities	<u>1,290,011</u>	<u>39,708</u>	<u>-</u>	<u>1,329,719</u>
LONG TERM LIABILITIES				
Notes payable	-	44,242	-	44,242
457(b) plan payable	<u>127,279</u>	<u>-</u>	<u>-</u>	<u>127,279</u>
Total long term liabilities	<u>127,279</u>	<u>44,242</u>	<u>-</u>	<u>171,521</u>
Total liabilities	<u>1,417,290</u>	<u>83,950</u>	<u>-</u>	<u>1,501,240</u>
NET ASSETS:				
Without donor restrictions	1,910,538	447,994	-	2,358,532
Without donor restrictions - board designated	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total net assets	<u>1,910,538</u>	<u>472,994</u>	<u>-</u>	<u>2,383,532</u>
Total liabilities and net assets	<u>\$ 3,327,828</u>	<u>\$ 556,944</u>	<u>\$ -</u>	<u>\$ 3,884,772</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>LifeStream Services Inc</u>			<u>Yorktown Properties, Inc.</u>	<u>Eliminations</u>	<u>2021 Total</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>			
REVENUE AND OTHER SUPPORT						
Federal grants and contracts	\$ 6,278,584	\$ -	\$ 6,278,584	\$ -	\$ -	\$ 6,278,584
State and local grants and fees	2,489,813	-	2,489,813	-	-	2,489,813
Other grants	157,957	-	157,957	-	-	157,957
Program service revenue	89,465	-	89,465	-	-	89,465
Medicaid waiver	4,719,735	-	4,719,735	-	-	4,719,735
Contributions and special events	189,447	-	189,447	-	-	189,447
Interest income	2,856	-	2,856	-	-	2,856
Rent Income	-	-	-	76,800	(76,800)	-
Other income	69,809	-	69,809	3,852	-	73,661
	<u>13,997,666</u>	<u>-</u>	<u>13,997,666</u>	<u>80,652</u>	<u>(76,800)</u>	<u>14,001,518</u>
Net assets released from restrictions	-	-	-	-	-	-
Total revenue and other support	<u>13,997,666</u>	<u>-</u>	<u>13,997,666</u>	<u>80,652</u>	<u>(76,800)</u>	<u>14,001,518</u>
OPERATING EXPENSES						
Program Services						
In-home services	2,016,943	-	2,016,943	-	-	2,016,943
Nutrition	2,253,249	-	2,253,249	-	(4,800)	2,248,449
Care management	1,141,188	-	1,141,188	-	(5,088)	1,136,100
Transportation	1,030,732	-	1,030,732	-	(6,848)	1,023,884
Aging and Disability Resource Center	990,781	-	990,781	-	(11,898)	978,883
Net excess programs	3,874,525	-	3,874,525	-	(10,407)	3,864,118
Other programs	256,790	-	256,790	-	(1,791)	254,999
Total Program Services	<u>11,564,208</u>	<u>-</u>	<u>11,564,208</u>	<u>-</u>	<u>(40,832)</u>	<u>11,523,376</u>
Administration	1,422,404	-	1,422,404	-	(35,942)	1,386,462
Property management	-	-	-	102,643	-	102,643
Fundraising	49,628	-	49,628	-	(26)	49,602
Total operating expenses	<u>13,036,240</u>	<u>-</u>	<u>13,036,240</u>	<u>102,643</u>	<u>(76,800)</u>	<u>13,062,083</u>
