

**Hampshire County Committee on Aging, Inc.**

**Audited Financial Statements**

For the Years Ended  
September 30, 2015 and 2016

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

**Hampshire County Committee on Aging, Inc.**  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Hampshire County Committee on Aging, Inc.  
Romney, WV 26757

### Report on Financial Statements

We have audited the accompanying financial statements of the Hampshire County Committee on Aging, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2015 and 2016, and the related statements of activities and cash flows for the years 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.

### Auditors' 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 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 the Hampshire County Committee on Aging, Inc., as of September 30, 2015 & 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Supplemental and Other Information

The statement of activities by program is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal (and state) awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200. *Uniform Administrative Requirements, Code Principles, and Audit Requirements for Federal Awards*, and is also 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 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 26, 2017, on our consideration of the 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 the Hampshire County Committee on Aging, Inc.'s internal control over financial reporting and compliance.

*Williams & Associates A. C.*

Elkins, West Virginia  
June 26, 2017

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF FINANCIAL POSITION**  
**September 30, 2015 and 2016**

<b>ASSETS</b>	<b>2015</b>	<b>2016</b>
<b>Current Assets</b>		
Cash & Equivalents	\$ 37,307	\$ 25,978
Accounts Receivable	130,278	114,705
Grants Receivable	45,059	60,583
Prepaid Expenses	12,447	12,222
Inventory	4,862	4,481
Total Current Assets	229,953	217,969
 <b>Fixed Assets</b>		
Buildings & Equipment	1,800,001	1,811,676
Accumulated Depreciation	(818,556)	(868,465)
Fixed Assets, net	981,445	943,211
<b>TOTAL ASSETS</b>	<b>\$ 1,211,398</b>	<b>\$ 1,161,180</b>
 <b>LIABILITIES &amp; NET ASSETS</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 17,865	\$ 22,770
Payroll Liabilities	9,482	4,434
Accrued Wages	60,975	53,352
Deferred Compensation	33,828	29,848
Deferred Revenue	5,583	4,892
Line of Credit	-	19,000
Current Portion of Long-term Debt	9,799	10,293
Total Current Liabilities	137,532	144,589
 <b>Long-Term Liabilities</b>		
Mortgage Payable	232,809	218,734
OPEB Liability	295,285	308,564
Total Long-Term Liabilities	528,094	527,298
Total Liabilities	665,626	671,887
 <b>Net Assets</b>		
Net Assets, Unrestricted	545,772	489,293
Total Net Assets	545,772	489,293
<b>LIABILITIES &amp; NET ASSETS</b>	<b>\$ 1,211,398</b>	<b>\$ 1,161,180</b>

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

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF ACTIVITIES**  
**For the Years Ended September 30, 2015 and 2016**

	<u>2015</u>	<u>2016</u>
<b>REVENUE &amp; SUPPORT</b>		
Grant Revenues:		
Federal	\$ 34,679	\$ 41,864
State	403,027	403,188
Nutrition	128,086	129,897
Program Service Fees	1,214,722	1,207,048
Project Income	58,118	50,338
Contributions	39,224	37,574
Other Income	614	2,313
Interest & Dividends	75	3
<b>TOTAL REVENUE &amp; SUPPORT</b>	<u>1,878,545</u>	<u>1,872,225</u>
<b>EXPENSES</b>		
Program Service Expenses	1,584,622	1,585,539
Management & General	397,613	343,165
<b>TOTAL EXPENSES</b>	<u>1,982,235</u>	<u>1,928,704</u>
<b>INCREASE(DECREASE) IN NET ASSETS</b>	(103,690)	(56,479)
<b>NET ASSETS, Beginning of Year</b>	<u>649,462</u>	<u>545,772</u>
<b>NET ASSETS, End of Year</b>	<u><u>\$ 545,772</u></u>	<u><u>\$ 489,293</u></u>

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

**Hampshire County Committee on Aging, Inc.**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**For the Years Ended September 30, 2015 and 2016**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u><b>2015</b></u>	<u><b>2016</b></u>
Increase(Decrease) in Net Assets	\$ (103,690)	\$ (56,479)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	52,721	49,909
(Increase)Decrease in Accounts Receivable	(17,886)	15,573
(Increase)Decrease in Grants Receivable	5,433	(15,524)
(Increase)Decrease in Prepaid Expenses	2,256	225
(Increase)Decrease in Inventory	1,554	381
Increase(Decrease) in Accounts Payable	5,161	4,905
Increase(Decrease) in Payroll Liabilities	-	(5,048)
Increase(Decrease) in Accrued Wages	2,068	(7,623)
Increase(Decrease) in Deferred Compensation	4,737	(3,980)
Increase(Decrease) in Deferred Revenue	5,583	(691)
Increase(Decrease) in OPEB Liability	<u>17,916</u>	<u>13,279</u>
Net cash provided by (used in) operating activities	<u>(24,147)</u>	<u>(5,073)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Fixed Assets	<u>(13,020)</u>	<u>(11,675)</u>
Net Cash provided by (used in) financing activities	<u>(13,020)</u>	<u>(11,675)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Line of Credit		210,764
Payments on Line of Credit	-	(191,764)
Payments of Long-term Debt	<u>(14,132)</u>	<u>(13,581)</u>
Net Cash provided by (used in) investing activities	<u>(14,132)</u>	<u>5,419</u>
<b>INCREASE(DECREASE) IN CASH</b>	(51,299)	(11,329)
<b>CASH BALANCE, Beginning of Year</b>	<u>88,606</u>	<u>37,307</u>
<b>CASH BALANCE, End of Year</b>	<u><u>\$ 37,307</u></u>	<u><u>\$ 25,978</u></u>
Supplemental Disclosures of Cash Flows:		
Interest Expense	<u><u>\$ 12,322</u></u>	<u><u>\$ 11,926</u></u>

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

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**Note 1. Summary of Significant Accounting Policies**

This summary of significant accounting policies of 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 years ended September 30, 2015 and 2016.



