Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2014

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1996

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
ACTIVCARE LIVING, INC

9619 CHESAPEAKE DR.
SUITE 103
SAN DIEGO, CA 92123-1328

2b Employer Identification Number (EIN)
95-3696840

2c Plan Sponsor's telephone number
858-565-4424

2d Business code (see instructions)
623000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2015	DEBORAH MURPHY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)

Preparer's telephone number (optional)

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	173
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	134
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	146
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	38
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	184
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	184
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	141
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....…… ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ACTIVCARE LIVING, INC

D Employer Identification Number (EIN)
95-3696840

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LPL FINANCIAL

7817 IVANHOE AVE
#203
LA JOLLA, CA 92037

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

THE VANGUARD GROUP, INC.

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

INDEPENDENT FINANCIAL PARTNERS

59-3331424

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	NONE	11445	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
55 64 37 99 15 50	NONE	3912	Yes [X] No [ ]	Yes [ ] No [X]	281	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99 37 50 52 64 68	NONE	295	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [ ] No [X]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name: BEST & CO	**b** EIN: 54-1291588	
c Position: PLAN AUDITOR		
d Address: 2333 CAMINO DEL RIO SO., #350 SAN DIEGO, CA 92108	**e** Telephone: 619-294-9900	

Explanation: MANAGEMENT DECISION

a Name:	**b** EIN:	
c Position:		
d Address:	**e** Telephone:	

Explanation:

a Name:	**b** EIN:	
c Position:		
d Address:	**e** Telephone:	

Explanation:

a Name:	**b** EIN:	
c Position:		
d Address:	**e** Telephone:	

Explanation:

a Name:	**b** EIN:	
c Position:		
d Address:	**e** Telephone:	

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
ACTIVCARE LIVING, INC

D Employer Identification Number (EIN)
95-3696840

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: MORLEY STABLE VALUE FUND

b Name of sponsor of entity listed in (a): GARTMORE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
93-0573993-001	C	103260

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ACTIVCARE LIVING, INC

D Employer Identification Number (EIN)
95-3696840

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	6186	
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	515535	
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	167410	181043
(9) Value of interest in common/collective trusts	1c(9)		103260
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2440241	3168381
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	3129372	3452684
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	3129372	3452684

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
	(B) Participants	2a(1)(B)	204958	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		204958
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	13119	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	8216	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		21335
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	65996	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		65996
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		194
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		108568
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		401051
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	61226	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		61226
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	15463	
(3) Investment advisory and management fees	2i(3)	1050	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		16513
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		77739
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		323312
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: THEFELD & ASSOCIATES **(2)** EIN: 33-0595513

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		150000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m	X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ACTIVCARE LIVING, INC

D Employer Identification Number (EIN)
95-3696840

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

ACTIVCARE LIVING, INC. 401(k) RETIREMENT PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE

Years Ended December 31, 2014 and 2013

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*Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

Thefeld & Associates
Certified Public Accountants

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Institute of
Certified
Public
Accountants

Members:
California
Society of
Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
the ActivCare Living, Inc. 401(k) Retirement Plan
San Diego, California 92123

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ActivCare Living, Inc. 401(k) Retirement Plan ("Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year then ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 our audits 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 C, which was certified by Ascensus Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. 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 certification from the trustee as of and for the years ended December 31, 2014 and 2013, that the information provided to the Plan administrator by the trustee is complete and accurate.

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. Accordingly, we do not express an opinion on these financial statements.

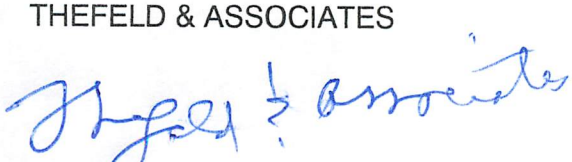
Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year, which is the responsibility of Plan management, are presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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

The form and content of the information included in the financial statements and supplemental schedule, 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.