INCREASE (DECREASE) IN NET ASSETS	961,426	-	961,426	(21,991)	-	939,435
NET ASSETS - BEGINNING OF YEAR	<u>1,910,538</u>	<u>-</u>	<u>1,910,538</u>	<u>472,994</u>	<u>-</u>	<u>2,383,532</u>
NET ASSETS - END OF YEAR	<u>\$ 2,871,964</u>	<u>\$ -</u>	<u>\$ 2,871,964</u>	<u>\$ 451,003</u>	<u>\$ -</u>	<u>\$ 3,322,967</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>LifeStream Services Inc</u>			<u>Yorktown Properties, Inc.</u>	<u>Eliminations</u>	<u>2020</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>			<u>Total</u>
REVENUE AND OTHER SUPPORT						
Federal grants and contracts	\$ 5,620,076	\$ -	\$ 5,620,076	\$ -	\$ -	\$ 5,620,076
State and local grants and fees	3,098,167	-	3,098,167	-	-	3,098,167
Other grants	208,984	-	208,984	-	-	208,984
Program service revenue	177,605	-	177,605	-	-	177,605
Medicaid waiver	3,974,042	-	3,974,042	-	-	3,974,042
Contributions and special events	153,448	-	153,448	-	-	153,448
Interest income	1,747	-	1,747	-	-	1,747
Rent Income	-	-	-	76,800	(76,800)	-
Other income	89,196	-	89,196	-	-	89,196
	<u>13,323,265</u>	<u>-</u>	<u>13,323,265</u>	<u>76,800</u>	<u>(76,800)</u>	<u>13,323,265</u>
Net assets released from restrictions	-	-	-	-	-	-
Total revenue and other support	<u>13,323,265</u>	<u>-</u>	<u>13,323,265</u>	<u>76,800</u>	<u>(76,800)</u>	<u>13,323,265</u>
OPERATING EXPENSES						
Program Services						
In-home services	2,429,302	-	2,429,302	-	-	2,429,302
Nutrition	2,026,666	-	2,026,666	-	(6,753)	2,019,913
Care management	1,026,972	-	1,026,972	-	(5,078)	1,021,894
Transportation	1,159,821	-	1,159,821	-	(6,534)	1,153,287
Aging and Disability Resource Center	954,756	-	954,756	-	(10,135)	944,621
Net excess programs	3,672,429	-	3,672,429	-	(12,376)	3,660,053
Other programs	386,180	-	386,180	-	(2,166)	384,014
Total Program Services	<u>11,656,126</u>	<u>-</u>	<u>11,656,126</u>	<u>-</u>	<u>(43,042)</u>	<u>11,613,084</u>
Administration	1,414,556	-	1,414,556	-	(33,370)	1,381,186
Property management	-	-	-	69,976	-	69,976
Fundraising	19,503	-	19,503	-	(388)	19,115
Total operating expenses	<u>13,090,185</u>	<u>-</u>	<u>13,090,185</u>	<u>69,976</u>	<u>(76,800)</u>	<u>13,083,361</u>
INCREASE (DECREASE) IN NET ASSETS	233,080	-	233,080	6,824	-	239,904
NET ASSETS - BEGINNING OF YEAR	<u>1,677,458</u>	<u>-</u>	<u>1,677,458</u>	<u>466,170</u>	<u>-</u>	<u>2,143,628</u>
NET ASSETS - END OF YEAR	<u>\$ 1,910,538</u>	<u>\$ -</u>	<u>\$ 1,910,538</u>	<u>\$ 472,994</u>	<u>\$ -</u>	<u>\$ 2,383,532</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

