Consolidated Financial Statements
September 30, 2015 and 2014

Handicap Village d/b/a Opportunity Village

Handicap Village d/b/a Opportunity Village
Board of Directors and Officials

Name	Title	Term Expires
	Board of Directors	
Vickie Snyder	President	2015
Mark Feustel	Vice President	2016
Susan Nagle	Secretary	2016
Amy Brownlee	Treasurer	2017
Ann Beasley	Director	2016
Dr. Donald Berge	Director	2015
Lisa Bieber	Director	2017
Jeff Gargano	Director	2015
Dawn Johnson	Director	2017
Kathleen Koranda	Director	2016
Jay Lefevre	Director	2015
Emily Schmitt	Director	2017
John Spragle	Director	2017
Gary Weiner	Director	2015
	Officials	
Jeff Nichols	Chief Executive Officer	
Greg Braun	Chief Financial Officer	

Independent Auditor's Report

The Board of Directors
Handicap Village d/b/a Opportunity Village
Clear Lake, Iowa

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Handicap Village d/b/a Opportunity Village (Organization), which comprise the consolidated statement of financial position as of September 30, 2015, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 Handicap Village d/b/a Opportunity Village as of September 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.

Restatements due to Correction of Errors
The financial statements of Handicap Village d/b/a Opportunity Village as of September 30, 2014 were audited by other auditors, whose report dated October 30, 2014, expressed an unmodified opinion on those statements. As discussed in Note 14 to the consolidated financial statements, the Organization discovered errors in recording the Organization's interest in a perpetual trust, classification of net asset balances, and also in recording a liability for workers' compensation claims payable and a corresponding receivable for anticipated recoveries on those claims that are expected to be covered by insurance. Accordingly, the Organization has restated the accompanying 2014 financial statements. The other auditors reported on the 2014 financial statements before the restatements.

As a part of our audit of the 2015 financial statements, we also audited the adjustments described in Note 14 that were made to restate the 2014 financial statements for the correction of errors. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2014 financial statements of the Organization other than with respect to these adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2014 financial statements as a whole.

Eide Bailly LLP

Dubuque, Iowa
January 12, 2016

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	2015	2014 (Restated)
Assets		
Cash and cash equivalents	$ 1,228,239	$ 2,207,307
Operating investments	5,571,365	6,523,386
Accounts receivable, net	2,496,624	2,594,823
Promises to give, net	434,108	834,105
Prepaid expenses	72,582	139,318
Interest receivable	27,404	32,491
Workers' compensation insurance estimated receivable	549,662	333,810
Other assets	78,760	81,400
Funds held pursuant to HUD requirements		
Reserve for replacements	30,640	31,466
Residual receipts	15,524	6,085
Property and equipment, net	10,187,625	9,352,077
Security deposits	21,935	14,961
Land held for investment	1,953,500	2,139,720
Land held in charitable trust	686,000	778,050
Cash value of life insurance	240,248	225,553
Beneficial interest in perpetual trust	799,795	827,407
Endowment investments	9,536,269	9,226,927
Total assets	$ 33,930,280	$ 35,348,886

	2015	2014 (Restated)
Liabilities and Net Assets		
Line of credit	$ -	$ 255,523
Accounts payable		
Trade	243,088	204,934
Estimated health claims	266,743	270,383
Estimated workers' compensation claims	549,662	333,810
Construction payable	30,390	136,982
Accrued expenses		
Salaries and wages	784,068	942,586
Deferred compensation	197,140	202,394
Vacation	746,183	694,053
Payroll taxes and other	129,297	143,308
Debt	240,201	269,465
Gift annuity obligation	-	228
Total liabilities	3,186,772	3,453,666
Net Assets		
Unrestricted		
Undesignated	18,567,814	19,250,520
Board-designated endowment	8,595,928	8,288,606
	27,163,742	27,539,126
Temporarily restricted	1,839,630	2,590,366
Permanently restricted	1,740,136	1,765,728
Total net assets	30,743,508	31,895,220
Total liabilities and net assets	$ 33,930,280	$ 35,348,886

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, Support, and Gains				
Client services	$ 23,256,250	$ -	$ -	$ 23,256,250
Contributions	410,940	355,127	2,020	768,087
Thrift store sales	1,078,709	-	-	1,078,709
Less cost of goods sold	(115,833)	-	-	(115,833)
Net thrift store sales	962,876	-	-	962,876
Net investment return	(792,033)	-	(27,612)	(819,645)
Rental income from investment property	74,132	-	-	74,132
Other revenue	367,878	-	-	367,878
Gain on sale of property and equipment	1,101	-	-	1,101
Net assets released from restrictions	1,105,863	(1,105,863)	-	-
Total revenue, support, and gains	25,387,007	(750,736)	(25,592)	24,610,679
Expenses				-
Program services expense				
Residential	15,380,366	-	-	15,380,366
Day/Employment	4,996,536	-	-	4,996,536
Behavioral Health	374,636	-	-	374,636
Other	1,080,613	-	-	1,080,613
Total program services expense	21,832,151	-	-	21,832,151
Supporting services expense				
Management and general	3,521,845	-	-	3,521,845
Fundraising and development	408,395	-	-	408,395
Total supporting services expense	3,930,240	-	-	3,930,240
Total expenses	25,762,391	-	-	25,762,391
Change in Net Assets	(375,384)	(750,736)	(25,592)	(1,151,712)
Net Assets, Beginning of Year, as Restated	27,539,126	2,590,366	1,765,728	31,895,220
Net Assets, End of Year	$ 27,163,742	$ 1,839,630	$ 1,740,136	$ 30,743,508