THEFELD & ASSOCIATES



San Diego, California
October 8, 2015

ActivCare Living, Inc. 401(k) Retirement Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2014 and 2013

	2014	2013
ASSETS		
Investments, at fair value	$ 3,272,636	$ 2,955,776
Receivables:		
Notes receivable from participants	181,043	166,924
TOTAL ASSETS	3,453,679	3,122,700
LIABILITIES		
Accrued expenses	2,649	-
TOTAL LIABILITIES	2,649	-
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	3,451,030	3,122,700
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(995)	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,450,035	$ 3,122,700

The accompanying notes are an integral part of these financial statements.

ActivCare Living, Inc. 401(k) Retirement Plan
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year ended December 31, 2014

ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Dividends		$ 82,445
Net appreciation in fair value of investments		113,301
		195,746
Interest income on notes receivable from participants		8,702
Contributions:		
Participants		202,225
	TOTAL ADDITIONS	406,673
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		61,226
Administrative and advisor fees		18,112
	TOTAL DEDUCTIONS	79,338
	NET INCREASE	327,335
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		3,122,700
	END OF YEAR	$ 3,450,035

The accompanying notes are an integral part of these financial statements.

ActivCare Living, Inc. 401(k) Retirement Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE A – DESCRIPTION OF PLAN

The following description of the ActivCare Living, Inc. ("Company") 401(k) Retirement Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution, a prototype Plan established by Ascensus Inc. ("Ascensus"), covering all eligible employees, as defined in the Plan, who have reached age 21 and have completed 1 year of service. Participants are eligible to participate in the Plan on the first day of the month following eligibility. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Company. The Plan trustee, Ascensus Trust Company, has the authority and responsibility for the management and investment of the Plan assets. The Plan is an individual account plan where the participants have the opportunity to exercise control over the assets in their individual account and to choose, among a range of investment funds, the manner in which the assets in their account are invested. There are no non-participant directed funds with the Plan.

Contributions

Each year, participants may contribute up to 20% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The participants may make two kinds of elective deferrals – pre-tax elective deferrals and/or Roth elective deferrals. See Note K for a discussion on Roth elective deferrals. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers 29 mutual funds and 1 stable fund as investment options for participants. The Company may make discretionary matching contributions to the Plan. Contributions are subject to certain limitations. There were no discretionary contributions made by the employer in 2014 and 2013.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

The portion of the participant's account attributable to elective deferral contributions plus actual earnings thereon and rollover contributions is 100% vested immediately and non-forfeitable. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after three years of credited services.

NOTE A – DESCRIPTION OF PLAN (continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. Participants are not permitted to take loans from their Roth elective deferrals. The interest on loan is equal to the prime rate as published in *The Wall Street Journal* plus one percentage points. Loan terms range from 1 to 30 years. In 2014 and 2013, loan interest rate was 4.25% per annum. Principal and interest is paid ratably through semi-monthly payroll deductions. Interest income for 2014 and 2013 were $8,702 and $4,415, respectively.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant (or beneficiary) may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or non-recurring partial payment from the vested portion of his or her account. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

Unvested 401(k) amounts forfeited by terminated employees will be applied to reduce employer contributions. At December 31, 2014 and 2013, there were no forfeited amounts.

Administrative and Advisor Fees

The fees charged by the Plan's investment advisor are allocated pro-rata among the account balances of all participants in the Plan based on the ratio of each participant's account balance to the aggregate of all participants' accounts balances under the Plan. Fees to process distributions and loans are charged directly against the requesting participant's account balance. The administrative fees for 2014 and 2013 were $18,112 and $14,080, respectively.

In addition to the fees for the audited financial statements, the Company absorbs the administrative fees charged by the Plan's recordkeeper and trustee. In 2014, the administrative fees paid by the Company were $8,075.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Plan's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of Accounting

The Plan uses the accrual basis of accounting in conformity with generally accepted accounting principles.

Stable fund held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for a discussion of fair value measurements.

Dividend income is accrued on the exdividend date. Purchases and sales of securities are recorded on a trade-date basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

NOTE C – INVESTMENTS

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Plan trustee.