	LifeStream Services, Inc.	Yorktown Properties, Inc.	Eliminations	2021 Total
OPERATING EXPENSES				
Salaries	\$ 5,295,566	\$ -	\$ -	\$ 5,295,566
Payroll taxes and employee benefits	1,707,242	-	-	1,707,242
Contract services	4,478,205	1,105	-	4,479,310
Occupancy	108,521	-	(76,800)	185,321
Telephone	158,201	-	-	158,201
Postage	35,099	38	-	35,137
Supplies	122,628	5	-	122,633
Printing and copying	29,098	-	-	29,098
Insurance	80,604	5,236	-	85,840
Equipment	101,802	-	-	101,802
Fuel Expense	114,371	-	-	114,371
Travel	21,902	-	-	21,902
Repairs and maintenance	196,788	21,684	-	218,472
Conferences and training	44,858	-	-	44,858
Dues and memberships	39,005	75	-	39,080
Marketing and advertising	202,355	-	-	202,355
Interest expense	-	12,244	-	12,244
Depreciation	44,846	55,946	-	100,792
Special events	40,432	-	-	40,432
Miscellaneous	61,117	6,310	-	67,427
	<u>\$ 12,882,640</u>	<u>\$ 102,643</u>	<u>\$ (76,800)</u>	<u>\$ 13,062,083</u>
Total operating expenses	<u>\$ 12,882,640</u>	<u>\$ 102,643</u>	<u>\$ (76,800)</u>	<u>\$ 13,062,083</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>LifeStream Services, Inc.</u>	<u>Yorktown Properties, Inc.</u>	<u>Eliminations</u>	<u>2020 Total</u>
OPERATING EXPENSES				
Salaries	\$ 5,121,293	\$ -	\$ -	\$ 5,121,293
Payroll taxes and employee benefits	1,577,157	-	-	1,577,157
Contract services	4,777,833	3,319	-	4,781,152
Occupancy	103,919	-	(76,800)	180,719
Telephone	145,204	-	-	145,204
Postage	29,351	-	-	29,351
Supplies	135,578	120	-	135,698
Printing and copying	34,917	-	-	34,917
Insurance	55,006	3,872	-	58,878
Equipment	60,978	-	-	60,978
Fuel Expense	128,234	-	-	128,234
Travel	98,456	-	-	98,456
Repairs and maintenance	236,294	15,640	-	251,934
Conferences and training	34,305	-	-	34,305
Dues and memberships	49,050	-	-	49,050
Marketing and advertising	211,275	-	-	211,275
Interest expense	-	4,833	-	4,833
Depreciation	43,808	41,489	-	85,297
Special events	58,741	-	-	58,741
Miscellaneous	35,186	703	-	35,889
	<u>\$ 12,936,585</u>	<u>\$ 69,976</u>	<u>\$ (76,800)</u>	<u>\$ 13,083,361</u>
Total operating expenses	<u>\$ 12,936,585</u>	<u>\$ 69,976</u>	<u>\$ (76,800)</u>	<u>\$ 13,083,361</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	LifeStream Services, Inc.	Yorktown Properties, Inc.	Eliminations	2021 Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Increase in net assets	\$ 961,426	\$ (21,991)	\$ -	\$ 939,435
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:				
Depreciation	44,846	55,946	-	100,792
Increase (decrease) in cash from changes in:				
Grants and contributions receivable	393,272	-	-	393,272
Accounts receivable	10,328	-	100	10,428
Medicaid waiver receivable	83,350	-	-	83,350
Prepaid expense	(6,364)	-	-	(6,364)
Accounts Payable	(149,960)	200	(100)	(149,860)
Accrued salaries and wages	41,346	-	-	41,346
Accrued vacation pay	13,215	-	-	13,215
Deferred revenue	(3,932)	-	-	(3,932)
Net cash provided by (used in) operating activities	<u>1,387,527</u>	<u>34,155</u>	<u>-</u>	<u>1,421,682</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of building improvements	-	(380,031)	-	(380,031)
Purchase of furniture and equipment	(39,884)	-	-	(39,884)
Net cash provided by (used in) investing activities	<u>(39,884)</u>	<u>(380,031)</u>	<u>-</u>	<u>(419,915)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from notes payable	-	439,411	-	439,411
Principal payments against notes payable	-	(92,266)	-	(92,266)
Net cash provided by (used in) financing activities	<u>-</u>	<u>347,145</u>	<u>-</u>	<u>347,145</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,347,643</u>	<u>1,269</u>	<u>-</u>	<u>1,348,912</u>
CASH AND CASH EQUIV., BEGINNING OF YEAR	<u>695,561</u>	<u>10,309</u>	<u>-</u>	<u>705,870</u>
CASH AND CASH EQUIV., END OF YEAR	<u>\$ 2,043,204</u>	<u>\$ 11,578</u>	<u>\$ -</u>	<u>\$ 2,054,782</u>
SUPPLEMENTAL INFORMATION:				
Interest paid on notes payable	<u>\$ -</u>	<u>\$ 8,995</u>	<u>\$ -</u>	<u>\$ 8,995</u>

