

Hampshire County Committee on Aging, Inc.

Audited Financial Statements

September 30, 2013

Audited by

**Williams & Associates, AC
204 Davis Avenue, Post Office Box 2727
Elkins, West Virginia 26241**

Hampshire County Committee on Aging, Inc.
TABLE OF CONTENTS
For the Year Ended September 30, 2013

INDEPENDENT AUDITOR'S REPORT	1
 FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities & Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6-12
 SUPPLEMENTAL INFORMATION	
Statement of Activities by Program (includes Functional Expenses)	13
 INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	
	14
 MANAGEMENT INFORMATION	
Management Letter	16

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hampshire County Committee on Aging Inc
Romney, West Virginia

We have audited the accompanying financial statements of Hampshire County Committee on Aging Inc (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities 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. 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 entity'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 entity's internal control. Accordingly, we express no such opinion. 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 Hampshire County Committee on Aging Inc as of September 30, 2013, 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 statement of activities by program on page 12 is presented for purposes of additional analysis and is 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 June 19, 2014, on our consideration of Hampshire County Committee on Aging Inc's internal control over financial reporting and on 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 Hampshire County Committee on Aging Inc's internal control over financial reporting and compliance.

Williams & Associates, A.C.

Williams & Associates, A.C.
Elkins, West Virginia
June 19, 2014

Hampshire County Committee on Aging, Inc.
STATEMENT OF FINANCIAL POSITION
September 30, 2013

ASSETS

Current Assets

Cash & Equivalents	\$ 144,918
Accounts Receivable	108,176
Grants Receivable	68,541
Prepaid Expenses	11,786
Inventory	6,208
Total Current Assets	<u>339,629</u>

Fixed Assets

Buildings & Equipment	1,761,116
Accumulated Depreciation	<u>(714,180)</u>
Fixed Assets, net	<u>1,046,936</u>

TOTAL ASSETS \$ 1,386,565

LIABILITIES & NET ASSETS

Liabilities

Current Liabilities

Accounts Payable	\$ 22,809
Payroll Tax Liabilities	5,396
Accrued Wages	54,914
Deferred Compensation	27,372
Current Portion of Long-term Debt	8,883
Total Current Liabilities	<u>119,374</u>

Long-Term Liabilities

Mortgage Payable	262,773
OPEB Liability	<u>269,299</u>
Total Long-Term Liabilities	<u>532,072</u>

Total Liabilities 651,446

Net Assets

Net Assets, Unrestricted	<u>735,119</u>
Total Net Assets	<u>735,119</u>

LIABILITIES & NET ASSETS \$ 1,386,565

The accompanying notes are an integral part of these financial statements.

Hampshire County Committee on Aging, Inc.
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

REVENUE & SUPPORT

Grant Revenues:

Federal	\$ 40,289
State	210,514
Nutrition	122,709
LIFE	187,882
Program Service Fees	1,122,658
Project Income	73,086
Contributions	3,590
Fundraising	2,104
Interest & Dividends	294
Net Gain(Loss) on Disposal of Assets	17,731
Other Income	51,065

TOTAL REVENUE & SUPPORT 1,831,922

EXPENSES

Program Service Expenses	1,587,853
Management & General	297,654

TOTAL EXPENSES 1,885,507

INCREASE(DECREASE) IN NET ASSETS (53,585)

NET ASSETS, Beginning of Year 788,704

NET ASSETS, End of Year \$ 735,119

The accompanying notes are an integral part of these financial statements.

