

**Hampshire County Committee on Aging, Inc.**

**Audited Financial Statements**

For the Years Ended  
September 30, 2018 and 2017

**Williams & Bright, AC**  
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**Hampshire County Committee on Aging, Inc.**  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Hampshire County Committee on Aging, Inc.  
Romney, WV 26757

**Report on Financial Statements**

We have audited the accompanying financial statements of the Hampshire County Committee on Aging, Inc. (a nonprofit organization), which comprise the comparative statement of financial position as of September 30, 2018 and 2017, and the related comparative statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hampshire County Committee on Aging, Inc., as of September 30, 2018 & 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Supplemental and Other Information**

The accompanying statement of activities by program and schedule of expenditures of federal (and state) awards are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2019, on our consideration of the Hampshire County Committee on Aging, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hampshire County Committee on Aging, Inc's internal control over financial reporting and compliance.

*Williams & Bright, A.C.*

Elkins, West Virginia  
June 20, 2019

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF FINANCIAL POSITION**  
**September 30, 2018 and 2017**

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
<b>Current Assets</b>		
Cash & Equivalents	\$ 53,398	\$ 39,234
Accounts Receivable	101,786	144,980
Grants Receivable	53,088	26,581
Prepaid Expenses	7,175	4,768
Inventory	3,914	4,355
Total Current Assets	<u>219,361</u>	<u>219,918</u>
<b>Fixed Assets</b>		
Buildings & Equipment	1,837,275	1,821,424
Accumulated Depreciation	<u>(958,971)</u>	<u>(913,215)</u>
Fixed Assets, net	<u>878,304</u>	<u>908,209</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,097,665</u></u>	<u><u>\$ 1,128,127</u></u>
 <b>LIABILITIES &amp; NET ASSETS</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 10,886	\$ 6,770
Payroll Liabilities	4,901	4,360
Accrued Wages	43,814	50,335
Deferred Compensation	21,436	28,798
Line of Credit	39,070	21,065
Current Portion of Long-term Debt	4,517	10,811
Total Current Liabilities	<u>124,624</u>	<u>122,139</u>
<b>Long-Term Liabilities</b>		
Mortgage Payable	213,657	211,755
OPEB Liability	<u>-</u>	<u>314,207</u>
Total Long-Term Liabilities	<u>213,657</u>	<u>525,962</u>
Total Liabilities	<u>338,281</u>	<u>648,101</u>
<b>Net Assets</b>		
Net Assets without Donor Restrictions	<u>759,384</u>	<u>480,026</u>
Total Net Assets	<u>759,384</u>	<u>480,026</u>
<b>LIABILITIES &amp; NET ASSETS</b>	<u><u>\$ 1,097,665</u></u>	<u><u>\$ 1,128,127</u></u>

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

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF ACTIVITIES**  
**For the Years Ended September 30, 2018 and 2017**

	<b>2018</b>	<b>2017</b>
<b>REVENUE &amp; SUPPORT</b>		
Grant Revenues:		
Federal	\$ 35,630	\$ 30,781
Nutrition	127,820	126,770
State	419,861	406,953
Program Service Fees	1,014,114	1,142,102
Project Income	56,231	59,397
Contributions	31,798	39,454
Other Income	2,013	474
Interest & Dividends	4	5
<b>TOTAL REVENUE &amp; SUPPORT</b>	<b>1,687,471</b>	<b>1,805,936</b>
 <b>EXPENSES</b>		
Program Service Expenses	1,414,952	1,374,966
Management & General	307,368	445,131
<b>TOTAL EXPENSES</b>	<b>1,722,320</b>	<b>1,820,097</b>
 <b>INCREASE(DECREASE) IN NET ASSETS - OPERATING</b>	<b>(34,849)</b>	<b>(14,161)</b>
 <b>INCREASE(DECREASE) IN NET ASSETS - NON-OPERATING</b>		
Change in OPEB Liability	314,207	-
 <b>INCREASE(DECREASE) IN NET ASSETS</b>	<b>279,358</b>	<b>(14,161)</b>
 <b>NET ASSETS, Beginning of Year</b>	<b>480,026</b>	<b>494,187</b>
 <b>NET ASSETS, End of Year</b>	<b>\$ 759,384</b>	<b>\$ 480,026</b>