See Independent Auditor's Report on Supplementary Information on page 20.

**LIFESTREAM SERVICES, INC.
AND SUBSIDIARY
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	LifeStream Services, Inc.	Yorktown Properties, Inc.	Eliminations	2020 Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Increase in net assets	\$ 233,080	\$ 6,824	\$ -	\$ 239,904
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:				
Depreciation	43,808	41,489	-	85,297
(Gain) loss on sale of fixed assets	5,148	-	-	5,148
Increase (decrease) in cash from changes in:				
Grants and contributions receivable	(141,032)	-	-	(141,032)
Accounts receivable	10,344	-	-	10,344
Medicaid waiver receivable	120,985	-	-	120,985
Prepaid expense	10,917	-	-	10,917
Accounts Payable	70,760	752	-	71,512
Accrued salaries and wages	38,241	-	-	38,241
Accrued vacation pay	39,539	-	-	39,539
Deferred revenue	(32,299)	-	-	(32,299)
Net cash provided by (used in) operating activities	<u>399,491</u>	<u>49,065</u>	<u>-</u>	<u>448,556</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of building improvements	-	(12,363)	-	(12,363)
Purchase of furniture and equipment	(7,118)	-	-	(7,118)
Proceeds on sale of fixed assets	1,500	-	-	1,500
Net cash provided by (used in) investing activities	<u>(5,618)</u>	<u>(12,363)</u>	<u>-</u>	<u>(17,981)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Principal payments against notes payable	-	(37,116)	-	(37,116)
Net cash provided by (used in) financing activities	<u>-</u>	<u>(37,116)</u>	<u>-</u>	<u>(37,116)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	393,873	(414)	-	393,459
CASH AND CASH EQUIV., BEGINNING OF YEAR	<u>301,688</u>	<u>10,723</u>	<u>-</u>	<u>312,411</u>
CASH AND CASH EQUIV., END OF YEAR	<u>\$ 695,561</u>	<u>\$ 10,309</u>	<u>\$ -</u>	<u>\$ 705,870</u>
SUPPLEMENTAL INFORMATION:				
Interest paid on notes payable	\$ -	\$ 4,833	\$ -	\$ 4,833

See Independent Auditor's Report on Supplementary Information on page 20.