	Unrestricted (Restated)	Temporarily Restricted (Restated)	Permanently Restricted (Restated)	Total (Restated)
Revenue, Support, and Gains				
Client services	$ 22,476,176	$ -	$ -	$ 22,476,176
Contributions	990,938	918,847	19,165	1,928,950
Thrift store sales	984,201	-	-	984,201
Less cost of goods sold	(107,501)	-	-	(107,501)
Net thrift store sales	876,700	-	-	876,700
Net investment return	1,234,520	(19,950)	44,692	1,259,262
Rental income from investment property	65,354	-	-	65,354
Other revenue	389,926	-	-	389,926
Loss on sale of property and equipment	(1,776)	-	-	(1,776)
Net assets released from restrictions	1,851,091	(1,851,091)	-	-
Total revenue, support, and gains	27,882,929	(952,194)	63,857	26,994,592
Expenses				-
Program services expense				
Residential	14,714,821	-	-	14,714,821
Day/Employment	4,973,050	-	-	4,973,050
Behavioral Health	186,826	-	-	186,826
Other	939,524	-	-	939,524
Total program services expense	20,814,221	-	-	20,814,221
Supporting services expense				
Management and general	3,484,609	-	-	3,484,609
Fundraising and development	400,747	-	-	400,747
Total supporting services expense	3,885,356	-	-	3,885,356
Total expenses	24,699,577	-	-	24,699,577
Change in Net Assets	3,183,352	(952,194)	63,857	2,295,015
Net Assets, Beginning of Year, as Restated	24,355,774	3,542,560	1,701,871	29,600,205
Net Assets, End of Year, as Restated	$ 27,539,126	$ 2,590,366	$ 1,765,728	$ 31,895,220

	Program Services				
	Residential	Day/ Employment	Behavioral Health	Other	Total
Salaries and Wages	$ 10,488,975	$ 2,791,579	$ 248,972	$ 326,989	$ 13,856,515
Employee Benefits	2,253,099	603,668	51,889	71,041	2,979,697
Payroll Taxes	1,084,549	283,995	25,057	33,306	1,426,907
Food	406,473	23,051	1,313	1,399	432,236
Supplies	306,073	212,024	12,449	41,812	572,358
Utilities and Telephone	216,839	132,008	265	56,345	405,457
Repairs and Maintenance	145,841	106,183	2,878	85,911	340,813
Transportation	124,392	13,733	18,432	205,104	361,661
Education Conferences	17,540	6,224	213	1,527	25,504
Resident Payroll	-	571,632	-	-	571,632
Postage	695	173	19	195	1,082
Printing	-	-	36	129	165
Professional Fees	49,361	5,975	6,953	4,378	66,667
Insurance	16,576	118	-	45,856	62,550
Interest	5,076	-	-	-	5,076
Dues and Subscriptions	4,215	275	22	1,221	5,733
Other Taxes	33	-	-	1,462	1,495
Depreciation	237,752	224,882	-	194,563	657,197
Other	22,877	21,016	6,138	9,375	59,406
Bad Debts	-	-	-	-	-
	$ 15,380,366	$ 4,996,536	$ 374,636	$ 1,080,613	$ 21,832,151

Supporting Services			
Management and General	Fundraising and Development	Total	Total Expenses
$ 2,044,969	$ 204,734	$ 2,249,703	$ 16,106,218
355,266	44,010	399,276	3,378,973
192,591	20,815	213,406	1,640,313
13,192	6,045	19,237	451,473
119,162	40,237	159,399	731,757
63,965	3,316	67,281	472,738
96,934	8,515	105,449	446,262
28,617	3,650	32,267	393,928
16,627	2,224	18,851	44,355
-	-	-	571,632
13,675	10,003	23,678	24,760
1,984	27,250	29,234	29,399
102,223	18,728	120,951	187,618
104,441	301	104,742	167,292
878	-	878	5,954
19,126	864	19,990	25,723
8,264	-	8,264	9,759
281,063	124	281,187	938,384
49,857	17,579	67,436	126,842
9,011	-	9,011	9,011
$ 3,521,845	$ 408,395	$ 3,930,240	$ 25,762,391

