

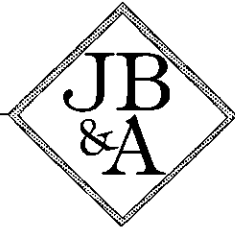
BARBOUR COUNTY SENIOR CENTER, INC.

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

SEPTEMBER 30, 2011

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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
Barbour County Senior Center, Inc.
Philippi, West Virginia

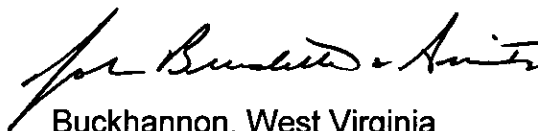
We have audited the accompanying statements of financial position of Barbour County Senior Center, Inc. (a nonprofit organization) as of September 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility 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, 2011, 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 a report dated March 9, 2012, on our consideration of Barbour County Senior 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.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of Barbour County Senior Center, Inc. taken as a whole. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by U. S. Office Management and Budget Circular A-133, Audits of State, Local Government, and Non-Profit Organizations, and West Virginia Department of Health and Human Services, and are 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 9, 2012

BARBOUR COUNTY SENIOR CENTER, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2011

ASSETS

Current Assets

Cash and cash equivalents	\$ 312,910
Certificate of deposit	162,245
Investments	66,739
Accounts receivable, net	64,835
Grants receivable	<u>111,916</u>

Total current assets 718,645

Property and Equipment, net 617,974

TOTAL ASSETS \$ 1,336,619

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 42,889
Accrued payroll and taxes	29,316
Accrued annual leave	17,277
Deferred revenue	<u>8</u>

Total current liabilities 89,490

Net Assets

Unrestricted	1,206,791
Permanently restricted	<u>40,338</u>
Total net assets	<u>1,247,129</u>

TOTAL LIABILITIES AND NET ASSETS \$ 1,336,619

The accompanying notes are an integral part of this statement.

BARBOUR COUNTY SENIOR CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Unrestricted	Permanently Restricted	Total
REVENUE AND SUPPORT			
Federal grant awards	\$ 601,982	\$	\$ 601,982
State grant	490,813		490,813
Donations	124,983		124,983
Continuum of care fees	189,155		189,155
Medicaid waiver fees	460,862		460,862
Project income	101,022		101,022
Interest income	4,448		4,448
Other income	35,482		35,482
Net assets released from restrictions:			
Restrictions satisfied with lapse of time	3,936	(3,936)	
Total Revenue and Support	2,012,683	(3,936)	2,008,747
EXPENSES			
Program Services			
Title III-B	45,092		45,092
Title III-D	1,685		1,685
Title III-E	12,071		12,071
Fair	33,292		33,292
Title III-C - Congregate	76,268		76,268
Title III-C - Home Delivered	316,041		316,041
Transportation	538,067		538,067
Community Care	173,812		173,812
Medicaid waiver	467,807		467,807
Lighthouse	92,934		92,934
Other programs	83,374		83,374
Support Services			
Management and General	-	-	-
Total Expenses	1,840,443	-	1,840,443
Change in Net Assets	172,240	(3,936)	168,304
NET ASSETS AT BEGINNING OF YEAR	1,034,551	44,274	1,078,825
NET ASSETS AT END OF YEAR	\$ 1,206,791	\$ 40,338	\$ 1,247,129

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, 2011**

Program Services

	Title III-B	Title III-D	Title III-E	Fair	Title III-C		Transportation
					Congregate	Home Delivered	
FUNCTIONAL EXPENSES							
Salaries and wages	\$ 27,746	\$ 938	\$ 7,957	\$ 23,572	\$ 29,693	\$ 92,567	\$ 187,594
Fringe benefits	4,068	548	1,048	3,346	3,563	12,745	60,560
Travel	7,398		1,380	1,379			2,100
Printing and supplies					309	1,692	368
Other operating supplies							60,037
Rawfood					19,082	95,754	
Disposables					764	22,664	
Repairs and maintenance					1,519	4,588	31,882
Broad base providers tax							
Communications and utilities					1,880	26,572	8,959
Rent occupancy costs							4,750
Dues/subscriptions/training					10	30	590
Insurance							10,040
Other costs					9,726	9,852	8,780
Professional fees							10,922
Transportation					3,504	21,711	111,727
Depreciation expense						8,176	
Allocated indirect costs	5,880	199	1,686	4,995	6,218	19,690	39,758
Total	\$ 45,092	\$ 1,685	\$ 12,071	\$ 33,292	\$ 76,268	\$ 316,041	\$ 538,067

BARBOUR COUNTY SENIOR CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Program Services</u>				<u>Support Services</u>	
	Community Care	Medicaid Waiver	Lighthouse	Other Programs	Management and General	Total
Salaries and wages	\$ 108,227	\$ 303,955	\$ 59,030	\$ 21,429	\$ 102,454	\$ 965,162
Fringe benefits	18,020	49,079	7,447	6,822	38,879	206,125
Travel	13,947	49,286	13,948	3,367		92,805
Printing and supplies	1,561			457	2,865	7,252
Other operating supplies					9,349	69,386
Rawfood						114,836
Disposables						23,428
Repairs and maintenance				3,360	422	41,771
Broad base providers tax						
Communications and utilities	559			51	18,660	56,681
Rent occupancy costs	930	930		16,740		23,350
Dues/subscriptions/training	1,544				465	2,639
Insurance					5,868	15,908
Other costs	6,017	141		24,275		58,791
Professional fees					5,047	15,969
Transportation						21,711
Depreciation expense				1,222		124,629
Allocated indirect costs	23,007	64,416	12,509	5,651	(184,009)	
Total	\$ 173,812	\$ 467,807	\$ 92,934	\$ 83,374	\$	\$ 1,840,443

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, 2011**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 168,304
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	124,629
(Increase) decrease in operating assets:	
Accounts receivable	(20,923)
Grants receivable	(76,730)
Increase (decrease) in operating liabilities:	
Accounts payable	(3,689)
Accrued payroll	631
Accrued annual leave	(1,827)
Deferred revenue	<u>(3,004)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>187,391</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investments	5,552
Certificate of Deposits	(3,560)
Capital expenditures	<u>(249,064)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(247,072)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

NET CASH USED IN FINANCING ACTIVITIES

NET INCREASE IN CASH AND CASH EQUIVALENTS	(59,681)
CASH AND CASH EQUIVALENTS, beginning of year	<u>372,591</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 312,910</u></u>

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 2011.

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. 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. 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 a reimbursement basis in which the Center requests monies based on expenditures made; this is utilized for Title III-B, Title III-D, Title III-E, Transit and Title VII grants. Upon completion of a grant year, any unexpended money has to be approved for carryover to the next grant year.

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, 2011, were \$ 601,982 and \$ 490,813, 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, 2011.

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 \$ 162,245 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, 2011, are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
BCCF-Barbour	\$ 15,714	\$ 1,067	\$ -0-	\$ 16,781
BCCF-Tenney	9,001	619	-0-	9,620
BCCF-Shaffer	37,733	2,605	-0-	40,338
	-----	-----	-----	-----
	\$ 62,448	\$ 4,291	\$ -0-	\$ 66,739
	=====	=====	=====	=====

Note 4. Accounts Receivable

Accounts receivable at September 30, 2011, were as follows:

Medicaid Waiver/Continuum of Care	\$ 60,976
Project income	3,859

	64,835
Less: Allowance for uncollectible accounts	0

Total accounts receivable	\$ 64,835
	=====

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

Note 5. Grants Receivable

Grants receivable at September 30, 2011, were as follows:

Title III-B	\$ 3,203
Title III-C	3,409
Life	76,319
Transportation	1,088
FAIR	7,382
Lighthouse	20,508
Elder Abuse	7

Total grants receivable	\$ 111,916
	=====

Note 6. Property and Equipment

Property and equipment consisted of the following at September 30, 2011:

Land	\$ 153,511
Equipment, furniture and fixtures	191,464
Vehicles	680,989
Leasehold improvements	235,939

Accumulated depreciation	(643,929)

Net property and equipment	\$ 617,974
	=====

Note 7. Restrictions on Net Assets

Permanently restricted net assets at September 30, 2011, 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 \$ 26,455 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 54 percent of its total support and revenue from various grants from the Federal and State governments.

In addition, the Center also receives about 32 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 these institutions at September 30, 2011 were covered by FDIC insurance.

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 9, 2012, the date on which the financial statements were available to be issued.

BARBOUR COUNTY SENIOR CENTER, INC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

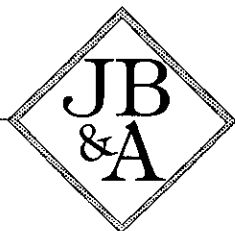
<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Expenditures</u>
U.S. Department of Transportation		
Pass-through from WV Department of Transportation		
Public Transportation in Nonurban Area - 49 USC Sec. 5311	20.509	\$ 323,517
Public Transportation in Nonurban Area - 49 USC Sec. 5311-AARA	20.509	31,528
U.S. Department of Health and Human Services		
Pass-through from Upper Potomac Area Agency on Aging, Inc.		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	20,197
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	181,914
Special Programs for the Aging - Title III, Part E - Cargiver	93.052	9,053
Special Programs for the Aging - Title III, Part D - Preventive Health Services/Medical Management	93.043	1,431
Special Programs for the Aging - Title VII, Elder Abuse Prevention	93.041	678
Health Benefits/Ship	93.071	15,500
CMS Research, Demonstration and Evaluation	93.779	325
Department of Veterans Affairs		
Veterans Medical Care Benefits	64.009	<u>17,839</u>
Total Expenditures of Federal Awards		<u><u>\$ 601,982</u></u>

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards included in the federal grant activity of Barbour County Senior Center, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The accompanying notes are an integral part of this schedule.

SUPPLEMENTAL INFORMATION



JOHN BURDETTE & ASSOCIATES

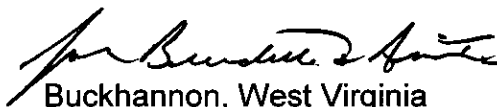
CERTIFIED PUBLIC ACCOUNTANTS

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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, 2011 appears on page 1 and 2. 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 and support, is 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 9, 2012

**BARBOUR COUNTY SENIOR CENTER, INC.
SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Title III-B	Title III-D	Title III-E	Fair	Title III-C	
					Congregate	Home Delivered
Federal financial assistance	\$ 20,197	\$ 1,431	\$ 9,053	\$	\$ 31,446	\$ 150,468
State grant	19,730	63		37,993	3,802	3,803
State LIFE allocated	1,434	191	2,971		27,575	128,651
Donations	3,025		47			19,949
Continuum of care						
Medicaid waiver fees						
Project income	706			2,678	15,495	38,368
Interest income						
Other						
Total Revenue and Support	45,092	1,685	12,071	40,671	78,318	341,239
Functional Expenses	45,092	1,685	12,071	33,292	76,268	316,041
Net Revenue (Expenditures)	\$	\$	\$	\$ 7,379	\$ 2,050	\$ 25,198

BARBOUR COUNTY SENIOR CENTER, INC.
SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