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

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**For the Years Ended September 30, 2018 and 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>2018</u>	<u>2017</u>
Increase(Decrease) in Net Assets	\$ 279,358	\$ (14,161)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	45,755	44,750
(Increase)Decrease in Accounts Receivable	43,194	(30,275)
(Increase)Decrease in Grants Receivable	(26,507)	34,002
(Increase)Decrease in Prepaid Expenses	(2,407)	7,454
(Increase)Decrease in Inventory	441	126
Increase(Decrease) in Accounts Payable	4,116	(16,000)
Increase(Decrease) in Payroll Liabilities	541	(74)
Increase(Decrease) in Accrued Wages	(6,521)	(3,015)
Increase(Decrease) in Deferred Compensation	(7,362)	(1,050)
Increase(Decrease) in Deferred Revenue	-	-
Increase(Decrease) in OPEB Liability	<u>(314,207)</u>	<u>5,643</u>
Net cash provided by (used in) operating activities	<u>16,401</u>	<u>27,400</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Fixed Assets	<u>(15,850)</u>	<u>(9,748)</u>
Net Cash provided by (used in) financing activities	<u>(15,850)</u>	<u>(9,748)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Line of Credit	139,027	283,415
Payments on Line of Credit	(121,023)	(6,461)
Payments of Long-term Debt	<u>(4,391)</u>	<u>(281,350)</u>
Net Cash provided by (used in) investing activities	<u>13,613</u>	<u>(4,396)</u>
<b>INCREASE(DECREASE) IN CASH</b>	14,164	13,256
<b>CASH BALANCE, Beginning of Year</b>	<u>39,234</u>	<u>25,978</u>
<b>CASH BALANCE, End of Year</b>	<u>\$ 53,398</u>	<u>\$ 39,234</u>
 Supplemental Disclosures of Cash Flows:		
Interest Expense	<u>\$ 9,463</u>	<u>\$ 12,322</u>

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

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 1. Summary of Significant Accounting Policies**

This summary of significant accounting policies of Hampshire County Committee on Aging, Inc., is presented to assist in understanding the Organization's financial statements. These financial statements and notes are the representation of management, who is responsible for their integrity and objectivity. These accounting principles conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization

Hampshire County Committee on Aging, Inc. is a nonprofit Organization formed to improve the quality of life for senior citizens in Hampshire County, WV. The Organization is funded by various federal and state grant programs as well as program service fees for providing in-home care services through various programs of the WV Department of Health and Human Services.

Basis of Accounting

The financial statements of Hampshire County Committee on Aging, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statements of Accounting Standards Codification 958-205, *Not-for-Profit Entities: Presentation of Financial Statements*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions (both permanent and temporary).

Under these provisions, net assets and revenues, expenses, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - These are resources over which the Board of Directors has discretionary control.

*Net Assets With Donor Restrictions* -

*Temporarily Restricted* - Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or with the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

*Permanently Restricted* - Resources subject to a donor restriction that they be maintained permanently by the Organization.



**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The Organizations returns for the last three years remain open to examination by the Internal Revenue Service.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Accounts and Grants Receivable

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs, the Veterans Administration, as well as amounts due from private pay clients. As of September 30, 2018 and 2017, all accounts receivable are deemed collectible.

Grants receivable represent amounts invoiced by the Organization to grantor agencies under the terms of their grant agreements. As of September 30, 2018 and 2017, all grants receivable are deemed collectible.

The Organization uses the direct write-off method for accounting for bad debts wherein accounts are written off in the period management determines that collection is not probable.

Inventory

Inventory consists primarily of raw food, disposables, and supplies purchased under the Title III-C grant and are recorded at cost, as determined by the last purchase price, on a first-in, first-out basis.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Property and Equipment

The Organization is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. All equipment/vehicles purchased with grant monies must be disposed of in accordance with the grantor agency's policies. The Organization has adopted a capitalization policy in the amount of \$1,000. Maintenance and repairs are expensed when incurred.

Revenue Recognition

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in net assets with donor restrictions. There were no restricted net assets as of or for the years ended September 30, 2018 and 2017.