	2014	2013
Investments, at fair value	$3,168,381	$2,955,776
Investments, at contract value	103,260	-
Participants loans	179,784	166,924
Investment income	203,188	481,121

The following investments represent 5% or more of the Plan's net assets available for benefits at December 31, 2014 and 2013.

Description of Investment	2014	2013
Vanguard Target Retirement 2020 Inv – 28,768 shares	$ 818,736	-
Vanguard Target Retirement 2015 Inv – 28,751 shares	439,607	-
Vanguard Target Retirement 2030 Inv – 13,889 shares	403,340	-
Vanguard Target Retirement 2010 Inv – 11,460 shares	301,619	-
Vanguard Target Retirement 2025 Inv – 16,639 shares	275,036	-
Vanguard Target Retirement 2045 Inv – 11,966 shares	223,164	-
Vanguard Target Retirement 2035 Inv – 9,180 shares	163,763	-
Mainstay Large Cap Grown Fund R3 - 52,902 shares		$ 521,618
Pioneer Cash Reserves – 515,535 shares		515,535
Prudential Jennison Utility – 25,750 shares		370,537
T.Rowe Price Ret 2030 R – 14,414 shares		321,440
Principal Large Cap S&P – 18,714 shares		242,528
Thornburg International Value Fund – 6,862 shares		215,475

The average yield for 2014 and 2013 was approximately 5.96% and 16.63%, respectively. Dividend income for 2014 and 2013 were $82,445 and $111,266, respectively. The fair values of the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated by $113,301 and $365,440 during 2014 and 2013, respectively, as follows:

	2014	2013
Stable funds	$ 194	$ -
Mutual funds	113,107	365,440

NOTE D - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 3 inputs were available to the Plan.

Mutual funds: Valued at the quoted net asset value of the shares held by the Plan at year end.

Stable funds (collective trust funds): Valued at net asset value, exclusive of the adjustment to contract value, of the collective trust funds held by the Plan at year end.

The following table sets forth by level within the fair value hierarchy the Plan's assets at fair value as of December 31, 2014, and 2013:

	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,168,381	-	-	$ 3,168,381
Stable funds	-	$ 104,255	-	104,255
Total assets at fair value	$ 3,168,381	$ 104,255	-	$ 3,272,636

	Assets at Fair Value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 2,955,776	-	-	$ 2,955,776
Stable funds	-	-	-	-
Total assets at fair value	$ 2,955,776	-	-	$ 2,955,776

NOTE E – STABLE FUNDS

During 2014, the Plan invested in Morley Stable Value Fund ("Fund"), which is a collective investment fund offered by the Union Bond & Trust Company.

The objective of the Morley Stable Value Fund is to provide preservation of capital, relatively stable returns consistent with its comparatively low risk profile, and liquidity for benefit-responsive payments. The Fund seeks to achieve this objective by investing primarily in a variety of high quality stable value investment contracts, as well as cash and cash equivalents. It is intended that the Fund's stable value investment contracts will maintain a minimum weighted average credit quality rating of A or better. The duration of the Fund's investments will not exceed 4 years. The Fund is typically appropriate for investors who desire low volatility, stable principal value, and returns commensurate with a capital preservation objective for a component of their retirement savings. The Fund is designed for long term retirement investing.

The Morley Stable Value Fund follows the accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Sections 946, *Financial Services – Investment Companies.*

Note 2 to the Morley Stable Value Fund financial statements provides a detailed discussion of its valuation policies. The financial statements of Morley Stable Value Fund are available upon request.

The Plan does not invest directly in fully benefit-responsive contracts, and therefore is not required to include it its financial statements the disclosure requirements for stable value investment funds. For more information not included in these financial statements, refer to the financial statements of Morley Stable Value Fund.

