

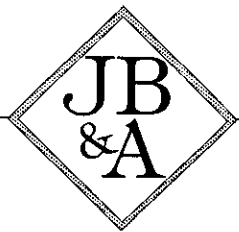
**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.**

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

**SEPTEMBER 30, 2010**

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# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

## INDEPENDENT AUDITORS' REPORT

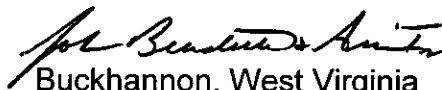
To the Board of Directors  
Braxton County Senior Citizens Center, Inc.  
Gassaway, West Virginia

We have audited the accompanying statements of financial position of Braxton County Senior Citizens Center, Inc. (a nonprofit organization) as of September 30, 2010, 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 audits.

We conducted our audits 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 audits 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 audits provide 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, 2010, 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 *Government Auditing Standards*, we have also issued a report dated June 30, 2011, 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 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* and should be read in conjunction with this report in considering the results of our audit.

  
Buckhannon, West Virginia  
June 30, 2011

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2010**

**ASSETS**

Cash and cash equivalents	\$ 485,008
Accounts receivable	316,873
Grants receivable	68,000
Prepaid expenses	<u>16,350</u>

Total current assets 886,231

**Property and equipment, net** 3,723,756

**TOTAL ASSETS** \$ 4,609,987

**LIABILITIES**

Current portion of long-term debt	\$ 70,677
Accounts payable	15,405
Accrued compensation	<u>81,409</u>

**TOTAL LIABILITIES** 167,491

**Long-Term Debt** 1,239,347

**NET ASSETS, unrestricted** 3,203,149

**TOTAL LIABILITIES AND NET ASSETS** \$ 4,609,987

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, 2010**

<b>SUPPORT</b>	<b>UNRESTRICTED</b>
Grants	
Federal monies	\$ 422,126
State monies	380,839
Program service fees	2,577,184
Local monies	10,000
Program Income	45,485
Interest Income	1,050
Other	30,007
	<hr/>
<b>TOTAL SUPPORT</b>	<b>3,466,691</b>
	<hr/>
<b>EXPENSES</b>	
Program services	2,815,574
Support services	225,170
	<hr/>
<b>TOTAL EXPENSES</b>	<b>3,040,744</b>
	<hr/>
<b>INCREASE IN NET ASSETS</b>	<b>425,947</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>2,777,202</b>
	<hr/>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 3,203,149</b>
	<hr/> <hr/>

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, 2010**

		Program Services					
	Community Care/Medicaid Waiver	LIFE Program	Title IIIB	Title IIIC C-1	Title IIIC C-2	Lighthouse	Transportation
<b>FUNCTIONAL EXPENSES</b>							
Personnel/manpower	\$ 1,644,192	\$ 133,880	\$ 54,303	\$ 40,626	\$ 42,538	\$ 93,387	\$ 6,261
Contractual services	302,406	250	200	313	12,922	203	
Travel	140,238	2,387	100	102	196	419	
Printing and supplies	5,801	27,484	66	674		711	
Rawfood				20,022	18,088		
Disposables	785	39	59	1,218	7,637		
Conferences and training	7,387		11,487	40	5,616	45	2,544
Transportation							
Communications							
and utilities	20,497	5,196	1,019	2,770	628	1,804	87
Medical supplies	3,699	460				482	
Fundraising							
Other	3,869	4,175	631	8,736	9,420		
Medicaid taxes							
Insurance	12,746	4,431	1,520			1,651	1,411
Depreciation							
Repairs & maintenance	7,192	2,154	3,234	4,409	215	685	735
Interest							
<b>Total Functional Expenses</b>	<b>\$ 2,148,812</b>	<b>\$ 180,456</b>	<b>\$ 72,619</b>	<b>\$ 78,910</b>	<b>\$ 97,260</b>	<b>\$ 99,387</b>	<b>\$ 11,038</b>

