

ON MY OWN OF MICHIGAN
(A Michigan Non-Profit Organization)

FINANCIAL REPORT
FOR THE YEARS ENDED
JUNE 30, 2015 AND 2014

ON MY OWN OF MICHIGAN
(A Michigan Non-Profit Organization)

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
On My Own of Michigan
Troy, Michigan

We have reviewed the accompanying statements of financial position of On My Own of Michigan (a Michigan Non-Profit Organization) as of June 30, 2015, and the related statements of activities and changes in net assets, and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of On My Own of Michigan as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The 2014 financial statements were audited by us and we expressed an unmodified opinion on them in our report dated February 26, 2015, but we have not performed any auditing procedures since that date.

The supplementary information included in the accompanying Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information, and accordingly, we do not express an opinion or provide any assurance on such supplementary information.



TOBIAS, VANDEPUTTE & SKULSKY, P.C.
Certified Public Accountants

May 12, 2016

TOBIAS
VANDEPUTTE
SKULSKY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

ON MY OWN OF MICHIGAN
(A Michigan Non-Profit Organization)

STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2015 AND 2014

ASSETS

	Review 2015	Audit 2014
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 28,111	\$ 50,029
Marketable Securities	46,776	58,211
Accounts Receivable, Net of Allowances for Uncollectible Accounts of \$-0-	31,891	33,761
Prepaid Expenses	11,490	4,937
Total Current Assets	<u>118,268</u>	<u>146,938</u>
<u>Property and Equipment</u> (Net of Accumulated Depreciation)	<u>34,870</u>	<u>50,757</u>
<u>Other Assets</u>		
Lease Deposits	4,213	4,193
Total Other Assets	<u>4,213</u>	<u>4,193</u>
TOTAL ASSETS	<u>\$ 157,351</u>	<u>\$ 201,888</u>

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accounts Payable	\$ 12,353	\$ 24,369
Accrued Payroll	24,467	18,545
Deferred Revenue	-	2,500
Unearned Revenue	13,120	13,120
Total Current Liabilities	<u>49,940</u>	<u>58,534</u>
<u>Net Assets</u>		
Unrestricted - (Deficit)	(36,825)	(4,718)
Unrestricted - Board-Designated Operating Reserve	100,000	100,000
Temporarily Restricted	8,664	12,500
Permanently Restricted	35,572	35,572
Total Net Assets (Page 4)	<u>107,411</u>	<u>143,354</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 157,351</u>	<u>\$ 201,888</u>

The accompanying notes are an integral part of this statement.
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT

ON MY OWN OF MICHIGAN
(A Michigan Non-Profit Organization)

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	Review 2015			Audit 2014				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>Support and Revenue</u>								
Donations	\$ 104,671	\$ -	\$ -	\$ 104,671	\$ 112,378	\$ 12,500	\$ -	\$ 124,878
Service Fees	298,446	-	-	298,446	323,205	-	-	323,205
Interest and Dividend Income	1,101	-	-	1,101	1,237	-	-	1,237
Gain on Sale of Assets	1,534	-	-	1,534	0	-	-	-
Net Assets Released from Restrictions	3,836	(3,836)	-	-	13,609	(13,609)	-	-
Special Events Revenue	134,551	-	-	134,551	157,765	-	-	157,765
Less: Costs of Direct Benefits to Donors	(56,208)	-	-	(56,208)	(65,053)	-	-	(65,053)
Net Support and Revenue	487,931	(3,836)	-	484,095	543,141	(1,109)	-	542,032
<u>Functional Expenses</u>								
Program Services	386,049	-	-	386,049	396,921	-	-	396,921
Support Services:								
Management and General	59,847	-	-	59,847	54,518	-	-	54,518
Fundraising	73,248	-	-	73,248	72,235	-	-	72,235
Total Functional Expenses (Page 13)	519,144	-	-	519,144	523,674	-	-	523,674
Unrealized (Loss) Gain on Investments	(894)	-	-	(894)	511	-	-	511
	(894)	-	-	(894)	511	-	-	511
(Decrease) Increase in Net Assets	(32,107)	(3,836)	-	(35,943)	19,978	(1,109)	-	18,869
<u>Net Assets - Beginning of Year</u>	95,282	12,500	35,572	143,354	75,304	13,609	35,572	124,485
<u>Net Assets - End of Year (To Page 3)</u>	\$ 63,175	\$ 8,664	\$ 35,572	\$ 107,411	\$ 95,282	\$ 12,500	\$ 35,572	\$ 143,354

