

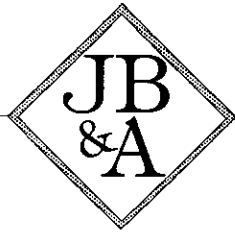
BARBOUR COUNTY SENIOR CENTER, INC.

**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
Schedule of Functional Expenses	4-5
Statement of Cash Flows	6
Notes to Financial Statements	7-12
SUPPLEMENTAL INFORMATION	
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION	13
Schedule of Revenues, Support and Expenditures	14-15
Schedule of Expenditures of State Awards	16
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 <i>GOVERNMENT AUDITING STANDARDS</i>	17-18
MANAGEMENT LETTER	19



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

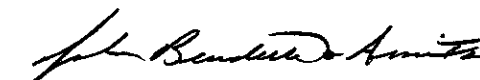
To the Board of Directors
Barbour County Senior Center, Inc.
Philippi, West Virginia

We have audited the accompanying statement of financial position of Barbour County Senior 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 the 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 Barbour County Senior 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 accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2010, on our consideration of Barbour County Senior Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the 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 considered in assessing the results of our audit.



Buckhannon, West Virginia

March 5, 2010

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

ASSETS

Current Assets

Cash and cash equivalents	\$ 327,657
Certificate of deposit	154,258
Investments	67,126
Accounts receivable, net	46,054
Grants receivable	<u>64,404</u>

Total current assets 659,499

Property and Equipment, net 524,185

TOTAL ASSETS \$ 1,183,684

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 65,141
Accrued payroll and taxes	21,738
Accrued annual leave	18,082
Deferred revenue	<u>2,084</u>

Total current liabilities 107,045

Net Assets

Unrestricted 1,035,789

Permanently restricted 40,850

Total net assets 1,076,639

TOTAL LIABILITIES AND NET ASSETS \$ 1,183,684

The accompanying notes are an integral part of this statement.

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

	Unrestricted	Permanently Restricted	Total
REVENUE AND SUPPORT			
Federal grant awards	\$ 459,263	\$	\$ 459,263
State grant	413,055		413,055
Donations	71,650		71,650
Continuum of care fees	190,176		190,176
Medicaid waiver fees	325,525		325,525
Project income	105,707		105,707
Interest income	7,104		7,104
Other income	88,631	431	89,062
Net assets released from restrictions: Restrictions satisfied with lapse of time			
Total Revenue and Support	1,661,111	431	1,661,542
EXPENSES			
Program Services			
Title III-B	56,998		56,998
Title III-D	1,890		1,890
Title III-E	9,800		9,800
Fair	43,108		43,108
Title III-C - Congregate	71,685		71,685
Title III-C - Home Delivered	260,685		260,685
Transportation	422,225		422,225
Community Care	145,250		145,250
Medicaid waiver	313,722		313,722
Lighthouse	58,009		58,009
Other programs	116,629		116,629
Support Services Management and General			
Total Expenses	1,500,001		1,500,001
Change in Net Assets	161,110	431	161,541
NET ASSETS AT BEGINNING OF YEAR	874,679	40,419	915,098
NET ASSETS AT END OF YEAR	\$ 1,035,789	\$ 40,850	\$ 1,076,639

The accompanying notes are an integral part of this statement.

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

Program Services

FUNCTIONAL EXPENSES	Title III-B	Title III-D	Title III-E	Fair	Title III-C		
					Congregate	Home Delivered	Transportation
Salaries and wages	\$ 37,931	\$ 985	\$ 6,386	\$ 30,108	\$ 23,667	\$ 79,232	\$ 185,522
Fringe benefits	6,640	201	718	3,568	2,449	8,198	47,768
Travel	3,878		1,249	2,610			1,101
Printing and supplies							276
Other operating supplies							32,157
Rawfood					25,597	85,694	
Disposables					792	13,412	
Repairs and maintenance					249	832	20,714
Broad base providers tax							
Communications and utilities							4,341
Rent occupancy costs							6,547
Dues/subscriptions/training							325
Insurance							14,000
Other costs		550			9,132	30,573	21,926
Professional fees							
Transportation						13,381	1,000
Depreciation expense					4,437	11,411	44,694
Allocated indirect costs	8,549	154	1,447	6,822	5,362	17,952	41,854
Total	\$ 56,998	\$ 1,890	\$ 9,800	\$ 43,108	\$ 71,685	\$ 260,685	\$ 422,225

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

	<u>Program Services</u>					<u>Support Services</u>		<u>Total</u>
	<u>Community Care</u>	<u>Medicaid Waiver</u>	<u>Lighthouse</u>	<u>Other Programs</u>	<u>Total Program Services</u>	<u>Management and General</u>		
Salaries and wages	\$ 88,615	\$ 202,730	\$ 36,848	\$ 21,599	\$ 713,623	\$ 95,195	\$	\$ 808,818
Fringe benefits	15,008	32,752	4,279	4,843	126,424	33,586		160,010
Travel	15,895	32,513	8,533	5,807	71,586			71,586
Printing and supplies	1,009				1,285	3,399		4,684
Other operating supplies				556	32,713	4,324		37,037
Rawfood					111,291			111,291
Disposables					14,204			14,204
Repairs and maintenance				707	22,502	1,210		23,712
Broad base providers tax	52				52			52
Communications and utilities	277				4,618	18,700		23,318
Rent occupancy costs	930	4		16,740	24,221			24,221
Dues/subscriptions/training	628				953	25		978
Insurance					14,000	1,021		15,021
Other costs	2,639			53,149	117,969	3,843		117,969
Professional fees								3,843
Transportation				8,334	14,381			14,381
Depreciation expense					68,876			68,876
Allocated indirect costs	20,197	45,723	8,349	4,894	161,303	(161,303)		
Total	\$ 145,250	\$ 313,722	\$ 58,009	\$ 116,629	\$ 1,500,001	\$	\$	\$ 1,500,001

The accompanying notes are an integral part of this statement.

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

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 161,541
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	68,876
(Increase) decrease in operating assets:	
Accounts receivable	(12,781)
Grants receivable	(14,837)
Increase (decrease) in operating liabilities:	
Accounts payable	28,814
Accrued payroll	3,153
Accrued annual leave	3,172
Deferred revenue	2,084
	240,022
NET CASH PROVIDED BY OPERATING ACTIVITIES	240,022

CASH FLOWS FROM INVESTING ACTIVITIES

Investments	(1,130)
Certificate of Deposits	25,136
Capital expenditures	(185,379)
	(161,373)
NET CASH USED IN INVESTING ACTIVITIES	(161,373)

CASH FLOWS FROM FINANCING ACTIVITIES

NET CASH USED IN FINANCING ACTIVITIES

NET INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS, beginning of year

CASH AND CASH EQUIVALENTS, end of year

78,649

249,008

\$ 327,657

The accompanying notes are an integral part of this statement.

BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Organization - The Barbour County Senior Center, Inc. is a nonstock corporation organized under the laws of the State of West Virginia and has been determined by the Internal Revenue Service to be a tax exempt organization under Internal Revenue Code Section 501(c)(3). In addition, the Center has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for 2009.

Nature of Activities

The Center was developed to improve the quality of life for senior citizens in Barbour 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.

Basis of Accounting

The financial statements of Barbour County Senior Center, 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 Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The financial statement presentation also follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, Barbour County Senior Center, Inc. has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Inventories

The purchased inventories of raw food, materials and supplies are deemed immaterial and are accordingly expensed as purchased.

BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

Allowance for Doubtful Accounts

The Organization uses an allowance method of accounting for bad debts. Management feels the accounts and grants receivable shown on the statement of financial position are fully collectible.

Property and Equipment

Fixed assets acquired by the Center are considered to be owned by the Center. However, Federal and State funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The Federal and State Funding sources have a reversionary interest in those assets purchased with its funds for the estimated useful life of the asset.

Property and equipment are carried at Cost or, if donated, at the approximate fair value at the date of donation. The Center follows the practice of capitalizing such assets over their estimated useful life if the recorded cost or fair value exceeds \$ 1,000.

Depreciation is computed using the straight-line method. In addition, all property and equipment purchased with grant monies must be used in accordance with the grantor agency's policies. Maintenance and repairs are expensed as incurred.

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

Federal Grants

Grant Monies are received on an as need basis in which the Center requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-D, Title III-E and Title VII grants. Upon completion of a grant year, any unexpended money has to be approved for carryover to the next grant year, but if approval is denied, the money has to be reimbursed to the grantor.

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 expended monies are restricted for future Title III-C program operating expenses.

Total federal and state grant revenues for the year ended September 30, 2009, were \$ 487,817 and \$ 384,501, respectively.

Donated Services.

The members of the Board of Directors receive no fees for performing their duties as members, officers, or special committee members. However, no revenues or expenses have been recognized in these financial statements in relation to such volunteer services.

BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

Donated Facilities

The Center's administrative facilities are owned by the City of Philippi, Barbour County, West Virginia. The Nestorville, Union, and Mt. Liberty Satellite sites are owned by other nonprofit organizations. The Center has recorded \$37,200 for in kind rent for the year ended September 30, 2009.

Leased Facilities

On May 1, 1980, the Center signed a 99 year lease on the Belington Satellite Center. The Center must pay all property taxes, insurance and maintenance on this facility. Since a recent appraisal is not available, a fair rental value was unable to be calculated and recorded as donated services in these financial statements.

Revenue and Support

Barbour County Senior Center, Inc. receives its grant support primarily from the Upper Potomac Area Agency on Aging, Inc. Support received from those grants is recognized on a "net funded" basis whereby the Federal and State Grant funding is recognized on a last-dollar-in basis. When using this basis, related expenses incurred are "netted" first by project income and local match in determining grant funds to be recognized. Barbour County Senior Center, Inc. receives client fee, Medicaid (Continuum of Care) income, and Medicaid Waiver income for billable client in home services and recognized these fees and income when earned.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management must make estimates based on future events that effect the reported amounts of assets and liabilities, the disclosure 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.

**BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 2. Certificates of Deposit

Three certificates of deposit totaling \$ 154,258 are included in the accompanying financial statements. The certificates have a maturity of one year, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Note 3. Investments

The Cost and estimated market value of investment securities at September 30, 2009, are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
BCCF-Barbour	\$ 15,300	\$ 1,270	\$ -0-	\$ 16,570
BCCF-Tenney	8,956	750	-0-	9,706
BCCF-Shaffer	37,683	3,167	-0-	40,850
	-----	-----	-----	-----
	\$ 61,939	\$ 5,187	\$ -0-	\$ 67,126
	=====	=====	=====	=====

Note 4. Accounts Receivable

Accounts receivable at September 30, 2009, were as follows:

Medicaid Waiver/Continuum of Care	\$ 39,687
Project income	6,367

	46,054
Less: Allowance for uncollectible accounts	0

Total accounts receivable	\$ 46,054
	=====

BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 5. Grants Receivable

Grants receivable at September 30, 2009, were as follows:

Title III-B	\$ 4,407
Title III-C	13,327
Title III-D	341
Title III-E	1,769
Life	15,014
Transportation	8,432
FAIR	8,498
Lighthouse	12,616

Total grants receivable	\$ 64,404
	=====

Note 6. Property and Equipment

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

Equipment, furniture and fixtures	\$ 173,871
Vehicles	585,845
Leasehold improvements	235,939

Accumulated depreciation	(471,470)

Net property and equipment	\$ 524,185
	=====

Note 7. Restrictions on Net Assets

Permanently restricted net assets at September 30, 2009, consist of the BCCF Shaffer Trust which is an endowment fund.

Note 8. Retirement Program

The Center sponsors a defined contribution retirement plan whereby certain employees are eligible to be included in the Center's retirement program. The employee contributes 4.5% of his/her gross wages which is combined with 9.5% contributed by the Barbour County Senior Center, Inc.

The covered employees are eligible to draw benefits upon retirement. Service contributions to the retirement program of \$ 25,675 are included in fringe benefits costs on the statement of functional expenses.

BARBOUR COUNTY SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 9. Concentrations

The Center receives about 52 percent of its total support and revenue from various grants from the Federal and State governments.

In addition, the Center also receives about 31 percent of its total support and revenue from the West Virginia Department of Health and Human Services under billing for services provided under the Continuum of Care and Medicaid Waiver programs.

The Center maintains its cash balances with four financial institutions. The balance in one of these institutions at September 30, 2009 exceeded the \$ 100,000 FDIC insurance amount by \$ 205,650.

Note 10. Contingent Liabilities

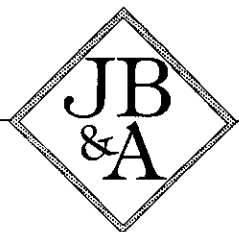
In the normal course of operations, the Center receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions relevant to the grant. Any liability for reimbursement 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 Center does not provide post retirement health benefits, and therefore there is no liability for such benefits.

Note 11. Subsequent Events

Management has evaluated subsequent event through March 5, 2010, the date on which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION



JOHN BURDETTE & ASSOCIATES


CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Barbour County Senior Center, Inc.
Philippi, West Virginia

Our report on our audit of the basic financial statements of the Barbour County Senior Center, Inc. for the year ended September 30, 2009 appears on page 1. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of the purpose of forming an opinion of the basic financial statements taken as a whole. The Schedule of Revenues, Support and Expenditures, and Schedule of Expenditures of State Awards, are presented for purpose 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
March 5, 2010

