

Roane County Committee on Aging, Inc.

Audited Financial Statements

For the Years Ended
September 30, 2017 & 2016

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Roane County Committee on Aging, Inc.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Roane County Committee on Aging, Inc.
Spencer, WV 25276

Report on Financial Statements

We have audited the accompanying financial statements of Roane County Committee on Aging, Inc. (a nonprofit organization), which comprise the comparative statement of financial position as of September 30, 2017 & 2016, 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 auditor's 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 Roane County Committee on Aging, Inc., as of September 30, 2017 & 2016, and the changes in its net assets and the 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 comparative statement of activities by program and schedule of expenditures of federal (and state) awards is presented for purpose of additional analysis and is 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 25, 2018, on our consideration of the Roane 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 Roane County Committee on Aging, Inc's internal control over financial reporting and compliance.

Williams & Bright A. C.

Elkins, West Virginia
June 25, 2018

Roane County Committee on Aging, Inc.
COMPARATIVE STATEMENT OF FINANCIAL POSITION
September 30, 2017 & 2016

ASSETS	<u>2017</u>	<u>2016</u>
Current Assets		
Cash & Equivalents	\$ 190,761	\$ 192,590
Accounts Receivable	7,319	10,562
Grants Receivable	29,370	22,391
Prepaid Expenses	2,943	2,825
Total Current Assets	<u>230,393</u>	<u>228,368</u>
 Fixed Assets		
Property & Equipment	2,250,242	2,250,242
Accumulated Depreciation	<u>(1,342,603)</u>	<u>(1,260,853)</u>
Fixed Assets, net	<u>907,639</u>	<u>989,389</u>
 TOTAL ASSETS	 <u><u>\$ 1,138,032</u></u>	 <u><u>\$ 1,217,757</u></u>
 LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 23,088	\$ 13,091
Payroll Tax Liabilities	5,415	6,153
Accrued Wages	13,322	14,912
Deferred Compensation	6,896	15,519
Current Portion of Long-Term Debt	-	3,870
FEMA Deobligation Payable	119,932	-
Total Current Liabilities	<u>168,653</u>	<u>53,545</u>
 Long-term Liabilities		
Notes Payable	-	69,895
Total Long-term Liabilities	<u>-</u>	<u>69,895</u>
 TOTAL LIABILITIES	 168,653	 123,440
 Net Assets		
Net Assets Without Donor Restrictions	<u>969,379</u>	<u>1,094,317</u>
Total Net Assets	<u>969,379</u>	<u>1,094,317</u>
 LIABILITIES & NET ASSETS	 <u><u>\$ 1,138,032</u></u>	 <u><u>\$ 1,217,757</u></u>

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

Roane County Committee on Aging, Inc.
COMPARATIVE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017 & 2016

REVENUE & SUPPORT	<u>2017</u>	<u>2016</u>
Grant Revenues:		
Federal	\$ 88,821	\$ 372,513
State	325,448	416,035
Project Income	-	43,203
Program Services	70,272	78,327
Contributions	4,893	714
Match Income	16,827	16,796
Local Source	187,603	188,273
Interest Income	48	19
Other Income	6,435	2,927
TOTAL REVENUE & SUPPORT	<u>700,347</u>	<u>1,118,807</u>
 EXPENSES		
Program Service Expenses	516,020	578,599
Management & General Expenses	189,333	454,250
TOTAL EXPENSES	<u>705,353</u>	<u>1,032,849</u>
 INCREASE(DECREASE) IN NET ASSETS	(5,006)	85,958
 PRIOR PERIOD ADJUSTMENT	(119,932)	(20,550)
 NET ASSETS, Beginning of Year	<u>1,094,317</u>	<u>1,028,909</u>
 NET ASSETS, End of Year	<u>\$ 969,379</u>	<u>\$ 1,094,317</u>

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

Roane County Committee on Aging, Inc.
COMPARATIVE STATEMENT OF CASH FLOWS
For the Years Ended September 30, 2017 & 2016

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2017</u>	<u>2016</u>
Increase(Decrease) in Net Assets	\$ (5,006)	\$ 85,958
Adjustments to reconcile net income to net cash provided(used) by operating activities:		
Depreciation	81,750	83,541
(Increase)Decrease in Accounts/Grants Receivable	(3,736)	14,850
(Increase)Decrease in Prepaid Expenses	(118)	(2,127)
Increase(Decrease) in Accounts Payable	10,697	(15,359)
Increase(Decrease) in Accrued Wages & Payroll Tax Liabilities		805
Increase(Decrease) in Deferred Compensation	<u>(11,651)</u>	<u>(12,647)</u>
Net cash provided by (used in) by operating activities	<u>71,936</u>	<u>155,021</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowing	-	75,000
Repayment of Long-term Liabilities	(73,765)	(1,235)
Repayment of short-term borrowing	<u>-</u>	<u>(40,000)</u>
Net cash provided by (used in) by financing activities	<u>(73,765)</u>	<u>33,765</u>
Increase(Decrease) in Cash	(1,829)	188,786
Cash Balance, Beginning of Year	<u>192,590</u>	<u>3,804</u>
Cash Balance, End of Year	<u>\$ 190,761</u>	<u>\$ 192,590</u>
 Supplemental Disclosure:		
Interest paid	<u>\$ 2,254</u>	<u>\$ 3,280</u>