	Program Services				
	Residential	Day/ Employment	Behavioral Health	Other	Total
Salaries and Wages	$ 10,249,458	$ 2,846,501	$ 117,408	$ 319,170	$ 13,532,537
Employee Benefits	1,698,393	479,041	17,457	53,489	2,248,380
Payroll Taxes	1,043,793	287,371	11,840	32,251	1,375,255
Food	472,233	16,877	472	2,957	492,539
Supplies	316,036	194,305	14,595	31,125	556,061
Utilities and Telephone	218,932	142,583	-	42,942	404,457
Repairs and Maintenance	198,762	106,681	143	46,355	351,941
Transportation	146,782	12,260	11,274	195,409	365,725
Education Conferences	16,214	6,246	4,662	2,672	29,794
Resident Payroll	-	611,106	-	-	611,106
Postage	966	141	-	209	1,316
Printing	114	82	-	-	196
Professional Fees	42,914	12,204	3,268	3,251	61,637
Insurance	19,504	121	-	45,478	65,103
Interest	6,266	-	-	-	6,266
Dues and Subscriptions	497	591	80	105	1,273
Other Taxes	-	-	-	461	461
Depreciation	261,296	232,296	-	154,637	648,229
Other	22,661	24,644	5,627	9,013	61,945
Bad Debts	-	-	-	-	-
	$ 14,714,821	$ 4,973,050	$ 186,826	$ 939,524	$ 20,814,221

Supporting Services			
Management and General	Fundraising and Development	Total	Total Expenses
$ 2,015,734	$ 166,909	$ 2,182,643	$ 15,715,180
340,154	27,963	368,117	2,616,497
195,713	16,840	212,553	1,587,808
6,739	7,244	13,983	506,522
82,338	26,415	108,753	664,814
59,404	2,217	61,621	466,078
73,420	10,308	83,728	435,669
49,824	3,944	53,768	419,493
9,219	27,133	36,352	66,146
-	-	-	611,106
15,371	19,202	34,573	35,889
6,677	56,763	63,440	63,636
121,556	5,468	127,024	188,661
99,515	314	99,829	164,932
9,942	-	9,942	16,208
19,214	449	19,663	20,936
5,015	-	5,015	5,476
274,446	480	274,926	923,155
58,199	16,398	74,597	136,542
42,129	12,700	54,829	54,829
$ 3,484,609	$ 400,747	$ 3,885,356	$ 24,699,577

	2015	2014 (Restated)
Operating Activities		
Change in net assets	$ (1,151,712)	$ 2,295,015
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	938,384	923,155
Realized and unrealized (gain) loss on operating investments	835,510	(177,690)
Contributed equipment capitalized	(23,250)	-
Change in value of split-interest agreements	(228)	(640)
Contributions restricted to endowment	(2,020)	(19,165)
Change in beneficial interests held by others	27,612	(44,692)
Endowment net investment (return) loss	318,086	(815,991)
(Gain) loss on sale of property and equipment	(1,101)	1,776
Changes in operating assets and liabilities		
Accounts receivable, net	98,199	(26,263)
Promises to give, net	399,997	515,258
Prepaid expenses	66,736	(17,656)
Interest receivable	5,087	(32,491)
Other assets	2,640	(29,939)
Accounts payable and accrued expenses	(228,121)	420,996
Net Cash from Operating Activities	1,285,819	2,991,673
Investing Activities		
Purchases of operating investments	(8,169,454)	(431,678)
Proceeds from sales of operating investments	7,666,082	1,770,113
(Addition to) withdrawal from endowment	240,443	(1,272,349)
Purchases of property and equipment	(1,720,292)	(1,083,586)
Proceeds from sales of property and equipment	1,101	5,752
Net Cash used for Investing Activities	(1,982,120)	(1,011,748)
Financing Activities		
Collections of contributions restricted to endowment	2,020	19,165
Net borrowings (repayments) under line of credit	(255,523)	(465,059)
Proceeds from issuance of long-term debt	-	114,000
Principal payments on long-term debt	(29,264)	(26,890)
Net Cash used for Financing Activities	(282,767)	(358,784)
Net Change in Cash and Cash Equivalents	(979,068)	1,621,141
Cash and Cash Equivalents, Beginning of Year	2,207,307	586,166
Cash and Cash Equivalents, End of Year	$ 1,228,239	$ 2,207,307

	2015	2014
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	$ 6,074	$ 16,225
Supplemental Disclosure of Non-cash Investing and Financing Activity		
Accounts payable for property and equipment	$ 30,390	$ 136,982

Note 1 - Principal Activity and Significant Accounting Policies

Organization

Handicap Village d/b/a Opportunity Village (Opportunity Village) is a nonprofit organization established to provide residential homes, activity centers, and other services for those individuals having physical or mental disabilities which necessitate special help and supervision in their daily lives. The Organization additionally fulfills its mission by focusing its efforts in three primary service areas:

Residential

Opportunity Village helps individuals with disabilities to find affordable, safe, and comfortable homes in Iowa communities of their choice. Village staff support each person to live as independently as possible, while providing appropriate assistance based on individual needs.

Day/Employment

Opportunity Village supports individuals with disabilities to achieve success at work. It starts with discovery. We get to know a person outside of work, look at their home environment, find out when and where they are at their best, and assess skills and interests. Then we offer training to improve skills and the opportunity to learn about different types of work by visiting businesses or trying out a job for ten days. Opportunity Village supports individuals with disabilities to achieve success in the communities where they live and the wider world. Success for some might mean volunteering at a local community kitchen or at a state park picking up trash. For another, it may mean going to the grocery store like everyone else in town, to choose favorite items and pay for them.

