

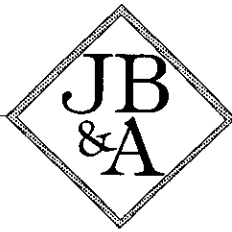
BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.

**INDEPENDENT AUDITORS' REPORT AND
RELATED FINANCIAL STATEMENTS**

SEPTEMBER 30, 2009

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4-5
Statement of Cash Flows	6
Notes to Financial Statements	7-11
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION	12
Schedule of Revenues	13-14
Schedule of Expenditures of State Awards	15
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	16-17



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

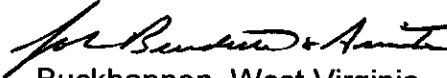
To Board of Directors
Braxton County Senior Citizens Center, Inc.
Gassaway, West Virginia

We have audited the accompanying statement of financial position of Braxton County Senior Citizens Center, Inc. (a nonprofit organization) as of September 30, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Braxton County Senior Citizens Center, Inc. as of September 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with auditing standards generally accepted in the United States of America.

In accordance with Governmental Auditing Standards, we have also issued a report dated June 17, 2010, on our consideration of Braxton County Senior Citizens Center, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.


Buckhannon, West Virginia
June 17, 2010

BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2009

ASSETS

Cash and cash equivalents	\$ 294,457
Accounts receivable	229,280
Grants receivable	<u>83,412</u>
Total current assets	607,149
Property and equipment, net	<u>3,651,196</u>
TOTAL ASSETS	<u><u>\$ 4,258,345</u></u>

LIABILITIES

Current portion of long-term debt	\$ 78,861
Accounts payable	10,952
Accrued compensation	<u>76,902</u>
TOTAL LIABILITIES	<u>166,715</u>
Long-Term Debt	<u>1,314,428</u>
NET ASSETS, unrestricted	<u>2,777,202</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,258,345</u></u>

The accompanying notes are an integral part of this statement.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

SUPPORT	UNRESTRICTED
Grants	
Federal monies	\$ 277,017
State monies	385,646
Program service fees	2,082,736
Local monies	6,285
Program Income	41,840
Interest Income	982
Fundraising	4,195
Other	<u>11,191</u>
TOTAL SUPPORT	<u>2,809,892</u>
EXPENSES	
Program services	2,553,224
Support services	<u>236,299</u>
TOTAL EXPENSES	<u>2,789,523</u>
INCREASE IN NET ASSETS	20,369
NET ASSETS, BEGINNING OF YEAR	<u>2,756,833</u>
NET ASSETS, END OF YEAR	<u><u>\$ 2,777,202</u></u>

The accompanying notes are an integral part of this statement.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

FUNCTIONAL EXPENSES	Program Services						
	Community Care/Medicaid Waiver	LIFE Program	Title IIIB	Title IIIC C-1	Title IIIC C-2	Lighthouse	Transportation
Personnel/manpower	\$ 1,544,257	\$ 91,894	\$ 42,081	\$ 40,551	\$ 44,666	\$ 68,580	\$ 12,801
Contractual services	232,084	210	150			159	
Travel	119,525	1,883				35	
Printing and supplies	4,565	28,957	121	370	16,551	566	
Rawfood				18,686	5,737		
Disposables				1,124			
Conferences and training	937	97	376			29	
Transportation	7,752		9,946		4,434		5,364
Communications							
and utilities	21,049	5,455	983			1,565	223
Medical supplies	3,117	447				490	
Fundraising							
Other	1,073	11,339	64	14,688	9,392		
Medicaid taxes							
Insurance	11,808	7,264	1,808			1,309	644
Depreciation							
Repairs & maintenance	6,110	5	5,835			104	823
Interest							
Total Functional Expenses	\$ 1,952,277	\$ 147,551	\$ 61,364	\$ 75,419	\$ 80,780	\$ 72,837	\$ 19,855

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Program Services						Total Program Services	Support Services	Total all Accounts (Memorandum Only)
	Title IID	Title IIE	Insurance Benefits	Veterans Care	FAIR				
FUNCTIONAL EXPENSES									
Personnel/manpower	\$ 1,498	\$ 6,183	\$ 3,721	\$ 90,868	\$ 30,784	\$ 1,977,884	\$ 4,552	\$ 1,982,436	
Contractual services		50		129	127	232,909		232,909	
Travel		22		224	64	121,753		121,753	
Printing and supplies	134	237	539	726	406	53,172		53,172	
Rawfood						24,423		24,423	
Disposables						1,124		1,124	
Conferences and training					17	1,456		1,456	
Transportation						27,496		27,496	
Communications				35		35		35	
and utilities	5	185	212	1,389	1,267	32,333		32,333	
Medical supplies		257		476	253	5,040		5,040	
Fundraising									
Other	620			37	60	37,273	1,069	38,342	
Medicaid taxes									
Insurance		470		1,086	904	25,293	119,249	25,293	
Depreciation							3,952	119,249	
Repairs & maintenance				103	53	13,033	107,477	16,985	
Interest								107,477	
Total Functional Expenses	\$ 2,257	\$ 7,404	\$ 4,472	\$ 95,073	\$ 33,935	\$ 2,553,224	\$ 236,299	\$ 2,789,523	