The fair value to contract value ratio for the Plan as of December 31, 2014 was:

	2014
Net assets reflecting investments at fair value	$ 3,451,030
Net assets reflecting investments at contract value	3,450,035
Fair value to contract value ratio	100.03%

NOTE F – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE G – RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDUE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	2014	2013
Net assets available for benefits per the financial statements	$ 3,450,035	$ 3,122,700
Contributions receivable, end of year	-	6,186
Accrued interest on notes receivable, end of year	-	486
Accrued expenses, end of year	2,649	-
Net assets available for benefits per Schedule H to the Form 5500	$ 3,452,684	$ 3,129,372

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to Schedule H of Form 5500:

	2014	2013
Net increase in net assets available for benefits per the financial statements	$ 327,335	$ 512,704
Contributions receivable, end of year	-	6,186
Contributions receivable, beg of year	(6,186)	-
Accrued interest on notes receivable, end of year	-	486
Accrued interest on notes receivable, beg of year	(486)	(127)
Accrued expenses, end of year	2,649	-
Net increase in net assets available for benefits per Schedule H to the Form 5500	$ 323,312	$ 519,249

There were no Plan assets allocated to participants who had elected to withdraw from the Plan as of December 31, 2014.

NOTE H – PARTY IN-INTEREST TRANSACTION

Certain Plan investments are shares of mutual funds managed by Vanguard. Vanguard Retirement Plan Services provides the Plan recordkeeping services and, therefore, these transactions quality as party-in-interest.

ActivCare Living, Inc. 401(k) Retirement Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE I – TAX STATUS

The Plan is using the Ascensus Inc. Prototype Plan and as such the Internal Revenue Service will not issue a determination letter with respect to this Plan. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE J – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE K – PLAN AMENDMENT

Effective October 1, 2014, an amendment to the Plan was adopted that permits Roth Elective Deferrals. The total Roth elective deferrals for 2014 were $63.

Effective January 1, 2015, an amendment to the Plan was adopted that authorizes automatic contribution arrangement in the Plan.

NOTE L – SUBSEQUENT EVENT

The Plan has evaluated subsequent events through October 8, 2015, the date the financial statements were available to be issued.

SUPPLEMENTARY SCHEDULE

ActivCare Living, Inc. 401(k) Retirement Plan
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN 95-3696840
Plan #001
December 31, 2014

(a)	(b) Identity of Issue, Brrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(e) Current Value
	Morley Stable Value Fund Fee Class 125	Common/collective trust	$ 104,255
	Vanguard 500 Index Admiral	Registered investment company	49,494
	Vanguard Value Index Admiral	Registered investment company	180
	Principal Global Div Inc Instl	Registered investment company	178
	Prudential Total Return Bond Z	Registered investment company	12,849
	American Funds EuroPacific Gr R6	Registered investment company	27,053
	Vanguard Mid-Cap Value Index Inv	Registered investment company	408
	Vanguard Mid-Cap Growth Index Inv	Registered investment company	1,367
	Vanguard Small Cap Index Admiral	Registered investment company	11,554
	DFA U.S. Targeted Value Portfolio I	Registered investment company	1,348
	Vanguard Extended Mkt Index Admiral	Registered investment company	114,955
	Vanguard Target Retirement 2010 Inv	Registered investment company	301,619
	Vanguard Target Retirement 2015 Inv	Registered investment company	439,607
	Vanguard Target Retirement 2020 Inv	Registered investment company	818,736
	Vanguard Target Retirement 2025 Inv	Registered investment company	275,036
	Vanguard Target Retirement 2030 Inv	Registered investment company	403,340
	Vanguard Target Retirement 2035 Inv	Registered investment company	163,763
	Vanguard Target Retirement 2040 Inv	Registered investment company	70,306
	Vanguard Target Retirement 2045 Inv	Registered investment company	223,164
	Vanguard Target Retirement 2050 Inv	Registered investment company	117,448
	Vanguard Target Retirement 2055 Inv	Registered investment company	4,567
	Vanguard Target Retirement 2060 Inv	Registered investment company	72,940
	Goldman Sachs Strategic Income Instl	Registered investment company	11,073
	Vanguard Target Retirement Income Inv	Registered investment company	47,396
	Participant Loans	4.25% interest, maturity dates range from 3/16/2015 to 1/30/2044	181,043
			$ 3,453,679

The accompanying notes are an integral part of these financial statements.