Behavioral Health

Opportunity Village Children's Autism Center in Clear Lake, Iowa, offers hope for families overwhelmed by the challenges of raising a child on the autism spectrum. Direct services including assessment, positive behavior supports, and skill building activities to improve the lives of children with autism.

Other

Opportunity Village provides safe, courteous, and prompt transportation to meet the transportation needs of staff, persons supported, and transit service customers. We also believe that spiritual expression is part of a healthy life, as much as physical, mental, and emotional well-being. Our Spiritual Resources Coordinator supports individuals we serve who want a spiritual component to their lives.

Principles of Consolidation

The consolidated financial statements include the accounts of Opportunity Village (which includes Eagle Grove Group Home), Elm Street Home, Inc. and Northwoods Living, Inc. because Opportunity Village has both control and an economic interest in Elm Street Home, Inc. and Northwoods Living, Inc. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as the Organization.

Cash and Cash Equivalents

The Organization consider all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building project, permanent endowment, or other long-term purposes are excluded from this definition.

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for client services. The Organization determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At September 30, 2015 and 2014, the allowance was $29,000 and $55,600, respectively.

Promises to Give

The Organization records unconditional contributions expected to be collected within one year at net realizable value. Unconditional contributions expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The Organization determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectable. At September 30, 2015 and 2014, the allowance was $6,600 and $12,700, respectively.

HUD Regulations

The operations of the Elm Street Home, Inc. and Eagle Grove Group Home are subject to certain HUD regulations and requirements as follows:

Reserve for Replacements

Pursuant to the terms of the HUD regulatory agreement, Elm Street Home, Inc. and Eagle Grove Group Home are required to maintain a replacement reserve account. The replacement reserve is to be used to fund improvements and replacements. Withdrawals from these accounts are subject to HUD approval.

Residual Receipts

Use of residual receipts accounts are contingent upon HUD’s written approval.

Tenant Security Deposits

Pursuant to management policy, Elm Street Home, Inc. and Eagle Grove Group Home have set aside funds to repay tenant security deposits after lease termination in accordance with requirements established by the HUD regulatory agreement.

Rent Increases

Under the regulatory agreement, Elm Street Home, Inc. and Eagle Grove Group Home may not increase rents charged to tenants without HUD approval.

Distributions

Regulatory agreements with HUD stipulate among other things, that Elm Street Home, Inc. and Eagle Grove Group Home will not make distributions of assets or income to any of its officers or directors.

Security Deposits

The Organization holds security deposits for the tenants of the apartments. These funds are included in security deposits on the statements of financial position. Security deposits totaled $21,935 and $14,961 at September 30, 2015 and 2014.

Property and Equipment

The Organization records property and equipment additions over $3,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. No such impairments occurred during the years ended September 30, 2015 and 2014.

Beneficial Interest in Perpetual Trust

The Organization has been named as an irrevocable beneficiary of a trust administered by a bank. Perpetual trusts provide for the distribution of the net income of the trust to the Organization. At the date the Organization receives notice of a beneficial interest, a permanently restricted contribution is recorded in the statement of activities, and a beneficial interest in perpetual trust is recorded in the statement of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

Investments

The Organization records investment purchases at cost, or the fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets available for use in general operations. Unrestricted board-designated net assets consist of net assets designated by the Board of Directors for a board-designated endowment.

Temporarily Restricted Net Assets – Net assets subject to donor restrictions that may or will be met by future expenditures or the passage of time, and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditure by the Board of Directors.

The Organization reports contributions restricted by donors as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by our actions. The restrictions stipulate that resources be maintained permanently but permit us to expend the income generated in accordance with the provisions of the agreements.

Revenue and Revenue Recognition

Revenue is recognized when earned. Revenues for client services are obtained based on rates established by third-party payors and by the Organization. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Thrift Store Income and Cost of Goods Sold

Thrift store income and cost of goods sold are recorded as the donated goods are sold.

Donated Services and In-Kind Contributions

The Organization pays for most services requiring specific expertise, however individual volunteers contribute time to the Organization's specific programs, various committee assignments, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods for resale requires the addition of program-related expenses/processes before it reaches its point of sale and are recorded as contributions at their estimated fair value at time of sale. For the years ended September 30, 2015 and 2014, the Organization recognized contributed merchandise with a fair value of $115,833 and $107,501 as contributed revenue.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Costs

Advertising costs are expensed as incurred, and approximated $28,000 and $23,000 during the years ended September 30, 2015 and 2014.