SINGLE AUDIT SECTION

LIFESTREAM SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR AGENCY Pass-through Agency Program Title	Federal CFDA Number	Grant or Identifying Number	Grant Award (dollars \$)	Federal Expenditures	Amounts paid to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through the Indiana Department of Family and Social Services:					
Aging Cluster:					
Title IIIA Administration	93.044	38345	75,794	\$ 34,033	\$ -
Title IIIC-1 Congregate Nutrition Services	93.045	38345	217,032	87,644	22,114
Title IIIC-2 Home Delivered Meal Nutrition Services	93.045	38345	169,059	85,592	11,157
Nutrition Services Incentive Program	93.053	38345	54,906	13,726	-
Title IIIA Administration	93.044	38374	181,384	90,692	-
Title IIIB Grants for Supportive Services and Senior Centers	93.044	38374	659,264	331,833	95
Title IIIC-1 Congregate Nutrition Services	93.045	38374	369,387	189,199	-
Title IIIC-2 Home Delivered Meal Nutrition Services	93.045	38374	344,580	172,290	323
Nutrition Services Incentive Program	93.053	38374	86,677	21,669	-
Title IIIA Administration - CARES	93.044	42917	107,632	70,168	-
Title IIIB Grants for Supportive Services and Senior Centers - CARES	93.044	42917	259,108	244,360	828
Title IIIC-1 Congregate Nutrition Services - FFCRA	93.045	42917	105,439	5,826	-
Title IIIC-2 Home Delivered Meal Nutrition Services - FFCRA	93.045	42917	210,679	11,639	-
Title IIIC-2 Home Delivered Meal Nutrition Services - CARES	93.045	42917	632,631	416,128	1,746
Title IIIA Administration - CARES	93.044	43021	44,975	19,720	-
Title IIIB Grants for Supportive Services and Senior Centers - CARES	93.044	43021	108,271	59,681	9,414
Title IIIC-1 Congregate Nutrition Services - FFCRA	93.045	43021	44,059	2,435	-
Title IIIC-2 Home Delivered Meal Nutrition Services - FFCRA	93.045	43021	88,034	4,863	-
Title IIIC-2 Home Delivered Meal Nutrition Services - CARES	93.045	43021	264,352	67,561	14,989
Title IIIA Administration	93.044	49718	183,097	98,116	-
Title IIIB Grants for Supportive Services and Senior Centers	93.044	49718	467,251	116,214	1,510
Title IIIC-1 Congregate Nutrition Services	93.045	49718	626,288	307,129	2,629
Title IIIC-2 Home Delivered Meal Nutrition Services	93.045	49718	326,868	37,727	-
Nutrition Services Incentive Program	93.053	49718	65,418	28,036	-
Title IIIA Administration	93.044	49874	79,502	59,019	-
Title IIIB Grants for Supportive Services and Senior Centers	93.044	49874	202,884	166,055	4,181
Title IIIC-1 Congregate Nutrition Services	93.045	49874	261,702	252,518	84,617
Title IIIC-2 Home Delivered Meal Nutrition Services	93.045	49874	136,586	73,667	25,331
Nutrition Services Incentive Program	93.053	49874	44,960	25,692	12,691
Title IIIC-2 Home Delivered Meal Nutrition Services - COVID	93.045	52465	239,704	239,704	-
Title IIIC-2 Home Delivered Meal Nutrition Services - COVID	93.045	52712	110,707	110,707	21,713
Total Aging Cluster				<u>3,443,643</u>	<u>213,338</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

LIFESTREAM SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR AGENCY Pass-through Agency Program Title	Federal CFDA Number	Grant or Identifying Number	Grant Award (dollars \$)	Federal Expenditures	Amounts paid to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through the Indiana Department of Family and Social Services:					
Title IIID Disease Prevention and Health Promotion Services	93.043	38345	14,179	4,103	1,866
Title IIID Disease Prevention and Health Promotion Services	93.043	38374	33,931	18,069	-
Title IIID Disease Prevention and Health Promotion Services	93.043	49718	33,128	5,295	-
Title IIID Disease Prevention and Health Promotion Services	93.043	49874	14,384	9,330	1,866
Subtotal				<u>36,797</u>	<u>3,732</u>
Title III E National Family Caregiver Support	93.052	38374	217,383	108,692	-
Title III E National Family Caregiver Support	93.052	38345	90,836	45,418	-
Title III E National Family Caregiver Support - CARES	93.052	42917	129,113	127,284	-
Title III E National Family Caregiver Support - CARES	93.052	43021	53,952	53,952	15,086
Title III E National Family Caregiver Support	93.052	49718	218,174	1,740	-
Title III E National Family Caregiver Support	93.052	49874	94,733	75,482	-
Subtotal				<u>412,568</u>	<u>15,086</u>
Title VII - Long Term Care Ombudsman Title VII - CARES	93.042	42917	8,000	282	-
Title VII - Long Term Care Ombudsman Title VII	93.042	49718	17,558	17,558	-
Title VII - Long Term Care Ombudsman Title VII	93.042	49874	8,828	8,828	-
Subtotal				<u>26,668</u>	<u>-</u>
Social Services Block Grant	93.667	38345	244,548	61,137	1,300
Social Services Block Grant	93.667	38374	650,484	162,622	-
Social Services Block Grant	93.667	49718	640,444	384,267	-
Social Services Block Grant	93.667	49874	240,915	142,581	-
Subtotal				<u>750,607</u>	<u>1,300</u>
Passed through Trustees of Indiana University:					
Alzheimer's Disease Program Initiative	93.47	90ADPI0057-01-00	16,859	12,353	-
Total U.S. Department of Health and Human Services				<u>4,682,636</u>	<u>233,456</u>
U.S. DEPARTMENT OF TRANSPORTATION					
Passed through the Jay County Commissioners:					
Formula Grants for Rural Areas - Section 5311 - CARES	20.509	A249-20-G200039	1,774,806	939,321	-
Total U.S. Department of Transportation				<u>939,321</u>	<u>-</u>
Total Schedule of Expenditures of Federal Awards				<u>\$ 5,621,957</u>	<u>\$ 233,456</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