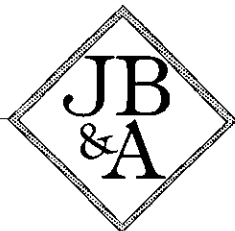
<u>Transportation</u>	<u>Personal Care</u>	<u>Lighthouse</u>	<u>Direct LIFE</u>	<u>Other</u>	<u>Total (Memorandum Only)</u>
\$ 355,045	\$	\$	\$	\$ 34,342	\$ 601,982
43,167		111,097	244,761	26,397	490,813
72,632			(244,761)	11,307	
				101,962	124,983
	189,155				189,155
	460,862				460,862
36,942		6,833			101,022
				4,448	4,448
				35,482	35,482
<u>507,786</u>	<u>650,017</u>	<u>117,930</u>		<u>213,938</u>	<u>2,008,747</u>
<u>538,067</u>	<u>641,619</u>	<u>92,934</u>		<u>83,374</u>	<u>1,840,443</u>
<u>\$ (30,281)</u>	<u>\$ 8,398</u>	<u>\$ 24,996</u>	<u>\$</u>	<u>\$ 130,564</u>	<u>\$ 168,304</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, 2011**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Community Partnership Grants			\$ 26,397
Total Direct Programs			<u>26,397</u>
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2011	21137	19,730
IIIC-1	June 30, 2011	2912	3,802
IIIC-2	June 30, 2011	2912	3,803
IIID	June 30, 2011	21137	63
LIFE	June 30, 2012	21204	109,698
LIFE	June 30, 2011	21104	135,063
Lighthouse	June 30, 2012	21251	32,184
Lighthouse	June 30, 2011	21151	78,913
FAIR	June 30, 2012	21251	10,350
FAIR	June 30, 2011	21151	27,643
Transit	June 30, 2012	S531110	14,000
Transit	June 30, 2011	WV-State- 10	<u>29,167</u>
Total pass-through awards			<u>464,416</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u><u>\$ 490,813</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, 2011, and have issued our report thereon dated March 9, 2012. 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 Barbour County Senior 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.


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.

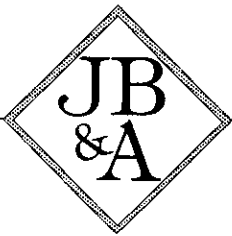
However, we noted other matters involving the internal control over financial reporting, which we have reported to management of Barbour County Senior Center, Inc. in a separate letter dated March 9, 2012.

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*.

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 9, 2012



JOHN BURDETTE & ASSOCIATES

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited Barbour County Senior Center, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct material effect on each of Barbour County Senior Center, Inc.'s major federal programs for the year ended September 30, 2011. Barbour County Senior Center, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Barbour County Senior Center, Inc.'s management. Our responsibility is to express an opinion on Barbour County Senior Center, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Barbour County Senior Center, Inc.'s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Barbour County Senior Center, Inc.'s compliance with those requirements.

In our opinion, Barbour County Senior Center, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2011.

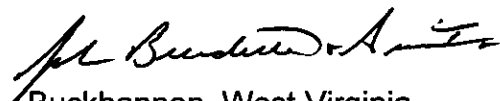
Internal Control Over Compliance

Management of Barbour County Senior Center, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Barbour County Senior Center, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Barbour County Senior Center, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Buckhannon, West Virginia
March 9, 2012

**BARBOUR COUNTY SENIOR CENTER, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Section 1 - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness identified? yes no

Significant deficiencies identified that are not considered
to be material weaknesses? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs?

Material weakness identified? yes no

Significant deficiencies identified that are not considered
to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in
accordance with section 510(a) of Circular A-133? yes none reported

Identification of major programs?

<u>CFDA</u> <u>Number</u>	<u>Name of Federal Program Cluster</u>
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20.509	Public Transportation
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Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

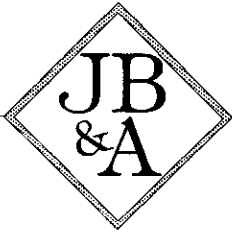
Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

None

Section III - Federal Awards Findings and Questioned Costs

None



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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, 2011 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 9, 2012, 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 9, 2012