ACTIVCARE LIVING, INC. 401(k) RETIREMENT PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE

Years Ended December 31, 2014 and 2013

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*Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
the ActivCare Living, Inc. 401(k) Retirement Plan
San Diego, California 92123

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ActivCare Living, Inc. 401(k) Retirement Plan ("Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year then ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 our audits 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 C, which was certified by Ascensus Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. 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 certification from the trustee as of and for the years ended December 31, 2014 and 2013, that the information provided to the Plan administrator by the trustee is complete and accurate.

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. Accordingly, we do not express an opinion on these financial statements.

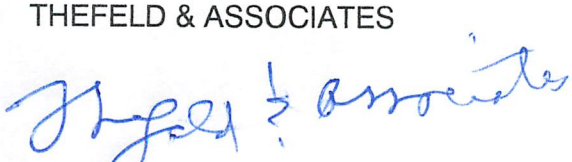
Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year, which is the responsibility of Plan management, are presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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

The form and content of the information included in the financial statements and supplemental schedule, 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.

THEFELD & ASSOCIATES



San Diego, California
October 8, 2015

ActivCare Living, Inc. 401(k) Retirement Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2014 and 2013

	2014	2013
ASSETS		
Investments, at fair value	$ 3,272,636	$ 2,955,776
Receivables:		
Notes receivable from participants	181,043	166,924
TOTAL ASSETS	3,453,679	3,122,700
LIABILITIES		
Accrued expenses	2,649	-
TOTAL LIABILITIES	2,649	-
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	3,451,030	3,122,700
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(995)	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,450,035	$ 3,122,700

The accompanying notes are an integral part of these financial statements.

ActivCare Living, Inc. 401(k) Retirement Plan
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year ended December 31, 2014

ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Dividends		$ 82,445
Net appreciation in fair value of investments		113,301
		195,746
Interest income on notes receivable from participants		8,702
Contributions:		
Participants		202,225
	TOTAL ADDITIONS	406,673
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		61,226
Administrative and advisor fees		18,112
	TOTAL DEDUCTIONS	79,338
	NET INCREASE	327,335
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		3,122,700
	END OF YEAR	$ 3,450,035

The accompanying notes are an integral part of these financial statements.

ActivCare Living, Inc. 401(k) Retirement Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE A – DESCRIPTION OF PLAN

The following description of the ActivCare Living, Inc. ("Company") 401(k) Retirement Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution, a prototype Plan established by Ascensus Inc. ("Ascensus"), covering all eligible employees, as defined in the Plan, who have reached age 21 and have completed 1 year of service. Participants are eligible to participate in the Plan on the first day of the month following eligibility. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Company. The Plan trustee, Ascensus Trust Company, has the authority and responsibility for the management and investment of the Plan assets. The Plan is an individual account plan where the participants have the opportunity to exercise control over the assets in their individual account and to choose, among a range of investment funds, the manner in which the assets in their account are invested. There are no non-participant directed funds with the Plan.

Contributions

Each year, participants may contribute up to 20% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The participants may make two kinds of elective deferrals – pre-tax elective deferrals and/or Roth elective deferrals. See Note K for a discussion on Roth elective deferrals. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers 29 mutual funds and 1 stable fund as investment options for participants. The Company may make discretionary matching contributions to the Plan. Contributions are subject to certain limitations. There were no discretionary contributions made by the employer in 2014 and 2013.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

The portion of the participant's account attributable to elective deferral contributions plus actual earnings thereon and rollover contributions is 100% vested immediately and non-forfeitable. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after three years of credited services.