Income Taxes

Opportunity Village, Elm Street Home, Inc., and Northwoods Living, Inc. are organized as Iowa nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3) and qualify for the charitable contribution deduction under Sections 170(b)(1)(A)(vi) and (viii). Opportunity Village and Elm Street Home, Inc. have been determined not to be private foundations under Sections 509(a)(1) and (3). Northwoods Living, Inc. has been determined to be a private foundation. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization has determined that the entities are not subject to unrelated business income tax and none of the entities have filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization believes that each entity has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. The entities' Forms 990, 990-T and other income tax filings required by state, local, or non-U.S. tax authorities are no longer subject to tax examination for years before 2011.

Investment in Tax Credit Project

Included within the consolidated financial statements of the Organization is Northwoods Living, Inc., which is a non-profit organization controlled by the Organization. Northwoods Living, Inc. is a general partner in Northwoods Limited Partnership #1, which was organized to acquire, finance, construct, own, maintain, improve, operate, and if appropriate or desirable, sell or otherwise dispose of an apartment complex in Fort Dodge, Iowa.

As a general partner in the tax credit project, Northwoods Living Inc. manages the day to day operations of the project; however, any significant changes to the operations must be approved by the limited partners. In addition, the partnership agreement defines the rights and obligations of the limited partners and the general partners.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates. Investments are made by diversified investment managers whose performance is monitored by management and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. Other than those included in Note 14, the reclassifications had no impact on previously reported net assets.

Subsequent Events

The Organization has evaluated subsequent events through January 12, 2016, the date the consolidated financial statements were available to be issued.

Note 2 - Net Program Service Fees

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicaid

The Medicaid program reimburses the Organization for services as defined in various agreements. The basis for reimbursement under these agreements may include discounts from established charges and prospectively determined rates. The basis for reimbursement under certain agreements with Medicaid was based on a cost reimbursement methodology. Under this methodology, the Organization was reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports. The Organization’s Medicaid settlements have been finalized through the year ended June 30, 2014.

Magellan of Iowa Behavioral Health (Medicaid)

The Organization is reimbursed for services based on prospective contracted rates. Prior to July 1, 2013 the basis for reimbursement under agreements with Magellan was based on a cost reimbursement methodology. Under this methodology, the Organization was reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports. The Organization’s Medicaid settlements through Magellan have been finalized for all years subject to cost reimbursement.

County Funded

Counties reimburse the Organization for services as defined in various agreements. The basis for reimbursement under these agreements may include discounts from established charges and prospectively determined rates.

A summary of revenue from the various payors for the year ended September 30, 2015 is as follows:

	2015
Medicaid	84%
Private Pay	6
Other	4
Magellan	3
County Funded	3
	100%

The Organization grants credit without collateral to its clients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and clients at September 30, 2015 was as follows:

	2015
Medicaid	80%
County Funded	6
Other	6
Magellan	5
Private Pay	3
	100%

Note 3 - Fair Value Measurements and Disclosures

The Organization reports certain assets at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of the Organization's investment assets are classified within Level 1 because they are comprised of equity securities and open-end mutual funds with readily determinable fair values based on daily closing prices or redemption values. The Organization invests in certificates of deposit traded in the financial markets. Those certificates of deposit and fixed income securities are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2. The fair value of the beneficial interest in perpetual trust is based on the fair value of trust investments as reported by the trustee. This is considered to be a Level 3 measurement.

The Organization's land held in charitable trust and land held for investment purposes are valued based on annual appraisals from real estate agents who have experience in area land transactions. The life interest in real estate is valued based off a sales comparison prepared by a real estate agent. These are classified within Level 3. The fair value of the life insurance policies is determined based on a statement of current policy values provided by the insurance company and is classified as Level 2.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at September 30, 2015:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Cash and money market funds (at cost)	$ 141,165	$ -	$ -	$ -
Certificates of deposit	446,195	-	446,195	-
Fixed income	1,457,319	-	1,457,319	-
Equities	1,152,754	1,152,754	-	-
Equity mutual funds	1,248,223	1,248,223	-	-
International equities	594,487	594,487	-	-
International equity mutual funds	531,222	531,222	-	-
	$ 5,571,365	$ 3,526,686	$ 1,903,514	$ -
Endowment Investments				
Cash and money market funds (at cost)	$ 269,685	$ -	$ -	$ -
Fixed income	2,784,105	-	2,784,105	-
Equities	2,202,255	2,202,255	-	-
Equity mutual funds	2,129,636	2,129,636	-	-
International equities	1,135,725	1,135,725	-	-
International equity mutual funds	1,014,863	1,014,863	-	-
	$ 9,536,269	$ 6,482,479	$ 2,784,105	$ -
Land Held for Investment	$ 1,953,500	$ -	$ -	$ 1,953,500
Land Held in Charitable Trust	$ 686,000	$ -	$ -	$ 686,000
Cash Value of Life Insurance	$ 240,248	$ -	$ 240,248	$ -
Beneficial Interest in Perpetual Trust	$ 799,795	$ -	$ -	$ 799,795
Life Interest in Real Estate (Within Other Assets)	$ 77,000	$ -	$ -	$ 77,000

