

Roane County Committee on Aging, Inc.

Audited Financial Statements

For the Years Ended
September 30, 2018 & 2017

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Roane County Committee on Aging, Inc.
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Williams & Bright, A.C.

CERTIFIED PUBLIC ACCOUNTANTS

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, 2018 & 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 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, 2018 & 2017, 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 May 23, 2019, 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
May 23, 2019

Roane County Committee on Aging, Inc.
COMPARATIVE STATEMENT OF FINANCIAL POSITION
September 30, 2018 & 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current Assets		
Cash & Equivalents	\$ 250,515	\$ 190,761
Accounts Receivable	7,975	7,319
Grants Receivable	27,482	29,370
Prepaid Expenses	2,923	2,943
Total Current Assets	<u>288,895</u>	<u>230,393</u>
Fixed Assets		
Property & Equipment	2,250,242	2,250,242
Accumulated Depreciation	(1,422,025)	(1,342,603)
Fixed Assets, net	<u>828,217</u>	<u>907,639</u>
TOTAL ASSETS	<u>\$ 1,117,112</u>	<u>\$ 1,138,032</u>
 LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 11,815	\$ 23,088
Payroll Tax Liabilities	4,320	5,415
Accrued Wages	13,476	13,322
Deferred Compensation	11,894	6,896
FEMA Deobligation Payable	119,932	119,932
Total Current Liabilities	<u>161,437</u>	<u>168,653</u>
TOTAL LIABILITIES	161,437	168,653
Net Assets		
Net Assets Without Donor Restrictions	<u>955,675</u>	<u>969,379</u>
Total Net Assets	<u>955,675</u>	<u>969,379</u>
LIABILITIES & NET ASSETS	<u>\$ 1,117,112</u>	<u>\$ 1,138,032</u>

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

Roane County Committee on Aging, Inc.
COMPARATIVE STATEMENT OF ACTIVITIES
For the Years Ended September 30, 2018 & 2017

REVENUE & SUPPORT	2018	2017
Grant Revenues:		
Federal	\$ 91,069	\$ 88,821
State	323,565	325,448
Project Income	28,924	32,131
Program Services	29,342	38,141
Contributions	1,560	4,893
Match Income	17,635	16,827
Local Source	93,948	72,641
Rent Income	106,783	114,962
Fundraising	1,308	2,577
Interest Income	228	48
Other Income	13,956	3,858
TOTAL REVENUE & SUPPORT	708,318	700,347
EXPENSES		
Personnel	327,138	332,871
Fringe Benefits	69,543	63,660
Travel & Training	7,355	7,737
Food & Disposables	61,074	56,483
Transportation	12,067	11,888
Repairs & Maintenance	28,203	23,240
Professional Services	27,547	25,500
Communications & Utilities	53,807	49,241
Office Supplies & Expenses	5,440	6,582
Insurance	15,269	18,532
Depreciation Expense	79,422	81,750
Interest Expense	-	2,254
Other Expenses	35,157	25,615
TOTAL EXPENSES	722,022	705,353
INCREASE(DECREASE) IN NET ASSETS	(13,704)	(5,006)
NET ASSETS, Beginning of Year	969,379	974,385
NET ASSETS, End of Year	\$ 955,675	\$ 969,379

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, 2018 & 2017

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2018</u>	<u>2017</u>
Increase(Decrease) in Net Assets	\$ (13,704)	\$ (5,006)
Adjustments to reconcile net income to net cash provided(used) by operating activities:		
Depreciation	79,422	81,750
(Increase)Decrease in Accounts/Grants Receivable	1,232	(3,736)
(Increase)Decrease in Prepaid Expenses	20	(118)
Increase(Decrease) in Accounts Payable	(11,273)	10,697
Increase(Decrease) in Accrued Wages & Payroll Tax Liabilities	(941)	-
Increase(Decrease) in Deferred Compensation	4,998	(11,651)
	<u>59,754</u>	<u>71,936</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long-term Liabilities	<u> </u>	<u>(73,765)</u>
Net cash provided by (used in) by financing activities	<u>-</u>	<u>(73,765)</u>
Increase(Decrease) in Cash	59,754	(1,829)
Cash Balance, Beginning of Year	<u>190,761</u>	<u>192,590</u>
Cash Balance, End of Year	<u><u>\$ 250,515</u></u>	<u><u>\$ 190,761</u></u>
 Supplemental Disclosure:		
Interest paid	<u><u>\$ -</u></u>	<u><u>\$ 2,254</u></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, 2018 & 2017

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, 2018 & 2017

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, 2018 & 2017, all accounts receivable are deemed collectible.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2018 & 2017

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, 2018 & 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 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, 2018 & 2017

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, 2018 & 2017 were \$414,634 and \$414,269, respectively.

Note 2. Accounts Receivable

Accounts receivable consisted of the following as of September 30:

	2018	2017
WV DHHR	\$ 1,080	\$ 1,432
Veterans Administration	1,680	672
Employee Advances	5,215	5,215
Rent Receivable	0	0
	\$ 7,975	\$ 7,319

Note 3. Grants Receivable

Grants receivable consisted of the following as of September 30:

	2018	2017
LIFE	\$ 13,865	\$ 15,688
Title IIIB	4,118	8,766
Title IIIE	3,304	0
FAIR/Lighthouse	6,195	4,916
	\$ 27,482	\$ 29,370

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2018 & 2017

Note 4. Property and Equipment

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

	2018	2017
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	(1,422,025)	(1,342,603)
Net property and equipment	\$ 828,217	\$ 907,639

Depreciation expense for years ended September 30, 2018 and 2017 was \$79,422 and \$81,750, respectively.

Note 5. Retirement Plan

The organization provides no retirement plan to its employees.