NOTE A – DESCRIPTION OF PLAN (continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. Participants are not permitted to take loans from their Roth elective deferrals. The interest on loan is equal to the prime rate as published in *The Wall Street Journal* plus one percentage points. Loan terms range from 1 to 30 years. In 2014 and 2013, loan interest rate was 4.25% per annum. Principal and interest is paid ratably through semi-monthly payroll deductions. Interest income for 2014 and 2013 were $8,702 and $4,415, respectively.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant (or beneficiary) may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or non-recurring partial payment from the vested portion of his or her account. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

Unvested 401(k) amounts forfeited by terminated employees will be applied to reduce employer contributions. At December 31, 2014 and 2013, there were no forfeited amounts.

Administrative and Advisor Fees

The fees charged by the Plan's investment advisor are allocated pro-rata among the account balances of all participants in the Plan based on the ratio of each participant's account balance to the aggregate of all participants' accounts balances under the Plan. Fees to process distributions and loans are charged directly against the requesting participant's account balance. The administrative fees for 2014 and 2013 were $18,112 and $14,080, respectively.

In addition to the fees for the audited financial statements, the Company absorbs the administrative fees charged by the Plan's recordkeeper and trustee. In 2014, the administrative fees paid by the Company were $8,075.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Plan's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of Accounting

The Plan uses the accrual basis of accounting in conformity with generally accepted accounting principles.

Stable fund held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for a discussion of fair value measurements.

Dividend income is accrued on the exdividend date. Purchases and sales of securities are recorded on a trade-date basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

NOTE C – INVESTMENTS

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Plan trustee.

	2014	2013
Investments, at fair value	$3,168,381	$2,955,776
Investments, at contract value	103,260	-
Participants loans	179,784	166,924
Investment income	203,188	481,121

The following investments represent 5% or more of the Plan's net assets available for benefits at December 31, 2014 and 2013.

Description of Investment	2014	2013
Vanguard Target Retirement 2020 Inv – 28,768 shares	$ 818,736	-
Vanguard Target Retirement 2015 Inv – 28,751 shares	439,607	-
Vanguard Target Retirement 2030 Inv – 13,889 shares	403,340	-
Vanguard Target Retirement 2010 Inv – 11,460 shares	301,619	-
Vanguard Target Retirement 2025 Inv – 16,639 shares	275,036	-
Vanguard Target Retirement 2045 Inv – 11,966 shares	223,164	-
Vanguard Target Retirement 2035 Inv – 9,180 shares	163,763	-
Mainstay Large Cap Grown Fund R3 - 52,902 shares		$ 521,618
Pioneer Cash Reserves – 515,535 shares		515,535
Prudential Jennison Utility – 25,750 shares		370,537
T.Rowe Price Ret 2030 R – 14,414 shares		321,440
Principal Large Cap S&P – 18,714 shares		242,528
Thornburg International Value Fund – 6,862 shares		215,475

The average yield for 2014 and 2013 was approximately 5.96% and 16.63%, respectively. Dividend income for 2014 and 2013 were $82,445 and $111,266, respectively. The fair values of the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated by $113,301 and $365,440 during 2014 and 2013, respectively, as follows:

	2014	2013
Stable funds	$ 194	$ -
Mutual funds	113,107	365,440

NOTE D - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 3 inputs were available to the Plan.

Mutual funds: Valued at the quoted net asset value of the shares held by the Plan at year end.

Stable funds (collective trust funds): Valued at net asset value, exclusive of the adjustment to contract value, of the collective trust funds held by the Plan at year end.

The following table sets forth by level within the fair value hierarchy the Plan's assets at fair value as of December 31, 2014, and 2013:

	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,168,381	-	-	$ 3,168,381
Stable funds	-	$ 104,255	-	104,255
Total assets at fair value	$ 3,168,381	$ 104,255	-	$ 3,272,636

	Assets at Fair Value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 2,955,776	-	-	$ 2,955,776
Stable funds	-	-	-	-
Total assets at fair value	$ 2,955,776	-	-	$ 2,955,776

NOTE E – STABLE FUNDS

During 2014, the Plan invested in Morley Stable Value Fund ("Fund"), which is a collective investment fund offered by the Union Bond & Trust Company.