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE program grant.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, and Title III-D/MM grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year. If approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C grant funds are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings. Grant revenues for the years ended September 30, 2018 and 2017 were \$583,311 and \$564,504, respectively.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 2. Cash Deposits**

Cash consists of interest and non-interest bearing checking and savings accounts on deposit in institutions insured by the Federal Deposit Insurance Corporation (FDIC). Deposit accounts, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. As of the years ended September 30, 2018 and 2017, all deposits are fully insured by the FDIC.

**Note 3. Accounts Receivable**

Accounts receivable consisted of the following as of September 30:

	<u>2018</u>	<u>2017</u>
WV DHHR	\$ 83,218	101,343
Veterans Administration	17,735	32,297
Title III-B – Project Income	0	891
Title III-C – Donations	0	1,517
Other – Local	<u>833</u>	<u>8,932</u>
	<u>\$ 101,786</u>	<u>\$ 144,980</u>

**Note 4. Grants Receivable**

Grants receivable consisted of the following as of September 30:

	<u>2018</u>	<u>2017</u>
LIFE	\$ 10,938	\$ 7,020
Title IIIB	8,220	2,358
Title IIIC	16,036	0
Title IIID	38	0
Title IIIE	1,665	0
FAIR/Lighthouse	<u>16,191</u>	<u>17,203</u>
	<u>\$ 53,088</u>	<u>\$ 26,581</u>

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 5. Property and Equipment**

Property and equipment consisted of the following as of September 30:

	<u>2018</u>	<u>2017</u>
Land	\$ 214,587	\$ 214,587
Land Improvements	74,407	74,407
Buildings	1,033,858	1,033,858
Equipment	<u>514,423</u>	<u>498,572</u>
Total Fixed Assets	1,837,275	1,821,424
Less accumulated depreciation	<u>(958,971)</u>	<u>(913,215)</u>
Net property and equipment	<u>\$ 878,304</u>	<u>\$ 908,209</u>

Depreciation expense for years ended September 30, 2018 and 2017 was \$45,755 and \$44,750, respectively.

**Note 6. Mortgage Payable**

Mortgage payable consists of a loan from the Bank of Romney with an original principal amount of \$380,879 due in monthly installments of \$2,105.94 which began on October 19, 2010, bearing an interest rate of 4.92%, and secured by deed of trust on 8.111 acres, more or less, and building and UCC on equipment and furnishings.

The loan was re-financed in February 2017 with the principal balance of \$255,507.54 payable in 360 monthly payments of \$1,025.46 and bearing an interest rate of 3.6%.

Future scheduled maturities for years ending September 30 are:

2019	4,517
2020	4,683
2021	4,854
2022	5,036
2023	5,216
Thereafter	<u>193,868</u>
	<u>\$ 218,174</u>

**Note 7. Retirement Plan**

The Organization sponsors a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. Full-time employees are eligible to participate in the plan. Employee contributions are voluntary and are made on a pretax basis. Currently employer contributions are 9.5% of the employee's earnings. The employer's share of retirement payments for the years ended September 30, 2018 and 2017 was \$29,452 and \$28,497, respectively, and is included in personnel costs on the statement of activities by program.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 8. Donated Services**

The Organization has a number of volunteers who have donated time and services in carrying out its programs and activities. These donated services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services as defined by FASB ASC 958-605 *Not-for-Profit Entities: Recognition Principles*.

**Note 9. Advertising**

Advertising costs are expensed as incurred. Advertising costs for the years ended September 30, 2018 and 2017 were \$411 and \$186, respectively.

**Note 10. Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets.

**Note 11. Compensated Absences**

Amounts owed to employees for earned but unused vacation time are accrued as a liability in the statement of financial position. As of September 30, 2018 and 2017, the Organization had \$21,436 and \$28,798, respectively, in accrued compensated absences.

**Note 12. Subsequent Events**

Management has evaluated events subsequent to the balance sheet date through the date of the independent auditors' report, the date on which the financial statements were available to be issued, for items requiring adjustment or disclosure in these financial statements.