The accompanying notes are an integral part of this statement.
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT

ON MY OWN OF MICHIGAN
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STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	Review 2015	Audit 2014
	<u> </u>	<u> </u>
<u>Cash Flows From Operating Activities</u>		
Change in Net Assets	\$ (35,943)	\$ 18,869
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	10,247	9,986
Gain on Sale of Assets	(2,117)	-
Donated Fixed Assets	-	(33,283)
Change in Assets and Liabilities		
(Increase) Decrease in:		
Accounts Receivable	1,870	(8,271)
Marketable Securities	11,435	(4,230)
Prepaid Expenses	(6,553)	(2,849)
Deposits	(20)	2,000
(Decrease) Increase in:		
Accounts Payable	(12,016)	5,375
Accrued Payroll	5,922	(1,177)
Deferred Revenue	(2,500)	(635)
Unearned Revenue	-	(2,364)
Total Adjustments	<u>6,268</u>	<u>(35,448)</u>
Net Cash Used in Operating Activities	<u>(29,675)</u>	<u>(16,579)</u>
 <u>Cash Flows From Investing Activities</u>		
Property and Equipment Purchases	(24,635)	(10,102)
Sale of Fixed Assets	32,392	
Net Cash Used in Investing Activities	<u>7,757</u>	<u>(10,102)</u>
 Net Decrease in Cash	(21,918)	(26,681)
 <u>Cash and Cash Equivalents - Beginning of Year</u>	<u>50,029</u>	<u>76,710</u>
 <u>Cash and Cash Equivalents - End of Year</u>	<u>\$ 28,111</u>	<u>\$ 50,029</u>
 <u>Supplemental Disclosure of Cash Flow Information</u>		
Cash Paid During the Year for Interest	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 1: Statement of Purpose

On My Own of Michigan is a non-profit, non-stock Michigan corporation serving adults with mild developmental disabilities. The Organization's mission is to assist members in becoming self-sufficient, contributing adults in the community. The Organization's programs include classes on independent living skills, group therapy, and social and recreational activities.

The Organization's support comes primarily from members' fees for services provided, as well as grants, public contributions and fund-raising support. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Note 2: Summary of Significant Accounting Policies

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted (GAAP) in the United States of America.

The Organization adopted FASB Accounting Standards Codification ASC Subtopic, Not-For-Profit Entities-Presentation of Financial Statements. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers operating bank accounts as cash and all highly liquid debt instruments with an initial maturity of six months or less to be cash equivalents. Cash and cash equivalents for the purpose of the statement of cash flows exclude permanently restricted cash and cash equivalents.

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 2: Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable includes all amounts due from members of the Organization as of June 30, 2015 and 2014, net of an allowance for uncollectible accounts. The allowance is based on management's estimate of the amount of receivables that will actually be collected. The allowance is \$-0- as of June 30, 2015 and 2014.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,500. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income (the results of operations). Donated fixed assets are carried at their estimated fair value at the date of donation.

Such donations are reported as unrestricted contributions unless the donor has restricted their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Depreciation

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Depreciation expense totaled \$10,247 and \$9,986 for the years ended June 30, 2015 and 2014, respectively.

Advertising

The Organization expenses the production costs of advertising when such costs are incurred. For the years ended June 30, 2015 and 2014, advertising expense amounts represent actual advertising costs of \$948 and \$1,161 respectively.