The objective of the Morley Stable Value Fund is to provide preservation of capital, relatively stable returns consistent with its comparatively low risk profile, and liquidity for benefit-responsive payments. The Fund seeks to achieve this objective by investing primarily in a variety of high quality stable value investment contracts, as well as cash and cash equivalents. It is intended that the Fund's stable value investment contracts will maintain a minimum weighted average credit quality rating of A or better. The duration of the Fund's investments will not exceed 4 years. The Fund is typically appropriate for investors who desire low volatility, stable principal value, and returns commensurate with a capital preservation objective for a component of their retirement savings. The Fund is designed for long term retirement investing.

The Morley Stable Value Fund follows the accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Sections 946, *Financial Services – Investment Companies.*

Note 2 to the Morley Stable Value Fund financial statements provides a detailed discussion of its valuation policies. The financial statements of Morley Stable Value Fund are available upon request.

The Plan does not invest directly in fully benefit-responsive contracts, and therefore is not required to include it its financial statements the disclosure requirements for stable value investment funds. For more information not included in these financial statements, refer to the financial statements of Morley Stable Value Fund.

The fair value to contract value ratio for the Plan as of December 31, 2014 was:

	2014
Net assets reflecting investments at fair value	$ 3,451,030
Net assets reflecting investments at contract value	3,450,035
Fair value to contract value ratio	100.03%

NOTE F – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE G – RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDUE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	2014	2013
Net assets available for benefits per the financial statements	$ 3,450,035	$ 3,122,700
Contributions receivable, end of year	-	6,186
Accrued interest on notes receivable, end of year	-	486
Accrued expenses, end of year	2,649	-
Net assets available for benefits per Schedule H to the Form 5500	$ 3,452,684	$ 3,129,372

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to Schedule H of Form 5500:

	2014	2013
Net increase in net assets available for benefits per the financial statements	$ 327,335	$ 512,704
Contributions receivable, end of year	-	6,186
Contributions receivable, beg of year	(6,186)	-
Accrued interest on notes receivable, end of year	-	486
Accrued interest on notes receivable, beg of year	(486)	(127)
Accrued expenses, end of year	2,649	-
Net increase in net assets available for benefits per Schedule H to the Form 5500	$ 323,312	$ 519,249

There were no Plan assets allocated to participants who had elected to withdraw from the Plan as of December 31, 2014.

NOTE H – PARTY IN-INTEREST TRANSACTION

Certain Plan investments are shares of mutual funds managed by Vanguard. Vanguard Retirement Plan Services provides the Plan recordkeeping services and, therefore, these transactions quality as party-in-interest.

ActivCare Living, Inc. 401(k) Retirement Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE I – TAX STATUS

The Plan is using the Ascensus Inc. Prototype Plan and as such the Internal Revenue Service will not issue a determination letter with respect to this Plan. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE J – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE K – PLAN AMENDMENT

Effective October 1, 2014, an amendment to the Plan was adopted that permits Roth Elective Deferrals. The total Roth elective deferrals for 2014 were $63.

Effective January 1, 2015, an amendment to the Plan was adopted that authorizes automatic contribution arrangement in the Plan.

NOTE L – SUBSEQUENT EVENT

The Plan has evaluated subsequent events through October 8, 2015, the date the financial statements were available to be issued.

SUPPLEMENTARY SCHEDULE

ActivCare Living, Inc. 401(k) Retirement Plan
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN 95-3696840
Plan #001
December 31, 2014