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at September 30, 2014:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Cash and money market funds (at cost)	$ 79,615	$ -	$ -	$ -
Certificates of deposit	567,052	-	567,052	-
Fixed income	1,663,109	-	1,663,109	-
Equity mutual funds	3,133,803	3,133,803	-	-
Equities	602,282	602,282	-	-
Limited partnership	314,906	-	-	314,906
Preferreds	145,865	145,865	-	-
Other investments	16,754	16,754	-	-
	$ 6,523,386	$ 3,898,704	$ 2,230,161	$ 314,906
Endowment Investments				
Cash and money market funds (at cost)	$ 125,861	$ -	$ -	$ -
Fixed income	2,629,155	-	2,629,155	-
Equity mutual funds	4,764,877	4,764,877	-	-
Equities	952,129	952,129	-	-
Limited partnership	497,824	-	-	497,824
Preferreds	230,594	230,594	-	-
Other investments	26,487	26,487	-	-
	$ 9,226,927	$ 5,974,087	$ 2,629,155	$ 497,824
Land Held for Investment	$ 2,139,720	$ -	$ -	$ 2,139,720
Land Held in Charitable Trust	$ 778,050	$ -	$ -	$ 778,050
Cash Value of Life Insurance	$ 225,553	$ -	$ 225,553	$ -
Beneficial Interest in Perpetual Trust	$ 827,407	$ -	$ -	$ 827,407
Life Interest in Real Estate (Within Other Assets)	$ 77,000	$ -	$ -	$ 77,000

Below is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended September 30, 2015 and 2014:

	Fair Value Measurements at Report Date Using Significant Unobservable Inputs (Level 3)				
	Limited Partnership	Beneficial Interest in Perpetual Trust	Land Held in Trust	Land Held for Investment	Life Interest in Real Estate
Year ended September 30, 2015					
Balance at September 30, 2014	$ 812,730	$ 827,407	$ 778,050	$ 2,139,720	$ 77,000
Net realized and unrealized gain (loss)	-	(27,612)	(92,050)	(186,220)	-
Distributions	(812,730)	-	-	-	-
Balance at September 30, 2015	$ -	$ 799,795	$ 686,000	$ 1,953,500	$ 77,000
Year ended September 30, 2014					
Balance at September 30, 2013	$ 707,862	$ 782,715	$ 798,000	$ 2,343,520	$ 77,000
Net realized and unrealized gain (loss)	104,868	44,692	(19,950)	(203,800)	-
Balance at September 30, 2014	$ 812,730	$ 827,407	$ 778,050	$ 2,139,720	$ 77,000

Note 4 - Net Investment Return

Net investment return consists of the following for the years ended September 30, 2015 and 2014:

	2015	2014
Operating Investments		
Interest and dividends	$ 333,951	$ 265,581
Net realized and unrealized gain (loss)	(835,510)	177,690
	(501,559)	443,271
Endowment Investments		
Interest and dividends	551,805	334,536
Net realized and unrealized gain (loss)	(869,891)	481,455
	(318,086)	815,991
	$ (819,645)	$ 1,259,262

Note 5 - Promises to Give

Unconditional promises to give are estimated to be collected as follows at September 30, 2015 and 2014:

	2015	2014
Within One Year	$ 177,909	$ 476,900
In One to Five Years	262,649	369,655
Over Five Years	150	250
	440,708	846,805
Less allowance for uncollectable promises to give	(6,600)	(12,700)
	$ 434,108	$ 834,105

Amounts due in more than one year have not been discounted to present value as the amount of the discount is immaterial.

Note 6 - Property and Equipment

Property and equipment consists of the following at September 30, 2015 and 2014:

	2015	2014
Land and Improvements	$ 2,177,924	$ 2,153,378
Buildings and Improvements	19,671,797	18,327,719
Equipment and Furniture	3,804,755	3,238,893
Construction in Progress	45,587	167,342
	25,700,063	23,887,332
Less Accumulated Depreciation and Amortization	(15,512,438)	(14,535,255)
	$ 10,187,625	$ 9,352,077

Note 7 - Line of Credit

The Organization had an $8,000,000 revolving line of credit with a bank, secured by marketable securities for the year ended September 30, 2014. The amount outstanding on the line of credit as of September 30, 2014 was $255,523. Borrowings under the line incurred interest at a variable interest rate equal to 1.750% above the 30-Day LIBOR rate. The line of credit was paid off during 2015 and was not renewed.

Note 8 - Debt

Debt consists of the following at September 30, 2015 and 2014:

	2015	2014
Note payable to a bank, current interest rate is 3.9% (4.5% interest rate prior to loan extension in March 2015), due in monthly installments of $1,750 through March 2020, with balloon payment in 2020, secured by real estate	$ 113,376	$ 129,418
Non-interest bearing mortgage note payable to the Iowa Department of Economic Development, due in annual installments of $9,421, with final payment in 2016	18,843	28,264
Non-interest bearing mortgage note payable to the Iowa Department of Economic Development, due in monthly installments of $317, with final payment in 2044	107,982	111,783
	$ 240,201	$ 269,465

Future maturities of debt are as follows:

Years Ending September 30,	Amount
2016	$ 30,031
2017	30,720
2018	22,003
2019	22,736
2020	45,730
Thereafter	88,981
	$ 240,201