The accompanying notes are an integral part of this statement.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in net assets	\$ 20,369
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	119,249
(Increase) decrease in operating assets:	
Accounts receivable	95,942
Grants receivable	(39,614)
Prepaid expenses	13,763
Increase (decrease) in operating liabilities:	
Accounts payable	(21,962)
Accrued compensation	5,950
	<u>193,697</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property and equipment	<u>(42,950)</u>
NET CASH USED IN INVESTING ACTIVITIES	
	<u>(42,950)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Re-Payment of long-term debt	<u>(72,526)</u>
NET CASH USED IN FINANCING ACTIVITIES	
	<u>(72,526)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	78,221
CASH AND CASH EQUIVALENTS, beginning	<u>216,236</u>
CASH AND CASH EQUIVALENTS, ending	<u><u>\$ 294,457</u></u>
Supplemental Disclosure:	
Interest paid	<u><u>\$ 107,477</u></u>

The accompanying notes are an integral part of this statement.

BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Note 1. Summary of Significant Accounting Policies

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

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

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 effect 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.

Grants Receivable

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 unrestricted net assets 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 temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets. The Organization uses the allowance method to determine uncollectible contributions/grants receivable. As of September 30, 2009, all grants receivable are deemed collectible.

Accounts Receivable

Accounts receivable represent amounts owed the Organization for services it provided under the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs. In addition, the Organization uses the allowance method for accounting for bad debts whereby an allowance for doubtful accounts is established based on the realization of the accounts receivable at year end. As of September 30, 2009, the allowance for doubtful accounts is \$30,171.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Note 1. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment of the Organization is recorded at historical cost and all donated property and equipment at fair market value. The Organization uses the straight line method of depreciating fixed assets over their estimated useful lives. All equipment purchased with grant monies as identified on the statement of financial position must have approval from the grantor agency to dispose of such equipment and the method of disposition. The Organization has adopted a capitalization policy in the amount of \$ 1,000.

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501 (c)(3).

Grant Monies

Grant monies are received in two ways:

- 1- On a cost reimbursement basis for which the Organization request reimbursement for monies already spent. This is utilized for the Title III-B, Title III-D, Title III-E, Insurance Benefits, Medication Management and LIFE program grant.
- 2- Title III-C monies 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.

Total federal and state grant revenues for the year ended September 30, 2009 was \$ 662,663.

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.

All federal monies received and net assets are restricted for use in those programs sponsored by the federal grants.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Note 1. Summary of Significant Accounting Policies (Continued)

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.

Memorandum Totals

The accompanying financial statements reflect totals of all net assets and activities. The totals are shown for memorandum purposes only and do not reflect the elimination of interagency activities using principles of consolidation.

Note 2. Grants Receivable

Grants receivable consisted of the following at September 30, 2009:

FAIR	\$ 5,950
Title III-C monies	13,312
LIFE Grant	40,981
Lighthouse	14,596
Transportation	2,580
Title III-B	1,405
Title III-E	4,588

	\$ 83,412
	=====

Note 3. Property and Equipment, net

Property and equipment consisted of the following at September 30, 2009:

Land	\$ 485,152
Building	3,281,160
Vehicles	181,784
Equipment	80,034

	4,028,130
Less accumulated depreciation	376,934

Net property and equipment	\$ 3,651,196
	=====

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Note 4. Support Concentration

The Braxton County Senior Citizens Center, Inc. receives approximately 56% of its support from the West Virginia Department of Health and Human Services for providing services under the Medicaid Waiver and Community Care programs. Any significant reduction in the level of support from these sources could have a material effect on the Organization's programs and activities.

Note 5. Concentration of Credit Risk

The Organization does business with one financial institution. The cash balance in the financial institution was over the federally insured amount of \$ 250,000. The balance on September 30, 2009 with this institution was \$ 294,457 of which only \$ 250,000 was insured by FDIC.

Note 6. Long-Term Debt

Long-term debt consists of the following as of September 30, 2009

Bank of Gassaway

7.50% installment note maturing 1/20/23, monthly payments of \$ 13,905.18 secured by real estate.	\$ 1,393,289
Less: current portion	78,861
Noncurrent portion	\$ <u>1,314,428</u> =====

Scheduled maturities at September 30, 2009 are as follows:

September 30, 2010	\$ 78,861
2011	70,677
2012	76,164
2013	79,917
2014	82,450
Thereafter	1,005,220

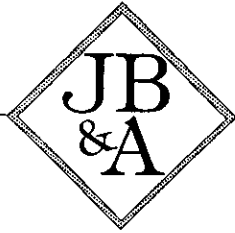
	\$ <u>1,393,289</u> =====

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Note 7. Subsequent Events

Management has evaluated subsequent events through June 17, 2010, the date which the financial statements were available to be issued.