(a)	(b) Identity of Issue, Brrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(e) Current Value
	Morley Stable Value Fund Fee Class 125	Common/collective trust	$ 104,255
	Vanguard 500 Index Admiral	Registered investment company	49,494
	Vanguard Value Index Admiral	Registered investment company	180
	Principal Global Div Inc Instl	Registered investment company	178
	Prudential Total Return Bond Z	Registered investment company	12,849
	American Funds EuroPacific Gr R6	Registered investment company	27,053
	Vanguard Mid-Cap Value Index Inv	Registered investment company	408
	Vanguard Mid-Cap Growth Index Inv	Registered investment company	1,367
	Vanguard Small Cap Index Admiral	Registered investment company	11,554
	DFA U.S. Targeted Value Portfolio I	Registered investment company	1,348
	Vanguard Extended Mkt Index Admiral	Registered investment company	114,955
	Vanguard Target Retirement 2010 Inv	Registered investment company	301,619
	Vanguard Target Retirement 2015 Inv	Registered investment company	439,607
	Vanguard Target Retirement 2020 Inv	Registered investment company	818,736
	Vanguard Target Retirement 2025 Inv	Registered investment company	275,036
	Vanguard Target Retirement 2030 Inv	Registered investment company	403,340
	Vanguard Target Retirement 2035 Inv	Registered investment company	163,763
	Vanguard Target Retirement 2040 Inv	Registered investment company	70,306
	Vanguard Target Retirement 2045 Inv	Registered investment company	223,164
	Vanguard Target Retirement 2050 Inv	Registered investment company	117,448
	Vanguard Target Retirement 2055 Inv	Registered investment company	4,567
	Vanguard Target Retirement 2060 Inv	Registered investment company	72,940
	Goldman Sachs Strategic Income Instl	Registered investment company	11,073
	Vanguard Target Retirement Income Inv	Registered investment company	47,396
	Participant Loans	4.25% interest, maturity dates range from 3/16/2015 to 1/30/2044	181,043
			$ 3,453,679

The accompanying notes are an integral part of these financial statements.

Attachment to 2014 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN **EIN:** 95-3696840
Plan Sponsor's Name ACTIVCARE LIVING, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Target Retirement 2060 Inv	0	72,940
	Vanguard	Vanguard Target Retirement 2055 Inv	0	4,567
	Vanguard	Vanguard Target Retirement 2050 Inv	0	117,448
	Vanguard	Vanguard Target Retirement 2045 Inv	0	223,164
	Vanguard	Vanguard Target Retirement 2040 Inv	0	70,306
	Vanguard	Vanguard Target Retirement 2035 Inv	0	163,763
	Vanguard	Vanguard Target Retirement 2030 Inv	0	403,340

Attachment to 2014 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN **EIN:** 95-3696840
Plan Sponsor's Name ACTIVCARE LIVING, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Target Retirement 2025 Inv	0	275,036
	Vanguard	Vanguard Target Retirement 2020 Inv	0	818,736
	Vanguard	Vanguard Target Retirement 2015 Inv	0	439,607
	Vanguard	Vanguard Target Retirement 2010 Inv	0	301,619
	Vanguard	Vanguard Target Retirement Income Inv	0	47,396
	Vanguard	Vanguard Value Index Admiral	0	180
	Vanguard	Vanguard 500 Index Admiral	0	49,494

Attachment to 2014 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN **EIN:** 95-3696840
Plan Sponsor's Name ACTIVCARE LIVING, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Mid-Cap Value Index Inv	0	408
	Vanguard	Vanguard Extended Mkt Index Admiral	0	114,955
	Vanguard	Vanguard Mid-Cap Growth Index Inv	0	1,367
	DFA	DFA U.S. Targeted Value Portfolio I	0	1,348
	Vanguard	Vanguard Small Cap Index Admiral	0	11,554
	Principal	Principal Global Div Inc Instl	0	178
	American Funds	American Funds EuroPacific Gr R6	0	27,053

Attachment to 2014 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name ACTIVCARE LIVING, INC 401(K) RETIREMENT PLAN **EIN:** 95-3696840
Plan Sponsor's Name ACTIVCARE LIVING, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Morley Stable	Morley Stable Value Fund Fee Class 125	0	103,260
	Prudential	Prudential Total Return Bond Z	0	12,849
	Goldman Sachs	Goldman Sachs Strategic Income Instl	0	11,073
	Participant's Loan Account	Various Rates and Maturities	0	181,043