The Organization received two forgivable loans from NIACOG Housing Trust Fund for housing assistance to help construct homes for its clients to rent. The Organization was required to match the funds given. 1/60th of the loans will be forgiven each month as long as terms for the loan continue to be met. The specifications require that the Organization must use the homes for clients or low income housing and they may not sell the homes for five years from the date of the agreements. The Organization entered into one forgivable loan on March 26, 2014, for $96,538 and another forgivable loan on January 22, 2015, for $79,617. As the loans are forgivable and the Organization deems any non-performance remote, the loans were recorded as contributions upon receipt and are not included in long-term debt as of September 30, 2015 and 2014. If the terms of the loan agreements are not met, outstanding balances as of September 30, 2015 and 2014 would be approximately $67,000 and $69,000, respectively.

Note 9 - Leases

The Organization leases building space for its work activity program under an operating lease expiring in October 2026. However, subsequent to April 26, 2014, the lease may be terminated by either party. The monthly payments are $4,040. There are no future minimum lease payments as of September 30, 2015.

Rent expense for the years ended September 30, 2015 and 2014 totaled $73,001 and $78,851, respectively.

Note 10 - Endowments

The Organization's endowment (the Endowment) consists of eight individual funds established by donors. The Endowment also includes certain unrestricted net assets designated for endowment by the Board of Directors. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the Iowa Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At September 30, 2015 and 2014, there were no such donor stipulations. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the Endowment, (b) the original value of subsequent gifts donated to the Endowment (including promises to give net of discount and allowance for doubtful accounts), and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. The remaining portion of the donor-restricted endowment is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

As of September 30, 2015 and 2014, the Organization had the following endowment net asset composition by type of fund:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
September 30, 2015				
Board-Designated Endowment	$ 8,595,928	$ -	$ -	$ 8,595,928
Donor-Restricted Endowment	-	-	940,341	940,341
	$ 8,595,928	$ -	$ 940,341	$ 9,536,269
September 30, 2014				
Board-Designated Endowment	$ 8,288,606	$ -	$ -	$ 8,288,606
Donor-Restricted Endowment	-	-	938,321	938,321
	$ 8,288,606	$ -	$ 938,321	$ 9,226,927

Investment and Spending Policies

The Organization has adopted investment policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The Organization is currently developing a spending policy to align with this methodology as earnings on the endowment have historically been released from restriction annually to use for operations.

Changes in Endowment net assets for the years ended September 30, 2015 and 2014 are as follows:

Year ended September 30, 2015	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of Year	$ 8,288,606	$ -	$ 938,321	$ 9,226,927
Investment Return				
Investment income, net of fees	496,556	55,249	-	551,805
Net realized and unrealized gain (loss)	(814,642)	(55,249)	-	(869,891)
	(318,086)	-	-	(318,086)
Contributions	-	-	2,020	2,020
Other Changes				
Transfer to add board-designated endowment funds	625,408	-	-	625,408
Endowment Net Assets, End of Year	$ 8,595,928	$ -	$ 940,341	$ 9,536,269

Year ended September 30, 2014	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of Year	$ 7,828,884	$ -	$ 919,156	$ 8,748,040
Investment Return				
Investment income, net of fees	299,966	34,570	-	334,536
Net realized and unrealized gain (loss)	431,703	49,752	-	481,455
	731,669	84,322	-	815,991
Contributions	-	-	19,165	19,165
Distributions				
Appropriation of endowment assets pursuant to spending-rate policy	-	(84,322)	-	(84,322)
Transfer to remove board-designated endowment funds	(271,947)	-	-	(271,947)
Endowment Net Assets, End of Year	$ 8,288,606	$ -	$ 938,321	$ 9,226,927

Note 11 - Restricted Net Assets

Temporarily restricted net assets at September 30, 2015 and 2014, consist of:

	2015	2014
Restricted by Donors for		
Payment of deferred compensation	$ 73,246	$ 95,000
Relocation program	-	578,925
Autism Center	149,449	138,028
Continuing education fund	22,620	22,050
Fort Dodge services	332,232	375,000
Special needs fund	64,975	67,208
Time Restrictions (Proceeds Are Not Restricted by Donors)		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	434,108	459,105
Land held in charitable trust	686,000	778,050
Life estate remaining on donated house	77,000	77,000
	$ 1,839,630	$ 2,590,366

Net assets were released from restrictions as follows during the years ended September 30, 2015 and 2014:

	2015	2014
Expiration of Time Restrictions, Less Amounts That Now Have A Purpose Restriction	$ 268,866	$ 1,200,680
Change in Value of Land Held in Charitable Trust	92,050	19,950
Satisfaction of Purpose Restrictions		
Payment of deferred compensation	21,754	25,000
Relocation program	578,925	586,075
Autism Center	92,901	9,809
Continuing education fund	600	-
Fort Dodge services	42,768	-
Special needs fund	7,999	-
Equipment	-	3,647
Landscaping project	-	5,930
	$ 1,105,863	$ 1,851,091