**Note 13. Support Concentration**

The Hampshire County Committee on Aging, Inc. receives a significant amount of its support from the West Virginia Department of Health and Human Resources for providing services to the community under the Medicaid Waiver (Title XIX) and personal care programs. Any significant decrease in the level of support received from these programs could have a material effect on the Agency's programs and activities.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 14. Other Post Employment Benefits (OPEB)**

The organization contributes to the West Virginia Retiree Health Care Health Benefit Trust Fund (Trust), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the West Virginia Public Employees Insurance Agency (PEIA). The Trust provides medical benefits to retired employees. West Virginia Code §16D assigns PEIA with the administration of the WV OPEB plan. PEIA issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. The report may be obtained by writing to Public Employees Insurance Agency, 1900 Kanawha Blvd, East, Charleston, WV 25305 or <http://peia.wv.gov>.

OPEB Liability – All retired employees are eligible to obtain health insurance coverage through PEIA with the retired employee’s premium contribution established by the Finance Board. The Finance Board has allowed retirees to obtain health insurance coverage at essentially the same premium rate as active employees with the difference between the retirees’ premium contributions and the cost of providing health care to retirees subsidized by the State. It is this subsidy that has created the major portion of the OPEB unfunded accumulated benefit obligation.

For prior years, total OPEB expense consisted of amounts currently due to fund the “pay as you go” retiree subsidy and additional amounts billed to participating employers for their portion of the overall plan’s Annual Required Contribution (ARC). The “pay as you go” amounts are included with fringe benefits in the accompanying Statements of Activities. The amounts billed from the Trust for the ARC are not required to be paid by the participating employers. OPEB costs were accrued based upon invoices received from PEIA based upon actuarially determined amounts. In accordance with professional standards, such amounts billed but unpaid were recorded as expenses with a liability for the cumulative amounts billed and unpaid.

For 2018, the Trust changed its method of accounting based on new *Government Accounting Standards*. In conjunction with this change, the Trust ceased billing participating employers for their portion of the ARC, and also withdrew/forgave all prior unpaid and outstanding ARC billings. As a result, the organization is no longer required by professional standards to record a liability for its unpaid ARC billings or for its allocated portion of the plan’s unfunded accumulated benefit obligation. The amount of OPEB liability no longer required to be recorded by professional standards was \$314,207. This amount is reflected as a non-operating increase in net assets during the year ended September 30, 2018.

Since all unpaid prior ARC billings have been withdrawn/forgiven, and it is not considered probable the organization will withdraw from the plan and be required to make any payments in excess of the “pay as you go” amount for their allocated portion of the unfunded accumulated benefit obligation, this amount is not required to be recorded as a liability by the organization.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2018 and 2017**

**Note 14. Other Post Employment Benefits (OPEB) (Continued)**

The West Virginia Legislature has passed legislation to provide alternate funding sources for the Trust/OPEB unfunded accumulated benefit obligation. In addition, the PEIA Finance Board imposed limits on the retiree subsidy currently provided for PEIA premiums for retirees. Future increases in the subsidy will be limited to no more than 3% per year. These actions are expected to ultimately fund the full accumulated benefit obligation.

**Note 15. Contingencies**

The Organization receives grant funding from federal and state agencies. The grant expenditures are subject to audit by the granting agencies. These audits are conducted to ensure compliance with conditions of the grant award. Instances of noncompliance could result in grant awards being repaid. Any potential adjustments are believed to be immaterial.

The Organization is at risk of loss from various torts and lawsuits. These risks are mitigated by maintaining insurance with the West Virginia Board of Risk.

**Note 16. Line of Credit**

The Organization has a line of credit at Bank of Romney, Romney WV, with a limit of \$75,000, secured by the Springfield property. The current interest rate is 4.25%. This line is renewed every 5 years. The balance on the line of credit at September 30, 2018 & 2017 was \$39,070 and \$21,065, respectively.