Contributions

The Organization adopted FASB Accounting Standards Codification, Non-Profit Entities-Revenue Recognition. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 2: Summary of Significant Accounting Policies (Continued)

Contributions (Continued)

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending upon the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted support is reported as an increase in the unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Endowment contributions and investments are permanently restricted by the donor. Investment earnings available for distribution are recorded in unrestricted net assets. Investment earnings with donor restrictions are recorded in temporarily or permanently restricted net assets based on the nature of the restriction.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities or expenses depending on the form of the benefit received. Conditional promises to give are recognized only when conditions on which they depend are substantially met and the promises become unconditional.

Special Events

Revenues from special events are reported as public support. Certain special events, such as raffles, generate large amounts of receipts and direct costs, resulting in direct costs that are significant in comparison to the revenue from such special events.

Donated Material and Services

Donated materials and services are recorded as public support on the date of receipt at estimated fair market value when an objective basis is available to measure their value.

The Organization utilizes the services of many volunteers; amounts have not been included in the accompanying statements for those services since they do not meet the criteria for recognition under FASB Accounting Standards Codification, Not-for-Profit Entities.

Marketable Securities

The Company classifies its marketable debt and equity securities as available for sale. Securities classified as available for sale are carried in the financial statements at fair value. Marketable securities include \$35,572 in endowment contributions that are permanently restricted for years ended June 30, 2015 and June 30, 2014.

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The Organization reports gifts 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), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

During the year ended June 30, 2015, the Organization received \$0 for purposes of setting up an endowment fund, which is permanently restricted. Total permanently restricted donations received from inception through June 30, 2015 were \$35,572.

If the contribution and use of the purpose-restricted donations occurs in the same period, then the support will be recorded as unrestricted.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefits.

Note 3: Concentrations

Approximately 55% and 59% of the Organization's support and revenue was attributable to members' fees for services for the years ended June 30, 2015 and 2014, respectively. For the years ended June 30, 2015 and 2014, the Organization served approximately 60 members, respectively, with classes, social and recreational activities, and independent living supervision.

Fund raising special events accounted for 28% and 29% of the Organization's support during the years ended June 30, 2015 and 2014, respectively.

The special events are listed below:

	Review <u>2015</u>	Audit <u>2014</u>
Paint Creek -- Golf Outing	\$ 35,584	\$ 54,619
Gala	46,409	55,167
Awards Banquet	9,030	11,280
Master's Raffle	16,900	23,635
Your Pick Raffle	14,392	-
Other	<u>12,236</u>	<u>13,064</u>
Total	<u>\$134,551</u>	<u>\$157,765</u>

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 4: Property and Equipment

The following is a summary of property and equipment less accumulated depreciation at June 30, 2015 and 2014:

	Review <u>2015</u>	Audit <u>2014</u>
Office Equipment	\$13,840	\$13,840
Vehicles	39,816	52,781
Leasehold Improvements	6,303	6,303
Website	5,800	5,800
Less: Accumulated Depreciation	<u>(30,889)</u>	<u>(27,967)</u>
Net Property and Equipment	<u>\$34,870</u>	<u>\$50,757</u>

Note 5: Unearned Revenue

Unearned revenue represents the following amounts collected or billed for classes, trips and special events relative to periods after June 30, 2015 and 2014:

	Review <u>2015</u>	Audit <u>2014</u>
Classes, Trips and Special Events	<u>\$13,120</u>	<u>\$13,120</u>

Note 6: Operating Leases

On August 15, 2012, the Organization signed a sixty-five month noncancelable lease for new office space. The monthly rent payment is \$4,193, of which \$3,915 is rent and \$278 is tenant suite electrical payment. The commencement date was December 27, 2012.

The rent expense for the office totaled \$50,737 and \$50,736 for the years ended June 30, 2015 and 2014, respectively.