Hampshire County Committee on Aging, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Increase(Decrease) in Net Assets	\$ (53,585)
Adjustments to reconcile net income to net cash provided(used) by operating activities:	
Depreciation	51,820
Gain on Sale of Vehicles	(17,731)
(Increase)Decrease in Accounts Receivable	5,673
(Increase)Decrease in Grants Receivable	5,411
(Increase)Decrease in Prepaid Expenses	1,990
(Increase)Decrease in Inventory	1,703
Increase(Decrease) in Accounts Payable	10,088
Increase(Decrease) in Payroll Tax Liabilities	5,396
Increase(Decrease) in Accrued Wages	(1,244)
Increase(Decrease) in Deferred Compensation	2,921
Increase(Decrease) in OPEB Liability	<u>7,014</u>
Net cash provided(used) by operating activities	<u>19,456</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Sales/Disposals of Fixed Assets	17,731
Purchases of Fixed Assets	<u>(24,289)</u>
Net Cash provided(used) by financing activities	<u>(6,558)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Payments of Long-term Debt	<u>(25,991)</u>
Net Cash provided(used) by investing activities	<u>(25,991)</u>

INCREASE(DECREASE) IN CASH (13,093)

CASH BALANCE, 10/1/12 158,011

CASH BALANCE, 9/30/13 \$ 144,918

The accompanying notes are an integral part of these financial statements.

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 1. Summary of Significant Accounting Policies

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

Organization

Hampshire County Committee on Aging, Inc. is a nonprofit organization formed to improve the quality of life for senior citizens in Hampshire County, WV. The organization is funded by various federal and state grant programs as well as program service fees for providing in-home care services through various programs of the WV Department of Health and Human Services.

Basis of Accounting

The financial statements of Hampshire County Committee on Aging, 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 Statements of Accounting Standards Codification 958-205, *Not-for-Profit Entities: Presentation of Financial Statements*. Under ASC 958-205, 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.

Under these provisions, net assets and revenues, expenses, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted – Net assets that are not subject to donor-imposed stipulations. These are resources over which the Board of Directors has discretionary control.

Temporarily Restricted – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or with the passage of time. When a 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.

Permanently Restricted – Resources subject to a donor restriction that they be maintained permanently by the Organization. There were no permanently restricted net assets as of September 30, 2013.

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 1. Summary of Significant Accounting Principles (Continued)

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The organizations returns for 2012, 2011, and 2010 remain subject to examination by the Internal Revenue Service.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Accounts and Grants Receivable

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs, the Veterans Administration, as well as amounts due from private pay clients. As of September 30, 2013, all accounts receivable are deemed collectible.

Grants receivable represent amounts invoiced by the Organization to grantor agencies under the terms of their grant agreements. As of September 30, 2013, all grants receivable are deemed collectible.

The Organization uses the direct write-off method for accounting for bad debts wherein accounts are written off in the period management determines that collection is not probable.

Inventory

Inventory consists primarily of raw food, disposables, and supplies purchased under the Title III-C grant and are recorded at cost, as determined by the last purchase price, on a first-in, first-out basis.

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 1. Summary of Significant Accounting Principles (Continued)

Property and Equipment

The Organization is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. All equipment/vehicles purchased with grant monies must be disposed of in accordance with the grantor agency's policies. The Organization has adopted a capitalization policy in the amount of \$1000. Maintenance and repairs are expensed when incurred.

Revenue Recognition

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. There were no temporarily or permanently restricted net assets as of or for the year ended September 30, 2013.

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE program grant.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, and Title III-D/MM grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year. If approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C grant funds are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings. Grant revenues for the year ended September 30, 2013 were \$561,394.

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 2. Certificates of Deposit

The organization has two certificates of deposit at the Bank of Romney.

A 91-day certificate of deposit dated September 20, 2013, maturing on December 20, 2013, bearing an interest rate of 0.25%. The balance on this CD at September 30, 2013 was \$20,115.

A 91-day certificate of deposit dated July 23, 2013, maturing on October 22, 2013, bearing an interest rate of 0.25%. The balance on this CD at September 30, 2013 was \$38,724.

Note 3. Accounts Receivable

Accounts receivable consisted of the following at September 30, 2013:

WV DHHR	\$ 89,542
Veterans Administration	11,526
Private Pay Clients	<u>7,108</u>
	<u>\$ 108,176</u>

Note 4. Grants Receivable

Grants receivable consisted of the following at September 30, 2013:

LIFE	\$ 32,859
Title IIIC	15,149
FAIR/Lighthouse	13,068
Title IIIB	6,595
SHIP	<u>870</u>
	<u>\$ 68,541</u>

Note 5. Property and Equipment

Property and equipment consisted of the following at September 30, 2013:

Land	\$ 214,587
Land Improvements	59,507
Buildings	1,032,258
Equipment	<u>454,764</u>
Total Fixed Assets	1,761,116
Less accumulated depreciation	<u>(714,180)</u>
Net property and equipment	<u>\$ 1,046,936</u>

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 6. Mortgage Payable

Mortgage payable consists of a loan from the Bank of Romney with an original principal amount of \$380,879 due in monthly installments of \$2,105.94 which began on October 19, 2010, bearing an interest rate of 4.92%, and secured by deed of trust on 8.111 acres, more or less, and building and UCC on equipment and furnishings.

Future scheduled maturities for years ending September 30 are:

2014	\$	8,883
2015		9,330
2016		9,799
2017		10,293
2018		10,811
Thereafter		222,540
		\$ 271,656

Note 7. Retirement Plan

The organization sponsors a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. Full-time employees are eligible to participate in the plan. Employee contributions are voluntary and are made on a pretax basis. Currently employer contributions are 9.5% of the employee's earnings. The employer's share of retirement payments for the current year was \$31,661 and is included in personnel costs on the statement of activities by program.

Note 8. Cash Deposits

Cash consists of interest and non-interest bearing checking and savings accounts on deposit in institutions insured by the Federal Deposit Insurance Corporation (FDIC). Deposit accounts, at times, may exceed federally insured limits. The organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. All the carrying values are the same as market value. As of September 30, 2013, all deposits were fully insured by the FDIC.

Note 9. Donated Services

The organization has a number of volunteers who have donated time and services in carrying out its programs and activities. These donated services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services as defined by FASB ASC 958-605 *Not-for-Profit Entities: Recognition Principles*.

Note 10. Advertising

Advertising costs are expensed as incurred. Advertising costs for the year ended September 30, 2013 were \$1,068.

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 11. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets.

Note 12. Compensation Absences

Amounts owed to employees for earned but unused vacation time are accrued as a liability in the statement of financial position. As of September 30, 2013, the organization had \$27,372 in accrued compensation absences.

Note 13. Subsequent Events

Management has evaluated events subsequent to the balance sheet date through the date of the independent accountants' report, the date on which the financial statements were available to be issued, for items requiring adjustment or disclosure in these financial statements.

Note 14. Other Post Employment Benefits (OPEB)

The organization contributes to the West Virginia Retiree Health Care Health Benefit Trust Fund (Trust), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the West Virginia Public Employees Insurance Agency (PEIA). The Trust provides medical benefits to retired employees. West Virginia Code §16D assigns PEIA with the administration of the WV OPEB plan. PEIA issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. The report may be obtained by writing to Public Employees Insurance Agency, 1900 Kanawha Blvd, East, Charleston, WV 25305.

West Virginia Code §5-16D-6 requires PEIA to bill the entire annual required contribution (ARC) beginning July 1, 2007 to employers. PEIA is only required to collect the minimum annual employer payment (MAEP), which is only a component of the ARC. Employers are required to record OPEB expense equal to the billed ARC and reflect a liability in their financial statements for any unpaid portion of the ARC.

The following shows the components of the organization's annual OPEB cost for the year ended September 30, 2013, the amount actually contributed to the plan and changes in the Agency's net OPEB obligations.

Annual Required Contributions (ARC)	\$ 18,738
Adjustments	<u>0</u>
Annual OPEB cost	\$ 18,738
Contributions made	<u>(11,724)</u>
Increase in OPEB liability	\$ 7,014
OPEB Liability, 10/1/12	<u>\$262,285</u>
OPEB Liability, 9/30/13	<u>\$269,299</u>

Hampshire County Committee on Aging, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

Note 15. Contingencies

The organization receives grant funding from federal and state agencies. The grant expenditures are subject to audit by the granting agencies. These audits are conducted to insure compliance with conditions of the grant award. Instances of noncompliance could result in grant awards being repaid. Any potential adjustments are believed to be immaterial.