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

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 1. Summary of Significant Accounting Policies

This summary of significant accounting policies of the Roane 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

Roane County Committee on Aging, Inc. is a nonprofit organization formed to improve the quality of life for senior citizens in Roane County, West Virginia. The purpose is to study and document the needs of the seniors, to encourage, promote and aid in the establishment of programs for seniors, to conduct programs of public education in the problems of aging, to utilize opportunities to establish demonstration programs, and to implement federal, state and local programs for the aging that no other agency is implementing. 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 Roane 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.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 1. Summary of Significant Accounting Principles (Continued)

Basis of Presentation (continued)

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.

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The organization's returns for the prior 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, 2017 & 2016, all accounts receivable are deemed collectible.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 1. Summary of Significant Accounting Principles (Continued)

Accounts and Grants Receivable (continued)

Grants receivable represent amounts invoiced by the Organization to grantor agencies under the terms of their grant agreements. As of September 30, 2017 & 2016, 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 expensed in the period in which they are purchased.

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 for items with a useful life of at least five years and basis of at least \$5,000. Maintenance and repairs are expensed when incurred.

Assets' estimated useful lives are as follows:

Office Furniture, Fixtures, and Equipment	5-10 years
Vehicles	5 years
Buildings and Renovations	10-30 years

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 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 1. Summary of Significant Accounting Principles (Continued)

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 year ended September 30, 2017 & 2016 were \$414,269 and \$788,548, respectively.

Note 2. Accounts Receivable

Accounts receivable consisted of the following as of September 30:

	2017	2016
WV DHHR	\$ 1,432	\$ 1,564
Veterans Administration	672	3,248
Employee Advances	5,215	5,215
Rent Receivable	0	535
	\$ 7,319	\$ 10,562

Note 3. Grants Receivable

Grants receivable consisted of the following as of September 30:

	2017	2016
LIFE	\$ 15,688	\$ 12,002
Title IIIB	8,766	5,765
FAIR/Lighthouse	4,916	4,624
	\$ 29,370	\$ 22,391

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 4. Property and Equipment

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

	2017	2016
Land	\$ 25,000	\$ 25,000
Buildings	2,029,978	2,029,978
Vehicles	59,257	59,257
Equipment	136,007	136,007
Total Fixed Assets	2,250,242	2,250,242
Less accumulated depreciation	(1,342,603)	(1,260,853)
Net property and equipment	\$ 907,639	\$ 989,389

Depreciation expense for years ended September 30, 2017 and 2016 was \$81,750 and \$83,541, respectively.

Note 5. Mortgage Payable

Mortgage payable consists of a loan from Premier Bank with an original principal amount of \$75,000 due in 180 monthly installments of \$547.48 which began in June 2016, bearing a variable interest rate of 3.75%, and secured by a deed of trust on real estate. As of September 30, 2017 and 2016, the balance of this loan was \$0 and \$73,765, respectively.

Note 6. Retirement Plan

The organization provides no retirement plan to its employees.

Note 7. 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. All the carrying values are the same as market value. As of the years ended September 30, 2017 & 2016, all deposits were fully insured by the FDIC.

Note 8. Advertising

Advertising costs are expensed as incurred. Advertising costs for the years ended September 30, 2017 & 2016 were \$0 and 356, respectively.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 9. 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 10. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as 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. For the years ended September 30, 2017 & 2016, the organization had \$6,896 and \$15,519, 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. Other Post Employment Benefits (OPEB)

The West Virginia Retiree Health Care Health Benefit Trust Fund (Trust), is 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.

West Virginia Code §5-16D-6 requires PEIA to bill the entire annual required contribution (ARC) beginning July 1, 2007 to employers. PEIA is only required to collect the minimum annual employer payment (MAEP), which is only a component of the ARC. Employers are required to record OPEB expense equal to the billed ARC and reflect a liability in their financial statements for any unpaid portion of the ARC.

The Committee does not currently provide post-employment health benefits. However, PEIA shows a liability of \$309,074 at September 30, 2017 and 2016 for post-employment benefits. The center does not expect to have to pay this liability.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 14. 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 insure 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. These risks are mitigated by maintaining insurance with the West Virginia Board of Risk.