ADDITIONAL INFORMATION



JOHN BURDETTE & ASSOCIATES

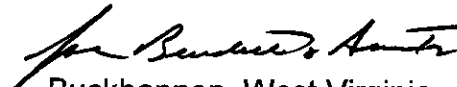
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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Braxton County Senior Citizens Center, Inc.
Gassaway, West Virginia

Our report on our audit of the basic financial statements of the Braxton County Senior Citizens Center, Inc. for the year ended September 30, 2009 appears on page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contain in *Government Auditing Standards*, issued by the Comptroller General of the United States, for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of revenues is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Buckhannon, West Virginia
June 17, 2010

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
SCHEDULE OF REVENUES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Community Care/ Medicaid Waiver</u>	<u>Direct LIFE Program</u>	<u>Other Programs</u>	<u>Title IIIB</u>	<u>FAIR</u>	<u>Transportation</u>
GRANT REVENUES						
Federal monies	\$	\$	\$ 2,000	\$ 29,439	\$	\$
State monies		<u>161,368</u>	<u>74,809</u>	<u>20,059</u>	<u>36,330</u>	<u>10,325</u>
Total Grant Revenues		<u>161,368</u>	<u>76,809</u>	<u>49,498</u>	<u>36,330</u>	<u>10,325</u>
OTHER REVENUES						
Program service fees	2,082,736					
Local monies			6,285			
Program income				5,893		
Interest income			982			
Fundraising			4,195			
Other			<u>11,192</u>			
Total Other Revenues	<u>2,082,736</u>		<u>22,654</u>	<u>5,893</u>		
Total Revenues	<u>\$ 2,082,736</u>	<u>\$ 161,368</u>	<u>\$ 99,463</u>	<u>\$ 55,391</u>	<u>\$ 36,330</u>	<u>\$ 10,325</u>

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
SCHEDULE OF REVENUES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

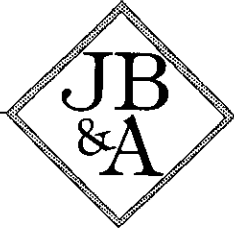
<u>Lighthouse</u>	<u>Title IIIC C-1</u>	<u>Title IIIC C-2</u>	<u>Title IIID</u>	<u>Title IIIE</u>	<u>Insurance Benefits</u>	<u>Veterans Care</u>	<u>Total all Accounts (Memorandum Only)</u>
\$	\$ 64,951	\$ 44,123	\$ 1,476	\$ 8,971	\$ 5,000	\$ 121,057	\$ 277,017
<u>79,298</u>			<u>462</u>	<u>2,995</u>			<u>385,646</u>
<u>79,298</u>	<u>64,951</u>	<u>44,123</u>	<u>1,938</u>	<u>11,966</u>	<u>5,000</u>	<u>121,057</u>	<u>662,663</u>
							2,082,736
	23,956	11,991					6,285
							41,840
							982
							4,195
							<u>11,191</u>
	<u>23,956</u>	<u>11,991</u>					<u>2,147,229</u>
<u>\$ 79,298</u>	<u>\$ 88,907</u>	<u>\$ 56,114</u>	<u>\$ 1,938</u>	<u>\$ 11,966</u>	<u>\$ 5,000</u>	<u>\$ 121,057</u>	<u>\$ 2,809,892</u>

The accompanying independent auditors' report on supplemental information is an integral part of this schedule.

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Community Partnership Grants			\$ 43,563
Other - Boss			<u>31,246</u>
Total Direct Programs			<u>74,809</u>
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2009	2937	20,059
IIID	June 30, 2009	2911	462
IIIE	June 30, 2009	2911	2,995
LIFE	June 30, 2009	2904	121,788
LIFE	June 30, 2010	21004	39,580
Lighthouse	June 30, 2009	2951	57,034
Lighthouse	June 30, 2010	2105	22,264
FAIR	June 30, 2009	2951	21,868
FAIR	June 30, 2010	2105	14,462
Transportation	June 30, 2009	2951	5,859
Transportation	June 30, 2010	2105	<u>4,466</u>
Total pass-through awards			<u>310,837</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u><u>\$ 385,646</u></u>

The independent auditors' report on supplemental information is an integral part of this schedule.



JOHN BURDETTE & ASSOCIATES

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Braxton County Senior Citizens Center, Inc.
Gassaway, West Virginia

We have audited the financial statements of Braxton County Senior Citizens Center, Inc. (a nonprofit organization) as of and for the year ended September 30, 2009, and have issued our report thereon dated June 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Braxton County Senior Citizens Center, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures 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 Braxton County Senior Citizens Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Braxton County Senior Citizens Center, Inc.'s internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

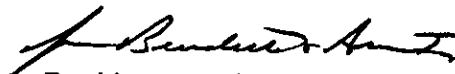
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Braxton County Senior Citizens Center, Inc.'s financial statements are free of 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*.

This report is intended solely for the information and use of the management, the audit committee, Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Buckhannon, West Virginia
June 17, 2010