

NEIGHBORS IN NEED OF SERVICES, INC.

RETIREMENT SAVINGS PLAN

FOR THE YEARS ENDED
DECEMBER 31, 2014 AND 2013

OSCAR R. GONZALEZ, C.P.A and ASSOCIATES, PLLC
Certified Public Accountants

NEIGHBORS IN NEED OF SERVICES, INC.
RETIREMENT SAVINGS PLAN
YEARS ENDED DECEMBER 31, 2014 AND 2013

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator & Board of Directors
of the Neighbors in Need of Services, Inc.,
Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Neighbors in Need of Services, Inc., Retirement Savings Plan, which comprise the statement of net assets available for benefits as of December 31, 2014, and the related statement of changes in net assets available for benefits (modified cash basis) for the year 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 conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by American United Life Insurance Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2014 and 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

As described in Note 2, these financial statements and supplemental schedules were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2014 financial statements. Accordingly, we do not express an opinion on the 2014 financial statements referred to in the first paragraph.

Other Matter—Supplemental Schedules

The supplemental schedules of schedule I – schedule of assets (held at year-end) and schedule II – schedule of reportable transactions as of or for the year ended December 31, 2014, are required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Other Matter—2013 Financial Statements

The financial statements of the Plan as of December 31, 2013, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by American United Life Insurance Company, the trustee of the Plan. Their report, dated September 19, 2015, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the Trustee, were presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL Rules and Regulations 2014

The form and content of the information included in the 2014 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Oscar R. Gonzalez, CPA & Associates PLLC
Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
October 8, 2015

NEIGHBORS IN NEED OF SERVICES, INC.
 RETIREMENT SAVINGS PLAN
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
 AS OF DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
Investments, at Contract Value		
Deposit with Insurance Company	\$ 4,231,087	\$ 4,814,661
Interest in Registered Investment Companies	2,749,019	1,645,599
Total Investments	6,980,106	6,460,260
Receivables:		
Participant Loans	1,273,408	1,382,866
Employee/Employer Contributions	89,078	115,658
Total Receivables	1,362,486	1,498,524
TOTAL ASSETS	\$ 8,342,592	\$ 7,958,784
NET ASSETS		
NET ASSETS AVAILABLE FOR BENEFITS	\$ 8,342,592	\$ 7,958,784

See notes to the financial statements and Independent Auditor's Report.

NEIGHBORS IN NEED OF SERVICES, INC.
 RETIREMENT SAVINGS PLAN
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 MODIFIED CASH BASIS
 FOR YEAR ENDED DECEMBER 31, 2014

	TOTAL
Investment Income:	
Net Appreciation(Depreciation) in Fair Value of Investments	\$ 112,712
Dividends/Interest	102,598
Interest on Participant Loans	64,048
Contributions:	
Employer Contribution	897,210
Total Additions	1,176,568
Deductions from Net Assets Attributed to:	
Benefits Paid to Participants	773,609
Administrative Expenses	19,151
Total Deductions	792,760
Change in Net Assets	383,808
Net Assets Available for Benefits:	
Beginning of Year	7,958,784
End of Year	\$ 8,342,592

See notes to the financial statements and Independent Auditor's Report.

NEIGHBORS IN NEED OF SERVICES, INC.
RETIREMENT SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1. SUMMARY OF THE PLAN:

The following summary of the Neighbors in Need of Services, Inc. Retirement Savings Plan (Plan) is provided for general information purposes. Participants should refer to Plan document for more complete information.

General

The plan is a type of qualified retirement plan commonly referred to as a profit sharing Plan, which includes all eligible employees of Neighbors in Need of Services, Inc. (NINOS). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and the Internal Revenue Code, as well as some state laws. The provisions of the Plan are subject to revision due to change in laws or due to pronouncements by the Internal Revenue Service (IRS) or Department of Labor (DOL).