Note 15. Line of Credit

The Organization has a line of credit at Premier Bank, with a limit of \$50,000, and variable interest rate. This line is renewed annually. There was no balance on the line of credit as of September 30, 2017 and 2016.

Note 16. Support Concentration

The Roane 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.

Note 17. Lease Agreements

On May 1, 2016, the Organization entered into a one-year lease agreement with the Church of Spencer, Spencer, West Virginia, for space at 811 Madison Avenue, Spencer, WV, at \$325 per month, automatically renewed annually.

On February 1, 2017, the Organization entered into a one-year lease agreement with the Community Resources, Inc., a West Virginia corporation, for space at 811 Madison Avenue, Spencer, WV, at \$350 per month.

On June 1, 2016, the Organization entered into a four-year lease agreement with the AFL-CIO Appalachian Council, Inc., a West Virginia corporation, for space at 811 Madison Avenue, Spencer, WV, ending May 31, 2020, at \$1,667 per month.

On August 1, 2017, the Organization entered into a one-year lease agreement with KVC West Virginia, for space at 811 Madison Avenue, Spencer, WV, at \$1,760 per month.

On October 1, 2015, the Organization entered into a one-year lease agreement with the Mid-Ohio Valley Growers Association, for space at 811 Madison Avenue, Spencer, WV, at \$100 per month, automatically renewed annually.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2017 & 2016

Note 17. Lease Agreements (Continued)

On May 1, 2016, the Organization entered into a one-year lease agreement with the Calvary Baptist Church, for space at 811 Madison Avenue, Spencer, WV, at \$700 per month, automatically renewed annually.

On September 1, 2016, the Organization entered into a one-year lease agreement with Head Start, for space at 811 Madison Avenue, Spencer, WV, at \$3163 per month.

On May 1, 2017, the Organization entered into a one-year lease agreement with the Regional Education Service Agency V, for space located at 811 Madison Avenue, Spencer, WV, at \$699.78 per month.

Note 18. Prior Period Adjustment

A prior period adjustment was required to record a deobligation payable to FEMA in the amount of \$119,932.

Roane County Committee on Aging, Inc.
STATEMENT OF ACTIVITIES BY GRANT
For the Fiscal Year Ended September 30, 2017

Program Services

	III-B/ Asst Trans	III-C1	III-C2	III-E	Waiver/ COC/CM	LIFE	LH/ FAIR	Other Programs	Subtotal	Management & General	Total
Revenue & Support											
Federal & Nutrition Revenue	\$ 30,191	\$ 23,053	\$ 28,177	\$ 7,400					\$ 88,821		\$ 88,821
State Revenue	15,243	24,219	29,602				70,951		140,015		140,015
LIFE		2,029	2,581			180,823			185,433		185,433
Project Income	2,890	16,394	12,847						32,131		32,131
Program Service Fees					\$ 18,019		6,458	\$ 13,664	38,141		38,141
Contributions							1,120		1,120	3,773	4,893
Match Income	5,325	3,975	5,060	2,467					16,827		16,827
Local Source		6,811	65,830						72,641	114,962	187,603
Interest Income									-	48	48
Other Income									-	6,435	6,435
Total Revenue & Support	53,649	76,481	144,097	9,867	18,019	180,823	78,529	13,664	575,129	125,218	700,347
Expenses											
Payroll & Benefits	42,545	29,795	43,712	9,192	25,440	118,493	71,671	9,075	349,923	\$ 46,608	\$ 396,531
Communications & Utilities		4,222	3,729		2,820	15,864	3,862		30,497	18,744	49,241
Food & Disposables		24,965	31,518						56,483		56,483
Transportation	5,457		6,431						11,888		11,888
Equipment & Repairs		1,273	1,293			4,565			7,131	16,109	23,240
Office & Supplies					269	5,083			5,352	1,230	6,582
Travel & Training	222	9		188	950	3,014	2,728	597	7,708	29	7,737
Depreciation									-	81,750	81,750
Professional Fees						19,106			19,106	6,394	25,500
Advertising									-		-
Insurance	2,500					3,378			5,878	12,654	18,532
Interest									-	2,254	2,254
Other Expenses	5,365	6,672	6,212	2,467	1,203		135		22,054	3,561	25,615
Total Expenses	56,089	66,936	92,895	11,847	30,682	169,503	78,396	9,672	516,020	189,333	705,353
Change in Net Assets	\$ (2,440)	\$ 9,545	\$ 51,202	\$ (1,980)	\$ (12,663)	\$ 11,320	\$ 133	\$ 3,992	\$ 59,109	\$ (64,115)	\$ (5,006)