Hampshire County Committee on Aging, Inc.  
**STATEMENT OF ACTIVITIES BY PROGRAM**  
**For the Year Ended September 30, 2018**

	Program Services							Subtotal	Management & General	Total	
	III-B	III-C	III-D	III-E	COC/CM Waiver/	LIFE	FAIR/LH				Other Programs
<b>Revenue &amp; Support</b>											
Grant Revenue	\$ 25,325	\$ 127,820	\$ 1,597	\$ 8,708	\$ -	\$ -	\$ -	\$ -	\$ 35,630	\$ -	\$ 35,630
Federal Nutrition		19,921				1,000	191,204		127,820		127,820
State LIFE		26,793			858,006	180,943		156,108	212,125		212,125
Program Service Fees									207,736		207,736
Project Income	5,777	49,956		498					1,014,114		1,014,114
Contributions		30,558						1,240	56,231		56,231
Interest Income								2,013	31,798		31,798
Other Income		4							2,013		2,013
<b>Total Revenue &amp; Support</b>	<b>51,023</b>	<b>235,131</b>	<b>1,597</b>	<b>9,206</b>	<b>858,006</b>	<b>181,943</b>	<b>191,204</b>	<b>159,361</b>	<b>1,687,471</b>	<b>-</b>	<b>1,687,471</b>
<b>Expenses</b>											
Payroll & Benefits	45,726	100,431	1,334	12,969	587,204	94,876	214,292	104,760	1,161,592	131,609	1,293,201
Travel	9,531	4,102	649	415	52,359		23,831	9,131	100,018	3,889	103,907
Communications & Utilities										44,724	44,724
Office Expense	21		238	27					286	22,295	22,581
Professional Fees		2,767							2,767	17,125	19,892
Raw Food		71,672							71,672	12,152	71,672
Maintenance	2,621	7,406							10,027		22,179
Disposables		9,068							9,068		9,068
Interest										9,463	9,463
Insurance										11,782	11,782
Transportation	2,244	7,468									9,712
Other Expenses	180	627	679	23	159	917	338	46,887	49,810	8,574	58,384
Depreciation										45,755	45,755
Indirect Expenses		32,030			118,672	78,557		78,109	307,368	(307,368)	-
<b>Total Expenses</b>	<b>60,323</b>	<b>235,571</b>	<b>2,900</b>	<b>13,434</b>	<b>758,394</b>	<b>174,350</b>	<b>238,461</b>	<b>238,887</b>	<b>1,722,320</b>	<b>-</b>	<b>1,722,320</b>
<b>Change in Net Assets</b>	<b>\$ (9,300)</b>	<b>\$ (440)</b>	<b>\$ (1,303)</b>	<b>\$ (4,228)</b>	<b>\$ 99,612</b>	<b>\$ 7,593</b>	<b>\$ (47,257)</b>	<b>\$ (79,526)</b>	<b>\$ (34,849)</b>	<b>\$ -</b>	<b>\$ (34,849)</b>

The accompanying notes are an integral part of these financial statements



Hampshire County Committee on Aging, Inc.  
**STATEMENT OF ACTIVITIES BY PROGRAM**  
For the Year Ended September 30, 2017

	Program Services										Management & General	Total
	III-B	III-C	III-D	Waiver/ COC/CM	LIFE	FAIR/LH	Other Programs	Subtotal				
<b>Revenue &amp; Support</b>												
Grant Revenue												
Federal	\$ 30,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,781	\$ -	\$ -	\$ -	\$ 30,781
Nutrition	19,921	126,770			192,363	3,000		126,770				126,770
State		23,474						215,284				215,284
LIFE					168,195			191,669				191,669
Program Service Fees				850,662		291,440		1,142,102				1,142,102
Project Income	5,943	53,454						59,397				59,397
Contributions		38,961				493		39,454				39,454
Other Income						474		474				474
Interest Income		5						5				5
<b>Total Revenue &amp; Support</b>	<b>56,645</b>	<b>242,664</b>	<b>-</b>	<b>850,662</b>	<b>168,195</b>	<b>295,407</b>	<b>192,363</b>	<b>1,805,936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,805,936</b>
<b>Expenses</b>												
Payroll & Benefits	51,532	121,969	12,704	587,148		386,459		1,159,812			147,842	1,307,654
Travel	13,442	6,261		54,340		30,481		104,524			4,163	108,687
Communications & Utilities											46,324	46,324
Office Expense				391		40		391			19,894	20,285
Professional Fees		1,617						1,657				1,657
Raw Food		69,490						69,490			14,640	84,130
Maintenance	1,685	6,567						8,252			10,162	18,414
Disposables		12,348						12,348				12,348
Interest											10,551	10,551
Insurance											10,826	10,826
Transportation											342	7,898
Other Expenses	2,363	5,193		526		10,312		10,936			135,637	146,573
Depreciation	38	60									44,750	44,750
Indirect Expenses		30,852		131,133	65,701	217,445		445,131			(445,131)	-
<b>Total Expenses</b>	<b>69,060</b>	<b>254,357</b>	<b>12,704</b>	<b>773,538</b>	<b>65,701</b>	<b>644,737</b>	<b>-</b>	<b>1,820,097</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,820,097</b>
<b>Change in Net Assets</b>	<b>\$ (12,415)</b>	<b>\$ (11,693)</b>	<b>\$(12,704)</b>	<b>\$ 77,124</b>	<b>\$ 102,494</b>	<b>\$ 192,363</b>	<b>\$ (349,330)</b>	<b>\$ (14,161)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$(14,161)</b>