Minimum future rental payments under the noncancellable operating lease having a term in excess of one year as of June 30 are as follows:

2016	50,316
2017	50,316
2018	<u>46,123</u>
	<u>\$146,755</u>

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 7: Income Taxes

The Organization is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an Organization that is not a private foundation under Section 509(a)(2). The Organization's Form 990, Return of Corporation Exempt from Income Tax, for the years ending June 30, 2014, 2013 and 2012 are subject to examination by the IRS, generally for three years after they were filed.

Note 8: 403(b) Retirement Plan

The Organization participates in a 403(b) retirement plan. Under the plan, the Organization can contribute a percentage of the participants' deferral not to exceed three percent (3%) of each eligible employee's salary. An employee becomes eligible once they have been employed one year and have attained the age of 21. The Organization incurred \$-0- in employer matching expenses during the years ended June 30, 2015 and 2014. There was \$-0- of employer matching due to the plan as of June 30, 2015 and 2014.

Note 9: Line of Credit

The Organization has established a line of credit with Chase Bank whereby a maximum of \$40,000 may be borrowed for operations. The line bears interest payable at the prime rate plus 1.75% per annum and is secured by all of the assets of the Organization. As of June 30, 2015 and 2014, the line of credit had a balance of \$-0-.

Note 10: Deferred Revenue

Deferred revenue represents the following amounts collected for the Master's raffle. The Master's raffle drawing occurs in November at the Gala:

	Review 2015	Audit 2014
Master's Raffle	\$ -	\$ 2,500

Note 11: Temporarily Restricted Net Assets

Temporarily restricted net assets consist of funds for the following purposes at June 30, 2015 and 2014:

	Review 2015	Audit 2014
Case Management and Software	\$ 799	\$ 3,000
Group Outing's	7,865	9,500
	\$ 8,664	\$ 12,500

SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT

ON MY OWN OF MICHIGAN
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

Note 12: Subsequent Events

In accordance with ASC 855, the Organization evaluated subsequent events through May 12, 2016, the date these financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

SUPPLEMENTARY INFORMATION

ON MY OWN OF MICHIGAN
(A Michigan Non-Profit Organization)

SCHEDULE I - STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Totals for the Year Ended June 30, 2014)

	Supporting Services			Review 2015 Total Expenses	Audit 2014 Total Expenses
	Program Services	Management and General	Fundraising		
<u>Employee Compensation</u>			Total Support		
Salaries and Wages	\$ 227,808	\$ 31,342	\$ 52,878	\$ 312,028	\$ 304,195
Payroll Taxes	17,599	2,421	4,085	24,105	24,687
Employee Benefits	17,413	2,396	4,042	23,851	30,256
Total Employee Compensation	<u>262,820</u>	<u>36,159</u>	<u>61,005</u>	<u>359,984</u>	<u>359,138</u>
<u>Expenses</u>					
Advertising	465	483	-	948	1,161
Classes	10,365	-	-	10,365	11,557
Computer Expense	-	180	-	180	773
Depreciation	10,247	-	-	10,247	9,986
Dues and Subscriptions	-	819	-	819	1,211
Grant Fees	-	-	720	720	-
Insurance	7,624	3,268	-	10,892	14,345
Occupancy	43,126	5,074	-	50,737	50,736
Office and Supplies	12,038	2,189	2,537	21,888	23,377
Other Expenses	951	951	-	1,902	1,561
Postage and Delivery	829	207	346	1,382	1,277
Professional	-	9,538	-	9,538	5,762
Special Events	-	-	-	-	710
Telephone	4,568	979	979	6,526	7,158
Transportation	10,964	-	-	10,964	9,352
Trips	22,052	-	-	22,052	25,570
Total Expenses (To Page 4)	<u>\$ 386,049</u>	<u>\$ 59,847</u>	<u>\$ 73,248</u>	<u>\$ 519,144</u>	<u>\$ 523,674</u>

The accompanying notes are an integral part of this statement.
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT