

428 Second St.
Marietta, OH 45750
740.373.0056

1035 Murdoch Ave
Parkersburg, WV 26101
304.422.2203

121 E Main St
St. Clairsville, OH 43950
740.695.1569



MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
Regular Audit
For the Year Ended September 30, 2014

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MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.

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INDEPENDENT AUDITOR'S REPORT

May 14, 2015

Marshall County Senior Citizens Center, Inc.
805 Fifth Street
Moundsville, WV 26041

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Marshall County Senior Citizens Center, Inc.** (the Center) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the center's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the center's internal control. Accordingly, we express no such opinion.

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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Marshall County Senior Citizens Center, Inc. as of September 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Federal Awards and the Schedule of State and Other Awards are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2015, on our consideration of the Center'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* in considering the Center's internal control over financial reporting and compliance.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2014

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 316,802
Grants Receivable	50,512
Prepaid Expense	8,577
Total Current Assets	375,891

Noncurrent Assets:

Land	40,000
Land Improvements	25,513
Building and Building Improvements	528,303
Equipment	60,435
Vehicles	179,011
Less: Accumulated Depreciation	(437,130)
Total Noncurrent Assets	396,132

TOTAL ASSETS **\$ 772,023**

LIABILITIES AND NET ASSETS:

Current Liabilities:

Accounts Payable	\$ 8,354
Accrued Liabilities	26,477
Total Current Liabilities	34,831

Total Liabilities 34,831

Net Assets:

Unrestricted Net Assets	737,192
Total Net Assets	737,192

TOTAL LIABILITIES AND NET ASSETS **\$ 772,023**

The accompanying notes are an integral part of these financial statements

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

REVENUES, GAINS, AND OTHER SUPPORT:

Federal Grant Revenue	\$	55,451
State Community Partnership		10,928
LIFE Revenue		176,732
Lighthouse Revenue		193,269
FAIR Revenue		47,488
Title III-B Revenue		36,811
Other State Revenue		946
Program Fees		16,691
Contributions		38,020
Contributions - County Commission		90,000
Special Event Fundraisers		78,300
Rental Income		7,863
Interest Income		872
		872
Total Revenues, Gains, and Other Support		753,371

EXPENSES AND LOSSES:

Program Services		
Title III-B		123,796
Title III-D		1,688
Title III-E		25,704
Lighthouse		164,540
Medicaid		31
LIFE		171,594
FAIR		38,422
Other Programs		660
Support Services		
Management and General		192,141
		192,141
Total Expenses and Losses		718,576
Changes in Net Assets		34,795
NET ASSETS, Beginning of Year		702,397
NET ASSETS, End of Year	\$	737,192

The accompanying notes are an integral part of these financial statements

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Title III-B	Title III-D	Title III-E	Lighthouse	Medicaid	LIFE	FAIR	Other Programs	MNGT and General	Total
Salaries and Wages	\$ 78,404			\$ 121,241		\$ 81,620	\$ 28,044	-	44,714	354,023
Payroll Taxes and Fringes	17,916			35,925		18,549	8,427	-	13,699	94,516
Training and Travel Costs				4,948	31	425	865	-	-	6,269
Printing and Supplies	265	556		301		2,116	186	-	234	3,658
Communication & Utilities	4,553			1,626		7,879	650	-	707	15,415
Transportation Expenses	22,806					5,002		-	100	27,908
Senior Program Activities		940				26,683		-	97	27,720
Contract Services						2,087		260	163	2,510
Advertising		192				518		-	-	710
Liability Insurance						9,614		-	(1,049)	8,565
Professional Fees	(397)		25,704	416		8,017	208	-	5,613	39,561
Repairs and Maintenance	154			51		8,925	26	400	737	10,293
Special Events								-	75,071	75,071
Depreciation								-	42,397	42,397
Payments to Satellites								-	9,600	9,600
Miscellaneous	95			32		159	16	-	58	360
Total Expenses	\$ 123,796	\$ 1,688	\$ 25,704	\$ 164,540	\$ 31	\$ 171,594	\$ 38,422	\$ 660	\$ 192,141	\$ 718,576