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	Program Services						Support Services	Total all Accounts (Memorandum Only)
	Title IIID	Title IIIE	Insurance Benefits	Veterans Care	FAIR	Total Program Services		
<b>FUNCTIONAL EXPENSES</b>								
Personnel/manpower	\$ 1,299	\$ 13,691	\$ 5,704	\$ 90,336	\$	\$ 2,126,217	\$ 2,700	\$ 2,128,917
Contractual services		50		153	152	316,649		316,649
Travel	14	29	773	235	142	144,635		144,635
Printing and supplies	1,007	462	891	898	617	38,611		38,611
Rawfood						38,110		38,110
Disposables						8,855		8,855
Conferences and training				83	27	1,078		1,078
Transportation						27,034		27,034
Communications								
and utilities	22	289	867	1,513	1,487	36,179		36,179
Medical supplies		225		468	239	5,573		5,573
Fundraising								
Other	55					26,886	1,317	28,203
Medicaid taxes								
Insurance		452	152	1,296	1,221	24,880		24,880
Depreciation							119,202	119,202
Repairs & maintenance	271	293	321	738	588	20,835	246	21,081
Interest							101,737	101,737
<b>Total Functional Expenses</b>	<b>\$ 2,668</b>	<b>\$ 15,491</b>	<b>\$ 8,708</b>	<b>\$ 95,720</b>	<b>\$ 4,473</b>	<b>\$ 2,815,542</b>	<b>\$ 225,202</b>	<b>\$ 3,040,744</b>

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, 2010**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Increase in net assets	\$ 425,947
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	119,202
(Increase) decrease in operating assets:	
Accounts receivable	(87,593)
Grants receivable	15,412
Prepaid expenses	(16,350)
Increase (decrease) in operating liabilities:	
Accounts payable	4,453
Accrued compensation	4,507

**NET CASH PROVIDED BY OPERATING ACTIVITIES** 465,578

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchases of property and equipment	<u>(191,762)</u>
-------------------------------------	------------------

**NET CASH USED IN INVESTING ACTIVITIES** (191,762)

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Re-Payment of long-term debt	<u>(83,265)</u>
------------------------------	-----------------

**NET CASH USED IN FINANCING ACTIVITIES** (83,265)

**NET INCREASE IN CASH AND CASH EQUIVALENTS** 190,551

**CASH AND CASH EQUIVALENTS, beginning** 294,457

**CASH AND CASH EQUIVALENTS, ending** \$ 485,008

**Supplemental Disclosure:**

Interest paid	<u><u>\$ 101,737</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, 2010**

**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, 2010, 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, 2010, 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, 2010**

**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, 2010 was \$ 802,965.

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, 2010**

**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, 2010:

FAIR	\$ 5,474
Title III-C monies	5,271
LIFE Grant	43,914
Lighthouse	12,060
Title III-E	1,281
	-----
	\$ 68,000
	=====

**Note 3. Property and Equipment, net**

Property and equipment consisted of the following at September 30, 2010:

Land	\$ 485,152
Building	3,281,160
Vehicles	329,938
Equipment	123,642
	-----
	4,219,892
Less accumulated depreciation	496,136
	-----
Net property and equipment	\$ 3,723,756
	=====

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**Note 4. Support Concentration**

The Braxton County Senior Citizens Center, Inc. receives approximately 72% 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, 2010 with this institution was \$ 386,692 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, 2010

Bank of Gassaway

7.50% installment note maturing 1/20/23, monthly payments of \$ 13,905.18 secured by real estate.	\$ 1,239,347
Less: current portion	70,677
Noncurrent portion	\$ <u>1,310,024</u> =====

Scheduled maturities at September 30, 2010 are as follows:

September 30, 2010	\$ 70,677
2011	76,164
2012	79,917
2013	82,450
2014	85,415
Thereafter	915,401
	-----
	\$ <u>1,310,024</u> =====

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**Note 7. Subsequent Events**

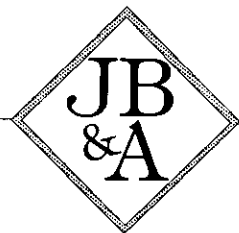
Management has evaluated subsequent events through June 30, 2011, the date which the financial statements were available to be issued.

**Note 8. Contingent Liabilities**

In the normal course of operations, the Organization receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

The Center participates in the West Virginia Public Employees Insurance Agency (PEIA) for health insurance. The Organization does not provide post retirement health benefits. However, PEIA shows a liability of \$108,801 at September 30, 2010 for post retirement benefits. The Organization does not expect to have to pay this liability.