Eligibility and Contributions

An employee becomes eligible to participate in the Plan upon completion of 6 consecutive months of employment with NINOS. Participation in the Plan begins on the 1st day of the following January, April, July, or October with satisfaction of the eligibility requirements. The employee must have been employed on the last day of the year or have terminated employment during the plan year with more than 500 hours of service in order to be entitled to share in the employer contributions for the year.

NINOS contributions to the plan a percentage of an eligible employees' compensation during the plan year. NINOS's Board of Directors determines the contribution formula that reflects the Plan's provision for all participants to share in an allocation of employer contribution formula that reflects the Plan's provision for all participants to share in an allocation of employer contributions in the ratio that each such participant's compensation bears to the total compensation of all participants. Limited employee contributions are provided for by the Plan. However, with the consent of the Plan Administrator, a participant may rollover amounts from another qualified plan. Any such rollover transfers by the participant shall be paid to the participant in the manner elected within the Plan's provision at their retirement, termination, or death.

Benefits and Vesting

All of the benefits provided under the Plan shall be paid by trustee out of the trust fund. Benefits are payable in the event that a participant shall cease to be an employee. Employees become vested in the account based on years of service with NINOS in accordance with the following schedule:

<u>Years of Service</u>	<u>Non-Forfeitable Percentage</u>
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

On termination of service, a participant may elect to receive a lump-sum distribution, purchase one of the annuity options under the Plan, or elect to roll the vested balance of their account into an individual retirement account or another employer plan. If the vested balance is in excess of \$5,000 the distribution must be requested in writing. In any case, distributions must begin by age 70 ½.

NEIGHBORS IN NEED OF SERVICES, INC.
RETIREMENT SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1. SUMMARY OF THE PLAN (Continued)

Benefits and Vesting (Continued)

Upon retirement, death or permanent disability, participant or beneficiaries may receive a lump-sum amount equal to the value of the vested account or elect to receive payments over the life of the participant or installments over the life expectancy of the participant or designated beneficiary. Terminated employees are required to withdraw amounts from their Plan accounts if such accounts are less than \$5,000.

“Rollover” contributions are automatically 100% vested.

Valuation of Participant’s Accounts and Forfeitures

Valuation of the assets of the Plan is made as of the last day of each Plan year. Each participant’s account is credited with the employer’s contribution and the participant’s share of the earnings. Forfeitures are allocated to the participants based on the ratio that employer contributions were allocated for that plan year.

Forfeited Accounts

At December 31, 2014, forfeited non-vested accounts totaled \$0. Any forfeited non-vested accounts will be reallocated to participants in the same manner as employer contributions.

Forfeitures may first be used to pay any administrative expenses and any remaining forfeitures will be used to reduce any employer contribution.

Liquidation and Distribution of Participants’ Equity upon Termination of Plan

It is the intention of Neighbors in Need of Services, Inc. that this plan continue indefinitely, but NINOS retains the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to terms of the ERISA.

Upon termination of the Plan by NINOS, the vested interest of each affected participant shall be 100 percent. After payment of all expenses and proportionate adjustment of participants’ termination, all benefits shall be immediately distributed to each participant.

Trustee and Administration

The Plan is administered by Neighbors in Need Services, Inc. The Plan Administrator is given all powers necessary to enable him/her to carry out all duties including, but not limited to, the power to interpret the Plan, decide on all questions of eligibility and the status and right of participants and direct disbursements of benefits in accordance with the provisions to the Plan. American United Life Insurance Company (AUL), was the trustee of the Plan as of December 31, 2014. The trustee is the Plan’s asset custodian and is responsible for receiving contributions, managing the Plan’s assets and making payment to members in accordance with the provisions of the Plan. The Plan’s record keeper is also AUL.

NOTE 2. SUMMARY OF ACCOUNTING POLICIES:

Basis of Accounting

The financial statements have been prepared on the modified cash basis of accounting using information provided by the trustee (See note 5). The statement of net assets available for benefits as of December 31, 2014 was prepared using the modified cash basis of accounting.