The accompanying notes are an integral part of these financial statements

**Hampshire County Committee on Aging, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS**  
**For the Fiscal Year Ended September 30, 2018**

	<b>Grant Identification Number</b>	<b>Expenditures</b>
<b>FEDERAL:</b>		
U.S. Department of Health and Human Services:	93.044	\$ 25,325
Administration for Community Living		
Special Programs for the Aging Title III Part B		
Grants for Supportive Services and Senior Centers		
Administration for Community Living	93.043	1,597
Special Programs for the Aging Title III Part D		
Disease Prevention and Health Promotion Services		
Administration for Community Living	93.052	8,708
Special Programs for the Aging Title III Part E		
National Family Caregiver Support		
Administration for Community Living	93.045	127,820
Special Programs for the Aging Title III Part C		
Nutrition Services (includes expenditures of state awards)		
<i>Total Expenditures of Federal Awards</i>		\$ 163,450
<b>STATE:</b>		
LIFE	7/1/18-6/30/19	2019 \$ 37,976
LIFE	7/1/17-6/30/18	2018 169,760
Lighthouse	7/1/18-6/30/19	2019 47,167
Lighthouse	7/1/17-6/30/18	2018 98,328
FAIR	7/1/18-6/30/19	2019 14,903
FAIR	7/1/17-6/30/18	2018 25,806
Client Tracking	7/1/18-6/30/19	2019 5,000
SMP	2019	1,000
III-B		19,921
<i>Total Expenditures of State Awards</i>		\$ 419,861
<b>TOTAL EXPENDITURES OF FEDERAL &amp; STATE AWARDS</b>		<b>\$ 583,311</b>

The notes are an integral part of these financial statements.

**Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance with Government Auditing Standards**

To the Board of Directors of  
Hampshire County Committee on Aging, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Hampshire County Committee on Aging, Inc (a nonprofit organization), which comprise the comparative statement of financial position as of September 30, 2018 and 2017, the related comparative statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 20, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Hampshire County Committee on Aging, Inc's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hampshire County Committee on Aging, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hampshire County Committee on Aging, Inc's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Hampshire County Committee on Aging Inc's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Williams & Bright A.C.*

Elkins, West Virginia

June 20, 2019

**MANAGEMENT LETTER**

To the Board of Directors  
Hampshire County Committee on Aging, Inc.  
Romney, West Virginia 26757

Our audit on the financial statements of Hampshire County Committee on Aging, Inc., for the years ended September 30, 2018 and 2017, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

Segregations of Duties

During our audit we noted that two people perform most of the accounting and financial duties. As a result, many aspects of internal accounting control which rely upon an adequate segregation of duties are for all practical purposes missing in the Hampshire County Committee on Aging, Inc. We recognize that the Organization is not large enough to make the employment of additional staff for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities, to describe the situation.

After you have had the opportunity to review these comments and recommendations, we would be pleased to discuss those points that you desire. We would like to thank your staff for their assistance in performing the audit and the Board of Directors for the opportunity to serve Hampshire County Committee on Aging, Inc.

*Williams & Bright, A.C.*

Elkins, West Virginia  
June 20, 2019