Permanently restricted net assets consist of beneficial interests in perpetual trusts and endowment funds restricted by donors for investment in perpetuity. Distributions from perpetual trusts and earnings on endowment funds are available for the purposes specified by the donors, or in certain cases, for the Organization's unrestricted use. The permanently restricted net assets balances are as follows at September 30, 2015 and 2014:

	2015	2014
Beneficial Interests in Perpetual Trusts	$ 799,795	$ 827,407
Endowment Funds	940,341	938,321
	$ 1,740,136	$ 1,765,728

Note 12 - Employee Benefits

The Organization sponsors a defined contribution pension plan that matches 100% of the first 3% of employee contributions and 50% of the next 2% of employee contributions. During the years ended September 30, 2015 and 2014, contributions to the plan amounted to $354,222 and $345,517, respectively.

Note 13 - Contingencies

General Liability Insurance

General liability insurance coverage is subject to a limit of $1 million per claim and an annual aggregate limit of $3 million.

Self-Insured Health Plan

The Organization self-insures for losses related to employee health benefits. Reinsurance coverage is maintained for specific individual and aggregate liability losses over specified amounts. A provision for estimated health claims outstanding of approximately $267,000 and $270,000 is included in current liabilities at September 30, 2015 and 2014.

Litigations, Claims, and Disputes

The Organization is subject to the usual contingencies in the normal course of operations and relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of any litigation, claims, and disputes in process will not be material to the financial position, operations, or cash flows of the Organization.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicaid program, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

Note 14 - Restatement Due to Correction of an Error

Certain errors in recording the Organization's interest in a perpetual trust, classification of net asset balances, and also in recording a liability for workers' compensation claims payable and a corresponding receivable for anticipated recoveries on those claims that are expected to be covered by insurance were noted during the current year. In the prior year, the perpetual trust was not recorded at fair value. Promises to give were not recorded as temporarily restricted net assets due to a time restriction. Estimated outstanding workers' compensation claims were recorded net of anticipated insurance recoveries (essentially not recording an asset and related liability) on the consolidated statement of financial position. Accordingly, adjustments were made to restate the earliest net asset balances presented in these consolidated financial statements and to restate net asset activity during 2014 to correct the errors.

The following is a summary of the effect of the correction of errors in the Organization's consolidated financial statements for 2014:

	Amounts as Previously Reported	Correction of Errors	Amounts as Restated
Consolidated Statement of Financial Position			
Assets			
Workers' compensation insurance receivable	$ -	$ 333,810	$ 333,810
Beneficial interests in perpetual trusts	$ 539,706	$ 287,701	$ 827,407
Total assets	$ 34,727,375	$ 621,511	$ 35,348,886
Liabilities			
Estimated workers' compensation claims payable	$ -	$ 333,810	$ 333,810
Total liabilities	$ 3,119,856	$ 333,810	$ 3,453,666
Net assets			
Unrestricted	$ 27,998,231	$ (459,105)	$ 27,539,126
Temporarily restricted	2,131,261	459,105	2,590,366
Permanently restricted	1,478,027	287,701	1,765,728
Total net assets	$ 31,607,519	$ 287,701	$ 31,895,220

Consolidated Statement of Activities	Amounts as Previously Reported	Correction of Errors	Amounts as Restated
Unrestricted net assets			
Contributions	$ 1,321,310	$ (330,372)	$ 990,938
Net assets released from restriction	$ 630,461	$ 1,220,630	$ 1,851,091
Temporarily restricted net assets			
Contributions	$ 588,475	$ 330,372	$ 918,847
Net assets released from restriction	$ (630,461)	$ (1,220,630)	$ (1,851,091)
Permanently restricted net assets			
Net investment return	$ -	$ 44,692	$ 44,692
Change in net assets			
Unrestricted	$ 2,293,094	$ 890,258	$ 3,183,352
Temporarily restricted	(61,936)	(890,258)	(952,194)
Permanently restricted	19,165	44,692	63,857
	$ 2,250,323	$ 44,692	$ 2,295,015
Net assets, beginning of year, as restated			
Unrestricted	$ 25,705,137	$ (1,349,363)	$ 24,355,774
Temporarily restricted	2,193,197	1,349,363	3,542,560
Permanently restricted	1,458,862	243,009	1,701,871
	$ 29,357,196	$ 243,009	$ 29,600,205
Net assets, end of year, as restated			
Unrestricted	$ 27,998,231	$ (459,105)	$ 27,539,126
Temporarily restricted	2,131,261	459,105	2,590,366
Permanently restricted	1,478,027	287,701	1,765,728
	$ 31,607,519	$ 287,701	$ 31,895,220

The impact to the statement of cash flows for the year ended September 30, 2014 was an adjustment to reflect the $44,692 recorded for additional net investment return as noted above. This restatement increased the 2014 change in net assets from $2,250,323 to $2,295,015 within operating activities on the statement of cash flows. With a corresponding decrease to realized and unrealized (gain) loss on operating investments, net cash from operating activities did not change in relation to this adjustment. Net change in cash and cash equivalents also did not change in relation to this adjustment.