## **ADDITIONAL INFORMATION**



# JOHN BURDETTE & ASSOCIATES

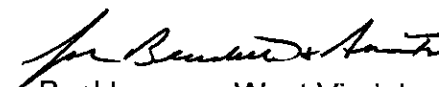
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## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

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, 2010 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 30, 2011

**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.  
SCHEDULE OF REVENUES  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	Community Care/ Medicaid Waiver	Direct LIFE Program	Other Programs	Title IIIB	FAIR	Transportation
<b>GRANT REVENUES</b>						
Federal monies	\$	\$	\$ 156,376	\$ 29,439	\$	\$
State monies		185,717	13,000	20,059	41,941	9,214
Total Grant Revenues		185,717	169,376	49,498	41,941	9,214
<b>OTHER REVENUES</b>						
Program service fees	2,549,830					17,705
Local monies						
Program income				4,600		
Interest income			1,050			
Other			30,007			
Total Other Revenues	2,549,830		31,057	4,600		17,705
<b>Total Revenues</b>	<b>\$ 2,549,830</b>	<b>\$ 185,717</b>	<b>\$ 200,433</b>	<b>\$ 54,098</b>	<b>\$ 41,941</b>	<b>\$ 26,919</b>



**BRAXTON COUNTY SENIOR CITIZENS CENTER, INC.  
SCHEDULE OF REVENUES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

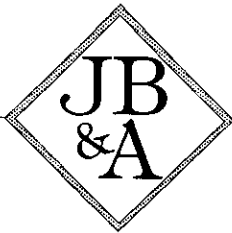
<u>Lighthouse</u>	<u>Title IIIC C-1</u>	<u>Title IIIC C-2</u>	<u>Title IIID</u>	<u>Title IIIE</u>	<u>Insurance Benefits</u>	<u>Veterans Care</u>	<u>Total all Accounts (Memorandum Only)</u>
\$	\$ 55,695	\$ 51,262	\$ 1,476	\$ 12,243	\$ 6,000	\$ 109,635	\$ 422,126
<u>109,341</u>				<u>1,567</u>			<u>380,839</u>
<u>109,341</u>	<u>55,695</u>	<u>51,262</u>	<u>1,476</u>	<u>13,810</u>	<u>6,000</u>	<u>109,635</u>	<u>802,965</u>
		9,649					2,577,184
	3,447	6,553					10,000
	27,423	13,462					45,485
							1,050
							<u>30,007</u>
	<u>30,870</u>	<u>29,664</u>					<u>2,663,726</u>
<u>\$ 109,341</u>	<u>\$ 86,565</u>	<u>\$ 80,926</u>	<u>\$ 1,476</u>	<u>\$ 13,810</u>	<u>\$ 6,000</u>	<u>\$ 109,635</u>	<u>\$ 3,466,691</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, 2010**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Community Partnership Grants			<u>\$    13,000</u>
Total Direct Programs			<u>13,000</u>
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2010	2937	20,059
IIIE	June 30, 2010	2911	1,567
LIFE	June 30, 2010	21004	141,803
LIFE	June 30, 2011	21104	43,914
Lighthouse	June 30, 2010	21005	81,585
Lighthouse	June 30, 2011	21105	27,756
FAIR	June 30, 2010	21005	30,531
FAIR	June 30, 2011	21105	11,410
Transportation	June 30, 2011	21005	<u>9,214</u>
Total pass-through awards			<u>367,839</u>
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>			<u><b>\$    380,839</b></u>

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



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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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, 2010, and have issued our report thereon dated June 30, 2011. 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 Braxton County Senior Citizens Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

*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.

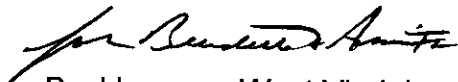
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designated to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material 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**

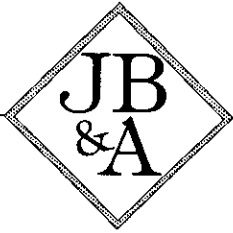
As part of obtaining reasonable assurance about whether Braxton County Senior Citizens Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could 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*.

We noted certain other matters that we reported to management of Braxton County Senior Citizens Center, Inc. in a separate letter dated June 30, 2011.

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



Buckhannon, West Virginia  
June 30, 2011



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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## MANAGEMENT LETTER

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

In planning and performing our audit of the financial statements of Braxton County Senior Citizens Center, Inc. for the year ended September 30, 2010, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we considered the Organization'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 organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit we became aware of some matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate letter dated June 30, 2011 contains our communication of significant deficiencies or material weaknesses in the Organization's internal control. This letter does not affect our report dated June 30, 2011, on the financial statements of Braxton County Senior Citizens Center, Inc.

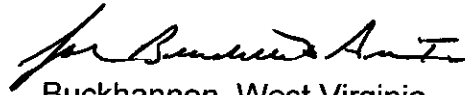
We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Organization personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### **Organizational Structure**

The size of the Organization's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Board of Directors remain involved in the financial affairs of the Organization to provide oversight and independent review functions.

We wish to thank the Executive Director and her staff for their support and assistance during our audit.

This report is intended solely for the information and use of management, Board of Directors, and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "J. Buckhannon".

Buckhannon, West Virginia  
June 30, 2011