NEIGHBORS IN NEED OF SERVICES, INC.
 RETIREMENT SAVINGS PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 2. SUMMARY OF ACCOUNTING POLICIES (Continued):

Investment Valuation

The Plan's investments are held by the trustee and are recorded at fair market value. Participants are able to direct the investment of a least a portion of their interest in the Plan. If Participants do not direct their investment, the default investment alternative established by the Plan is used.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to use estimates and assumptions that affect accompanying financial statement disclosures. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan provides for investments in various pooled separate accounts. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of the investment securities will occur in the near assets available for plan benefits and participant account balances.

Deposit with Insurance Company

On October 3, 1991 the Plan entered into a group deposit trust contract with American United Life Insurance Company. All deposits made by NINOS to AUL become a part of the general corporate funds of AUL to be used and invested by AUL. These deposits are not segregated from AUL's other assets. AUL maintains the contributions in a pooled account. The Plan's account is credited with actual earnings on the underlying investment and charged for participant withdrawals. The contract provides for minimum Guaranteed Rate of Interest on cash contributions credited monthly. For the year ended December 31, 2014 the Guaranteed Rate on Interest is 1%. The Plan's investments are included in the Plan's financial statements at contract value, which approximates fair value, at December 31, 2014 and 2013 as reported to the Plan by AUL. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Deposits with AUL at December 31, 2014 and 2013, which presents 5% or more of the Plan's net assets, are as follows:

	2014	2013
Deposit at Contract Value	\$ 6,980,106	\$ 6,460,260

All Contract Values for Deposits are measured at Fair Value on a recurring basis using Level 1 (Quoted Price) inputs of \$6,980,106 at December 31, 2014.

Expenses

All administrative expenses, including trustee, accounting and legal fees will be paid for by the Plan Administrator. In the event the expenses are not paid by the Plan Administrator, such fees will be paid from the assets of the trust.

NEIGHBORS IN NEED OF SERVICES, INC.
 RETIREMENT SAVINGS PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 3. FEDERAL INCOME TAXES:

The Plan was established under an American United Life Insurance Company prototype plan approved by the Internal Revenue Service. The Plan was originally established September 20, 1990. The Plan sponsor believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. The Plan obtained its latest determination letter on April 17, 2002, in which the Internal Revenue Service stated that the Plan, as designed, was in compliance with the applicable requirements of the Internal Revenue Code.

NOTE 4. PARTICIPANT LOANS:

In 2006 the Plan was amended to include a provision for participant loans. At December 31, 2014 and 2013, participant loans totaled \$1,273,408 and \$1,382,866 respectively. The participant loans are at current value.

NOTE 5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE:

The Plan's Administrator has elected the method of annual reporting compliance permitted by 29 DFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly the Plan's trustees, American United Life Insurance Company, have certified that the following data included in the accompanying financial statements and schedules is complete and accurate as of December 31, 2014 and 2013:

- a. Investments, as shown in the statements of net assets available for plan benefits as of December 31, 2014.
- b. Investment income, as shown in the statement of changes in net assets available for plan benefits for the year ended December 31, 2014.
- c. The schedule of assets held for investment purposes as of December 31, 2014, as shown in Schedule I.
- d. The schedule of reportable transactions as of December 31, 2014, as shown in Schedule II.

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and schedules.

NOTE 6. RECONCILIATION OF FINANCIAL STATEMENT TO FORM 5500

The following is a reconciliation of net assets for plan benefit per financial statements to the Form 5500 as of December 31, 2014 and 2013:

	2014	2013
Net assets available for Plan benefits per financial statements	\$ 8,342,592	\$ 7,958,784
Less: Amounts allocated to withdrawing participants	-	-
Net assets available for Plan benefits per Form 5500	\$ 8,342,592	\$ 7,958,784

NEIGHBORS IN NEED OF SERVICES, INC.
 RETIREMENT SAVINGS PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 6. RECONCILIATION OF FINANCIAL STATEMENT TO FORM 5500 (Continued):

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the years ended December 31, 2014 and 2013:

	2014	2013
Benefits paid to participants per the financial statements	\$ 773,609	\$ 976,627
Add: Amounts allocated to withdrawing participants	-	-
Less: Amounts allocated to withdrawing participants	-	-
Benefits paid to participants per the Form 5500	\$ 773,609	\$ 976,627

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefiting claims that have been processed and approved for payment prior to December 31st but not yet paid as of that date.