BARBOUR COUNTY SENIOR CENTER, INC.
SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Title III-B	Title III-D	Title III-E	Fair	Title III-C	
					Congregate	Home Delivered
Federal financial assistance	\$ 25,283	\$ 1,426	\$ 6,829	\$	\$ 38,405	\$ 83,235
Federal stimulus					13,237	
State grant	19,709	84		41,751	23,821	13,519
State LIFE allocated	1,434	191	2,971		13,572	63,620
Donations	3,025	60				22,881
Continuum of care						
Medicaid waiver fees						
Project income	300				18,583	44,109
Interest income						
Other						
Total Revenue and Support	<u>49,751</u>	<u>1,761</u>	<u>9,800</u>	<u>41,751</u>	<u>107,618</u>	<u>227,364</u>
Functional Expenses	<u>56,998</u>	<u>1,890</u>	<u>9,800</u>	<u>43,108</u>	<u>71,685</u>	<u>260,685</u>
Net Revenue (Expenditures)	<u>\$ (7,247)</u>	<u>\$ (129)</u>	<u>\$ -</u>	<u>\$ (1,357)</u>	<u>\$ 35,933</u>	<u>\$ (33,321)</u>

BARBOUR COUNTY SENIOR CENTER, INC.
SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

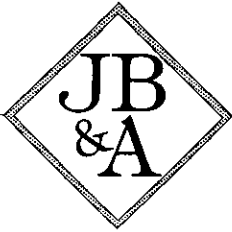
<u>Transportation</u>	<u>Personal Care</u>	<u>Lighthouse</u>	<u>Direct LIFE</u>	<u>Other</u>	<u>Total (Memorandum Only)</u>
\$ 290,848	\$	\$	\$	\$	\$ 446,026
					13,237
35,503		66,412	183,545	28,711	413,055
89,081	11,236		(183,545)	1,440	
				45,684	71,650
	190,176				190,176
	325,525				325,525
42,715					105,707
				7,104	7,104
				89,062	89,062
<u>458,147</u>	<u>526,937</u>	<u>66,412</u>		<u>172,001</u>	<u>1,661,542</u>
<u>422,225</u>	<u>458,972</u>	<u>58,009</u>		<u>116,629</u>	<u>1,500,001</u>
<u>\$ 35,922</u>	<u>\$ 67,965</u>	<u>\$ 8,403</u>	<u>\$</u>	<u>\$ 55,372</u>	<u>\$ 161,541</u>

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

**BARBOUR COUNTY SENIOR 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			
			<u>\$ 28,711</u>
Community Partnership Grants			
			<u>28,711</u>
Total Direct Programs			
			<u>28,711</u>
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2009	2937	19,709
IIIC-1	June 30, 2009	2911	23,821
IIIC-2	June 30, 2009	2911	13,519
IIID	June 30, 2009	2911	84
LIFE	June 30, 2009	2904	149,145
LIFE	June 30, 2010	21004	34,400
Lighthouse	June 30, 2009	2951	47,728
Lighthouse	June 30, 2010	2105	18,684
FAIR	June 30, 2009	2951	27,445
FAIR	June 30, 2010	2105	13,006
FAIR Plus	June 30, 2009	2852	1,300
Transportation	June 30, 2009	2951	12,554
Transportation	June 30, 2010	2105	13,949
Transit	June 30, 2010	5-18-4026	<u>9,000</u>
Total pass-through awards			<u>384,344</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u><u>\$ 413,055</u></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
Barbour County Senior Center, Inc.
Philippi, West Virginia

We have audited the financial statements of Barbour County Senior Center, Inc. (a nonprofit organization) as of and for the year ended September 30, 2009, and have issued our report thereon dated March 5, 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 Barbour County Senior 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 Barbour County Senior Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Barbour County Senior 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.

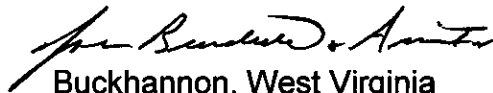
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies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

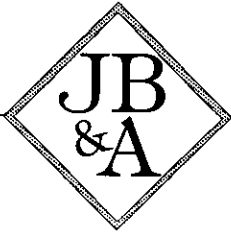
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Barbour County Senior 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 Barbour County Senior Center, Inc. in a separate letter dated March 5, 2010.

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
March 5, 2010



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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MANAGEMENT LETTER

To the Senior Management and
The Board of Directors
Barbour County Senior Center, Inc.
Philippi, West Virginia

In planning and performing our audit of the financial statements of Barbour County Senior Center, Inc. for the year ended September 30, 2009 we considered the Organization's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted a certain matter involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report dated March 5, 2010, on the financial statements of Barbour County Senior Center, Inc.

We will review the status of these comments during our next audit engagement. Our comments and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments 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 as follows:

Segregation of Duties

We noted that two employees are responsible for most accounting and financial duties. As a result, many aspects of the internal control which rely upon an adequate segregation of duties are, for all practical purposes, missing in Barbour County Senior Center, Inc. We recognize that the Organization has segregated financial duties as much as possible among its present staff and is not large enough to make the employment of additional people for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities to describe the situation.

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

This report is intended solely for the information and use of the Board of Directors, management, and others with the Organization.

Buckhannon, West Virginia
March 5, 2010