The accompanying notes are an integral part of these financial statements

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30,2014

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 34,795
Adjustments to Reconcile Net Operating Expense to Net Cash Provided by Operating Activities:	
Depreciation	42,397
(Increase) Decrease in Operating Assets:	
Grants Receivable	(13,562)
Prepaid Expenses	(586)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	2,149
Accrued Liabilities	<u>389</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>65,582</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Capital Asset	(38,670)
Sale of Capital Asset	<u>3,792</u>
NET CASH FLOWS USED BY INVESTING ACTIVITIES	<u>(34,878)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	30,704
BEGINNING CASH AND CASH EQUIVALENTS	<u>286,098</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 316,802</u></u>

The accompanying notes are an integral part of these financial statements

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 1 DESCRIPTION OF THE ENTITY

The Marshall County Senior Citizen's Center, Inc. (the Center) is the administrator of the project funded under Title III, Part B of the Older Americans Act of 1965, as amended. The purpose of the program is to staff and operate a senior center to be available to older Americans (age 60 and over) residing in Marshall County, West Virginia. In general, the program attempts to correspond its services to the needs and wishes of these Americans. Social Services currently being provided by the program include information and referral services, transportation and educational services, health related services and various recreational activities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Tax

The Marshall County Senior Citizen's Center, Inc. is a nonprofit organization as described in Section 501(c)(4) of the Internal Revenue Code and is exempt from federal and state income taxes. 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)(2) of the Internal Revenue Code.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Center and recognize a tax liability (or asset) if the Center has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Center, and has concluded that as of September 30, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Center is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Center's Federal Return of Organization from Income Tax (federal Form 990) for 2011, 2012 and 2013 are subject to examination by the IRS, generally for three years after they were filed.

Basis of Presentation

The Financial Accounting Standards Board issued Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) No. 958, Financial Statements of Not-for-Profit Organizations. Under FASB ASC No. 958, defined nonprofits are required to report information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Consequently revenues from grants and other income sources are recognized in the financial statements for the period when the income is earned by the Center as opposed to when the income is actually received. Expenses are recognized in the financial statements for the period when incurred by the Center regardless of when funds are dispensed for payment of the expense.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Center considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

The Center expenses all advertising costs when incurred.

Property and Equipment

Property and equipment is stated at cost. Depreciation of property and equipment is computed on the straight-line method over the estimated useful lives of the assets, which range from five to thirty-one and one half years. The Center capitalizes acquisitions of property and equipment in excess of \$500. Lesser amounts are expensed. Donations of property, plant and equipment are recorded as support at their estimated fair value. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding the length of time donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property acquired through donations which place permanent limitations on the use or on the proceeds from disposal of such property, or whose title may revert to a third party, are classified as permanently restricted net assets at the time they are acquired.

Public Support and Revenue

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their values in the period received.

Financial Statement Presentation

The Center 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. At September 30, 2014, the Center had no restricted assets.

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk Management

The Center obtained general, property and casualty, and liability coverage for itself and its employees through a third party insurance company for its insurable risks. Any loss in excess of the \$1,000,000 policy limit will be borne by the Center. The Center obtained workers' compensation coverage through a private insurance company for job related injuries. The private insurance company retains the risk related to the compensation of injured employees under the coverage.

Fair Value Measurements

FASB guidance on fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The guidance applies to all assets and liabilities that are measured and reported on a fair value basis. The carrying amounts of the Center's cash, cash equivalents, grants receivable, prepaid expenses, accounts payable, and accrued liabilities, approximate fair value due to the short maturity of these instruments.

NOTE 3 CONCENTRATIONS

The Marshall County Senior Citizen's Center, Inc. receives a substantial amount of its support from Federal, State, and local governments. A significant reduction in this support would have a major effect on the Center's programs and activities.

NOTE 4 SIGNIFICANT CONCENTRATION OF CREDIT RISK

The Marshall County Senior Citizen's Center, Inc. maintains deposit accounts in two commercial banks. The deposit accounts are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2014 deposits in these accounts did not exceed the \$250,000 limit.

NOTE 5 LEASES

The Center is the lessor of space classified as an operating lease. The lease is renewable annually. The leased space is a small portion of the Center's overall facilities.

The Center is the Lessee of space on a month to month basis to conduct its bingo and raffle fundraising activities. Rent expense paid for the rental of the facility to conduct this special event activity totaled \$11,500 for the year ended September 30, 2014.

NOTE 6 DONATED SERVICES

The Center receives donated services from unpaid volunteers who assist in special projects. No amounts have been recognized in the statement of activities because the criteria for recognition have not been satisfied under the FASB ASC *Revenue Recognition* topic.

MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 7 FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities by the Center have been summarized on a program basis in the statement of activities and are accounted for in greater detail in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 8 SPECIAL EVENT FUNDRAISERS

The Center held various special event fundraising activities during the year ended September 30, 2014. Gross revenues and direct expenses related to those activities are as follows for the year ended September 30, 2014:

Fundraising revenue	\$ 78,300
Fundraising expenses	<u>(50,177)</u>
Net fundraising income	<u>\$ 28,123</u>

NOTE 9 SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur during the subsequent event period, which is the period subsequent to the date of the statement of financial position, but before financial statements are issued or are available to be issued. The Center has evaluated subsequent events through May 14, 2015, the date for which the financial statement were available to be issued and determined that no adjustments were necessary to the financial statements due to subsequent events.

Marshall County Senior Citizens Center
Schedule of Federal Awards
 For the Fiscal Year Ended September 30, 2014

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grant I.D. Number	Total Federal Awards
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through WV Bureau of Senior Services and Bel-O-Mar Regional Council Planning Commission:			
Title IIIB	93.044	21435	\$ 30,402
Title IIID	93.043	21435	2,505
Title IIIE	93.052	21435	<u>17,326</u>
Total United States Department of Health and Human Services			<u>50,233</u>
Total of Federal Awards			<u><u>\$ 50,233</u></u>

The accompanying notes to this schedule are in integral part of this schedule.

**MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Note 1 Basis of Presentation:

The accompanying Schedule of Federal Awards is prepared on the cash basis of accounting.

Marshall County Senior Citizens Center
Schedule of State and Other Awards
For the Fiscal Year Ended September 30, 2014

State Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Grant I.D. Number	Total State Awards
STATE AWARDS		
DIRECT PROGRAMS:		
In Home Services	21349	240,757
Total In Home Services		<u>240,757</u>
Community Partnership Grants	SC21457	10,928
Total Direct Programs		<u>251,685</u>
PASS THROUGH AWARDS:		
WV Bureau of Senior Services passed through Bel-O-Mar Regional Council Planning Commission:		
Title IIIB Services	21435	36,811
Title IIID Services	21435	468
Life	21402	191,555
Total Life		<u>191,555</u>
Other State Income	Various	478
Total Pass Through Awards		<u>229,312</u>
Total State Awards		<u>\$ 480,997</u>

The accompanying notes to this schedule are in integral part of this schedule.

**MARSHALL COUNTY SENIOR CITIZENS CENTER, INC.
NOTES TO THE SCHEDULE OF STATE AND OTHER AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Note 1 Basis of Presentation:

The accompanying Schedule of State and Other Awards is prepared on the cash basis of accounting.



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**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

May 14, 2015

Marshall County Senior Citizens Center, Inc.
805 Fifth Street
Moundsville, WV 26041

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Marshall County Senior Citizens Center, Inc. (the Center) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 14, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
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Marietta, Ohio