NOTE 7. GAINS (LOSSES) ON INVESTMENTS:

Realized gains and losses on sale of investments and unrealized appreciation and depreciation of instruments are based on the value of the assets at the beginning of the Plan year or at the time of purchase if during the current year and are shown as net appreciation in the market value of investments in the statement of changes in net assets available for plan benefits. See note 2 for fair value measurements.

NOTE 8. RELATED PARTY TRANSACTIONS:

The Plan receives its contributions from the Plan's sponsor (Neighbors in Need Services) which were \$897,210 for the Plan year ended December 31, 2014. The Plan's sponsor also owed the Plan \$89,078 of contributions at December 31, 2014, which it paid subsequent to the end of the Plan year.

NOTE 9. SUBSEQUENT EVENTS:

For the purpose of reporting subsequent events, the plan administrator and management have considered events occurring up to October 8, 2015, the date the report was available to be issued, and there were no subsequent events noted.

NEIGHBORS IN NEED OF SERVICES, INC.
RETIREMENT SAVINGS PLAN
SCHEDULE I
SCHEDULE OF ASSETS (HELD AT YEAR END)
FOR YEAR ENDED DECEMBER 31, 2014

Description of Asset	Current Value
Participant Loan	1,273,408
Mutual Trust Funds	
AUL FIXED FUND	3,086,683
ALTERNATE FIXED ACCOUNT	1,144,404
LORD ABBETT DEVELOPING GROWTH	92,844
MFS VALUE	52,362
THORNBURG CORE GROWTH	68,361
THORNBURG INTERNATIONAL VALUE	30,329
OPPENHEIMER INTN'L BOND FUND	62,862
AMER FDS GRWTH FUND OF AMERICA	65,659
AMER FDS NEW PERSPECTIVE	69,919
ONEAMERICA VALUE	4,161
FIDELITY VIP CONTRAFUND	113,348
FIDELITY ADV LEV COMP STOCK A	5,546
AMERCENT ONE CHOICE 2015	89,071
AMERCENT ONE CHOICE 2020	171,269
AMERCENT ONE CHOICE 2025	303,965
AMERCENT ONE CHOICE 2030	291,410
AMERCENT ONE CHOICE 2035	296,938
AMERCENT ONE CHOICE 2040	211,413
AMERCENT ONE CHOICE 2045	157,296
AMERCENT ONE CHOICE 2050	125,232
AMERCENT ONE CHOICE 2055	76,716
AMERCENT HERITAGE INV	11,473
AMERCENT INFL ADJ BOND A	29,183
AMERCENT SMALL CAP GROWTH A	21,965
ALLIANZ NFJ DIV VAL	57,115
ALLIANZ NFJ SMALL CAP VALUE	16,617
PRUDENTIAL HIGH YIELD Z	34,457
PRUDENTIAL TOTAL RETURN BOND Z	116,352
TIAA GREF	18,679
SSGA S&P 500 INDEX	55,081
SSGA RUDEL SMALL CAP INDEX	553
SSGA INTERNATIONAL INDEX	98,843
	<u>6,980,106</u>
 Total Assets Held for Investment Purposes	 <u><u>\$ 8,253,514</u></u>

The information on this schedule was prepared from information provided by the trustee that the trustee has certified as complete and accurate.

NEIGHBORS IN NEED OF SERVICES, INC.
RETIREMENT SAVINGS PLAN
SCHEDULE II
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR YEAR ENDED DECEMBER 31, 2014

Assets	Purchase Price	Selling Price	Lease Rental	Expenses	Cost of Asset	Current Value	Net Gain/Loss
None							

The information on this schedule was prepared from information provided by the trustee that the trustee has certified as complete and accurate.