The organization is at risk of loss from various torts and lawsuits. These risks are mitigated by maintaining insurance with the West Virginia Board of Risk.

Hampshire County Committee on Aging, Inc.
STATEMENT OF ACTIVITIES BY PROGRAM
For the Year Ended September 30, 2013

Program Services

	III-B	III-C	III-D	III-D/ MM	III-E	Waiver/ COC/CM	LIFE	FAIR/LH	Other Programs	Subtotal	General	Total
Revenue & Support												
Grant Revenue												
Federal	\$ 29,836	\$ -	\$ 1,096	\$ 341	\$ 9,016	\$ -	\$ -	\$ -	\$ -	\$ 40,289	\$ -	\$ 40,289
State	20,426	6,463	3,537				160,856		19,232	210,514		210,514
Nutrition		122,709								122,709		122,709
LIFE		55,004					132,878			187,882		187,882
Program Service Fees						1,010,044		12,275	100,339	1,122,658		1,122,658
Project Income	5,502	67,584								73,086		73,086
Contributions										-	3,590	3,590
Fundraising										-	2,104	2,104
Interest Income									3	3	291	294
Net Gain(Loss) on Disposal of Assets										-	17,731	17,731
Other Income										-	51,065	51,065
Total Revenue & Support	55,764	251,760	4,633	341	9,016	1,010,044	132,878	173,131	119,574	1,757,141	74,781	1,831,922
Expenses												
Payroll & Benefits	29,785	170,214			13,921	772,107	39,176	118,504	64,835	1,208,542	122,123	1,330,665
Communications & Utilities		23,966								23,966	14,482	38,448
Food & Disposables		103,500								103,500		103,500
Equipment & Repairs	2,843	18,297				3,710	540	40	870	26,300	13,917	40,217
Office Supplies	7,731	3,395				2,132		300	100	13,658	5,921	19,579
Travel & Training	17,734	7,919			513	130,202		18,875	10,703	185,946	4,414	190,360
Depreciation										-	51,820	51,820
Interest										-	14,011	14,011
Professional Fees		4,600	450			1,065				6,115	7,281	13,396
Bad Debts						4,813		20	156	4,989	25	5,014
Advertising		55				30				85	983	1,068
Insurance										-	8,275	8,275
Other Expenses		5,149	647	343		7,903		425	285	14,752	54,402	69,154
Total Expenses	58,093	337,095	1,097	343	14,434	921,962	39,716	138,164	76,949	1,587,853	297,654	1,885,507
Change in Net Assets	\$ (2,329)	\$ (85,335)	\$ 3,536	\$ (2)	\$ (5,418)	\$ 88,082	\$ 93,162	\$ 34,967	\$ 42,625	\$ 169,288	\$ (222,873)	\$ (53,585)

The notes are an integral part of these financial statements.

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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

To the Board of Directors
Hampshire County Committee on Aging Inc
Romney, West Virginia

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 Hampshire County Committee on Aging Inc (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hampshire County Committee on Aging Inc'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 Hampshire County Committee on Aging Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of Hampshire County Committee on Aging Inc'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 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. 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 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hampshire County Committee on Aging Inc'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Williams & Associates, A.C.

Williams & Associates, A.C.
Elkins, West Virginia
June 19, 2014

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MANAGEMENT LETTER

To the Board of Directors
Hampshire County Committee on Aging, Inc
Romney, West Virginia

Our audit on the financial statements of Hampshire County Committee on Aging, Inc., for the year ended September 30, 2013, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

Segregations of Duties

During our audit we noted that two people perform most of the accounting and financial duties. As a result, many aspects of internal accounting control which rely upon an adequate segregation of duties are for all practical purposes missing in the Hampshire County Committee on Aging, Inc. We recognize that the Organization is not large enough to make the employment of additional staff for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities, to describe the situation.

After you have had the opportunity to review these comments and recommendations, we would be pleased to discuss those points that you desire. We would like to thank your staff for their assistance in performing the audit and the Board of Directors for the opportunity to serve Hampshire County Committee on Aging, Inc.

Williams & Associates, A.C.

Elkins, West Virginia
June 19, 2014