Note 6. 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, 2018 & 2017, all deposits were fully insured by the FDIC.

Note 7. Advertising

Advertising costs are expensed as incurred. There were no advertising costs 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*.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2018 & 2017

Note 9. Prepaid Expenses

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

Note 10. 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, 2018 & 2017, the organization had \$11,894 and \$6,896, respectively, in accrued compensated absences.

Note 11. 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 12. 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, 2018 and 2017 for post-employment benefits. The center does not expect to have to pay this liability.

Note 13. 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.

Roane County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended September 30, 2018 & 2017

Note 14. 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, 2018 and 2017.

Note 15. 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 16. 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.

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.

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

	Program Services						LH/FAIR	Building/ Agency	Subtotal
	III-B	III-C1	III-C2	III-E	Veterans	Medicaid			
Revenue & Support									
Federal Revenue	\$ 30,499	\$ 22,512	\$ 27,342	\$ 10,716				\$ 91,069	
State Revenue	15,243	23,918	29,233			174,861	80,310	323,565	
LIFE Allocated		700	1,395			(2,095)		-	
Project Income	3,063	13,697	12,164					28,924	
Program Service Fees				7,960	15,462		5,920	29,342	
Contributions				100			1,460	1,560	
Match Income	5,270	3,957	4,836	3,572				17,635	
Local Source		3,212	90,736					93,948	
Rent Income							106,783	106,783	
Interest Income							228	228	
Fundraising							1,308	1,308	
Other Income							13,956	13,956	
Total Revenue & Support	54,075	67,996	165,706	14,288	8,060	172,766	86,230	708,318	
Expenses									
Payroll & Benefits	32,929	18,447	38,340	7,370	4,704	12,177	72,646	327,138	
Fringe Benefits	9,660	6,741	9,599	1,027	618	1,701	9,263	69,543	
Communications & Utilities	2,499	3,343	4,209			1,535	4,784	53,807	
Food & Disposables		27,550	33,524				22,794	61,074	
Transportation	4,602		7,465					12,067	
Equipment & Repairs		253	309			5,095	22,546	28,203	
Office & Supplies	78	831	299		210	2,835	1,187	5,440	
Travel & Training	287	38		247	363	2,517	3,846	7,355	
Depreciation							79,422	79,422	
Professional Fees						15,500	12,047	27,547	
Insurance						1,874	13,395	15,269	
Other Expenses	5,270	7,124	5,438	3,572	1,624	100	220	35,157	
Total Expenses	55,325	64,327	99,183	11,969	5,569	160,821	90,759	722,022	
Change in Net Assets	\$ (1,250)	\$ 3,669	\$ 66,523	\$ 2,319	\$ 2,491	\$ (2,148)	\$ (4,529)	\$ (13,704)	

The notes are an integral part of these financial statements.

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

	Program Services							Management & General	Total
	III-B/ Asst Trans	III-C1	III-C2	III-E	Waiver/ COC/CM	LH/ FAIR	Other Programs		
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		13,664	38,141	38,141
Contributions						1,120		1,120	4,893
Match Income	5,325	3,975	5,060	2,467				16,827	16,827
Local Source		6,811	65,830					72,641	187,603
Interest Income									48
Other Income									6,435
Total Revenue & Support	53,649	76,481	144,097	9,867	18,019	78,529	13,664	575,129	700,347
Expenses									
Payroll & Benefits	42,545	29,795	43,712	9,192	25,440	71,671	9,075	349,923	46,608
Communications & Utilities		4,222	3,729		2,820	15,864		30,497	18,744
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
Office & Supplies					269	5,083		5,352	1,230
Travel & Training	222	9		188	950	3,014	597	7,708	29
Depreciation									81,750
Professional Fees						19,106		19,106	6,394
Insurance	2,500					3,378		5,878	12,654
Interest									2,254
Other Expenses	5,365	6,672	6,212	2,467	1,203	135		22,054	3,561
Total Expenses	56,089	66,936	92,895	11,847	30,682	78,396	9,672	516,020	189,333
Change in Net Assets	\$ (2,440)	\$ 9,545	\$ 51,202	\$ (1,980)	\$ (12,663)	\$ 11,320	\$ 133	\$ 59,109	\$ (64,115)
									\$ (5,006)

The accompanying 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, 2018

	<u>Grant Identification Number</u>	<u>Expenditures</u>
FEDERAL:		
U.S. Department of Health and Human Services:	93.044	\$ 30,499
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	10,716
Special Programs for the Aging Title III Part E		
National Family Caregiver Support		
Administration for Community Living	93.045	49,854
Special Programs for Aging Title III Part C		
Nutrition Services		
<i>Total Expenditures of Federal Awards</i>		<u>\$ 91,069</u>
STATE:		
LIFE	7/1/17-6/30/18	21803
LIFE	7/1/18-6/30/19	21903
Lighthouse	7/1/17-6/30/18	IH1825
Lighthouse	7/1/18-6/30/19	IH1825
FAIR	7/1/17-6/30/18	IH1825
FAIR	7/1/18-6/30/19	IH1825
III-B	10/1/17-9/30/18	21836
III-C1	10/1/17-9/30/18	21836
III-C2	10/1/17-9/30/18	21836
Client Tracking	7/1/17-6/30/18	
<i>Total Expenditures of State Awards</i>		<u>\$ 323,565</u>
TOTAL EXPENDITURES OF FEDERAL & STATE AWARDS		<u><u>\$ 414,634</u></u>

The notes are an integral part of these financial statements.

Williams & Bright, A.C.

CERTIFIED PUBLIC ACCOUNTANTS

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, 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 May 23, 2019.

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
May 23, 2019

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, 2018 & 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 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
May 23, 2019