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

Roane County Committee on Aging, Inc.
STATEMENT OF ACTIVITIES BY PROGRAM
For the Year Ended September 30, 2016

	Program Services								Management & General	Total	
	III-B/ Asst Trans	III-C1	III-C2	III-E	Waiver/ COC/CM	LIFE	LH/ FAIR	Other Programs			Subtotal
Revenue & Support											
Federal & Nutrition Revenue	\$ 26,540	\$ 25,526	\$ 25,527	\$ 7,400					\$ 84,993	\$ 287,520	\$ 372,513
State Revenue	15,243	25,843	25,842			181,564	71,703		320,195	95,840	416,035
Project Income	4,095	24,152	14,956						43,203		43,203
Program Service Fees					\$ 52,417		6,798	\$ 19,112	78,327		78,327
Contributions									-	714	714
Match Income	5,325	4,502	4,502	2,467					16,796		16,796
Local Source		4,991	67,742						72,733	115,540	188,273
Interest Income									-	19	19
Other Income									-	2,927	2,927
Total Revenue & Support	51,203	85,014	138,569	9,867	52,417	181,564	78,501	19,112	616,247	502,560	1,118,807
Expenses											
Payroll & Benefits	34,981	37,920	44,515	8,754	67,495	127,115	69,470	12,101	402,351	\$ 78,155	\$ 480,506
Communications & Utilities		5,642	6,966		2,495	16,554	2,506		34,163	19,619	53,782
Food & Disposables		23,821	28,609						52,430		52,430
Transportation									-		-
Equipment & Repairs	628	231	1,135			4,775			6,769	250,144	256,913
Office & Supplies		1,011			1,178	4,071			6,260	4,974	11,234
Travel & Training	3,807	73	3,297	212	3,171	7,625	4,371	972	23,528	146	23,674
Depreciation									-	83,541	83,541
Professional Fees						24,000			24,000		24,000
Advertising									-	356	356
Insurance						1,000			1,000	10,791	11,791
Interest									-	3,280	3,280
Other Expenses	5,325	8,751	9,462	2,467	493	1,215	385		28,098	3,244	31,342
Indirect Expenses	37,743	62,666	102,142	7,273	38,638	133,835	57,865	14,088	454,250	(454,250)	-
Total Expenses	82,484	140,115	196,126	18,706	113,470	320,190	134,597	27,161	1,032,849	-	1,032,849
Change in Net Assets	\$ (31,281)	\$ (55,101)	\$ (57,557)	\$ (8,839)	\$ (61,053)	\$ (138,626)	\$ (56,096)	\$ (8,049)	\$ (416,602)	\$ 502,560	\$ 85,958

The notes are an integral part of these financial statements.

Roane County Committee on Aging, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS
For the Fiscal Year Ended September 30, 2017

	Grant Identification Number	Expenditures
FEDERAL:		
U.S. Department of Health and Human Services:	93.044	\$ 30,191
Administration for Community Living		
Special Programs for the Aging Title III Part B		
Grants for Supportive Services and Senior Centers		
Administration for Community Living	93.052	7,400
Special Programs for the Aging Title III Part E		
National Family Caregiver Support		
Administration for Community Living	93.045	51,230
Special Programs for Aging Title III Part C		
Nutrition Services		
<i>Total Expenditures of Federal Awards</i>		\$ 88,821
STATE:		
LIFE	7/1/17-6/30/18	21803
LIFE	7/1/16-6/30/17	21703
Lighthouse	7/1/17-6/30/18	IH1825
Lighthouse	7/1/16-6/30/17	IH1725
FAIR	7/1/17-6/30/18	IH1825
FAIR	7/1/16-6/30/17	IH1725
Client Tracking	7/1/16-6/30/17	5,000
III-B	21736	15,243
III-C1	21736	24,219
III-C2	21736	29,602
<i>Total Expenditures of State Awards</i>		\$ 325,448
TOTAL EXPENDITURES OF FEDERAL & STATE AWARDS		\$ 414,269

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
Roane 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 Roane County Committee on Aging, Inc (a nonprofit organization), which comprise the comparative statement of financial position as of September 30, 2017 & 2016, 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 25, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Roane 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 Roane County Committee on Aging, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of the Roane 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 Roane 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 25, 2018

Williams & Bright, A.C.

CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors
Roane County Committee on Aging, Inc.
Spencer, West Virginia 25276

Our audit on the financial statements of Roane County Committee on Aging, Inc., for the years ended September 30, 2017 & 2016, 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 Roane 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 Roane County Committee on Aging, Inc.

Williams & Bright A.C.

Elkins, West Virginia
June 25, 2018