LIFESTREAM SERVICES, INC.
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

STATE/LOCAL GRANTOR AGENCY Program Title	Grant or Identifying Number	Grant Award (dollars \$)	State and Local Expenditures
Indiana Department of Family and Social Services:			
CHOICE	45513	671,091	\$ 671,091
CHOICE	45535	1,520,981	1,520,981
Older Hoosier Act	45513	45,463	33,736
Older Hoosier Act	45535	115,782	51,851
Adult Guardianship	42984	138,448	138,448
AL Ombudsman	45513	8,023	8,023
AL Ombudsman	45535	20,042	<u>20,042</u>
Total Expenditures of State and Local Awards			<u>\$ 2,444,172</u>

LIFESTREAM SERVICES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of LifeStream Services, Inc. and 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule Expenditures of Federal Awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 – Indirect Cost Rate

LifeStream Services, Inc. has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

LIFESTREAM SERVICES, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

Section II – Financial Statement Findings

There were no financial statement findings for the year ended June 30, 2020.

Section III – Federal Award Findings and Questioned Costs

There were no compliance findings for the year ended June 30, 2020.



INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
LifeStream Services, Inc.
Yorktown, Indiana

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 LifeStream Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 7, 2021.

Internal Control over Financial Reporting

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

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
Indianapolis, Indiana
December 7, 2021



INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE *UNIFORM GUIDANCE***

To the Board of Directors
LifeStream Services, Inc.
Yorktown, Indiana

Report on Compliance for Each Major Federal Program

We have audited LifeStream Services, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of LifeStream Services, Inc.'s major federal programs for the year ended June 30, 2021. LifeStream Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of LifeStream Services, Inc.'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* (CFR), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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 LifeStream Services, Inc.'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 LifeStream Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, LifeStream Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of LifeStream Services, Inc. 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 LifeStream Services, Inc.'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 LifeStream Services, Inc.'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 for any other purpose.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.

Indianapolis, Indiana

December 7, 2021

LIFESTREAM SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

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 No
- Significant deficiencies identified? Yes No

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified? Yes No

Type of auditor’s report issued: Unmodified

Any audit findings disclosed required to be reported in
 Accordance with 2 CFR section 200.516(a) Yes No

Programs tested as major programs:

CFDA Number	Name of Federal Program or Cluster
	U.S. Dept. of Health and Human Services:
93.044 *	Aging Cluster - Title III A
93.044 *	Aging Cluster - Title III B
93.045 *	Aging Cluster - Title III C 1
93.045 *	Aging Cluster - Title III C 2
93.053 *	Aging Cluster - NSIP
93.667	Social Services Block Grant
	U.S. Dept. of Transportation:
20.509	Formula Grants for Rural Areas Section 5311

* Represents cluster

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

Auditee qualified as low-risk auditee? Yes No

LIFESTREAM SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

Section II – Financial Statement Findings

There were no financial statement findings for the year ended June 30, 2021.

Section III – Federal Award Findings and Questioned Costs

There were no compliance findings for the year ended June 30, 2021.