**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**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 the last three years 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, 2015 and 2016, 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, 2015 and 2016, 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**  
**For Years Ended September 30, 2015 and 2016**

**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 \$1,000. 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, 2015 and 2016.

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 years ended September 30, 2015 and 2016 were \$565,792 and \$574,949, respectively.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**Note 2. 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. 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. As of the years ended September 30, 2015 and 2016, all deposits are fully insured by the FDIC.

**Note 3. Accounts Receivable**

Accounts receivable consisted of the following as of September 30:

	<u>2015</u>	<u>2016</u>
WV DHHR	\$ 95,106	\$ 95,248
Veterans Administration	26,818	19,457
Title III-B – Project Income	354	0
Title III-C – Donations	7,420	0
Other – Local	<u>580</u>	<u>0</u>
	<u>\$ 130,278</u>	<u>\$ 114,705</u>

**Note 4. Grants Receivable**

Grants receivable consisted of the following as of September 30:

	<u>2015</u>	<u>2016</u>
LIFE	\$ 8,032	\$ 10,129
Title IIIB	7,286	10,337
Title IIIC	14,410	23,907
FAIR/Lighthouse	<u>15,331</u>	<u>16,210</u>
	<u>\$ 45,059</u>	<u>\$ 60,583</u>

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**Note 5. Property and Equipment**

Property and equipment consisted of the following as of September 30:

	<u>2015</u>	<u>2016</u>
Land	\$ 214,587	\$ 214,587
Land Improvements	74,407	74,407
Buildings	1,033,858	1,033,858
Equipment	<u>477,149</u>	<u>488,824</u>
Total Fixed Assets	1,800,001	1,811,676
Less accumulated depreciation	<u>(818,556)</u>	<u>(868,465)</u>
Net property and equipment	<u>\$ 981,445</u>	<u>\$ 943,211</u>

Depreciation expense for years ended September 30, 2015 and 2016 was \$52,721 and \$49,909, respectively.

**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:

2017	10,293
2018	10,811
2019	11,355
2020	11,926
2021	12,739
Thereafter	<u>171,903</u>
	<u>\$ 229,027</u>

**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 years ended September 30, 2015 and 2016 was \$32,609 and \$29,922, respectively, and is included in personnel costs on the statement of activities by program.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**Note 8. 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 9. Advertising**

Advertising costs are expensed as incurred. Advertising costs for the years ended September 30, 2015 and 2016 were \$799 and \$389, respectively.

**Note 10. Prepaid Expenses**

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

**Note 11. Compensated 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, 2015 and 2016, the Organization had \$33,828 and \$29,848, respectively, in accrued compensated absences.

**Note 12. 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 13. Support Concentration**

The Hampshire County Committee on Aging, Inc. receives a significant amount of its support from the West Virginia Department of Health and Human Resources for providing services to the community under the Medicaid Waiver (Title XIX) and personal care programs. Any significant decrease in the level of support received from these programs could have a material effect on the Agency's programs and activities.

**Hampshire County Committee on Aging, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**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 years ended September 30, 2015 and 2016, the amount actually contributed to the plan and changes in the Agency's net OPEB obligations.

	<u>2015</u>	<u>2016</u>
Annual Required Contributions (ARC)	\$ 28,728	\$ 24,858
Adjustments	<u>0</u>	<u>0</u>
Annual OPEB cost	\$ 28,728	\$ 24,858
Contributions made	<u>(10,812)</u>	<u>(11,579)</u>
Increase in OPEB liability	\$ 17,916	\$ 13,279
OPEB Liability, Beginning of Year	<u>\$ 277,369</u>	<u>\$ 295,285</u>
OPEB Liability, End of Year	<u>\$ 295,285</u>	<u>\$ 308,564</u>

**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.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Years Ended September 30, 2015 and 2016**

**Note 16. Line of Credit**

The Organization has a line of credit at Bank of Romney, Romney WV, with a limit of \$75,000, secured by the Springfield property. The current interest rate is 4.25%. This line is renewed every 5 years. The balance on the line of credit at September 30, 2015 & 2016 was \$0 and \$19,000, respectively.

**Hampshire County Committee on Aging, Inc.**  
**STATEMENT OF ACTIVITIES BY PROGRAM**  
**For the Year Ended September 30, 2015**

	Program Services							Subtotal	Management & General	Total	
	III-B	III-C	III-D	III-E	Waiver/ COC/CM	LIFE	FAIR/LH				Other Programs
<b>Revenue &amp; Support</b>											
Grant Revenue											
Federal	\$ 24,385		\$ 1,422	\$ 8,872				\$ 34,679	\$ -	\$ 34,679	
Nutrition		\$ 128,086						128,086		128,086	
State	19,921					187,411	24,300	231,632		231,632	
LIFE		37,789				133,606		171,395		171,395	
Program Service Fees					941,849			272,873		1,214,722	
Project Income	4,979	53,039	100					58,118		58,118	
Contributions		34,656						4,568		39,224	
Other Income								614		614	
Interest Income								75		75	
<b>Total Revenue &amp; Support</b>	<b>49,285</b>	<b>253,570</b>	<b>1,522</b>	<b>8,872</b>	<b>941,849</b>	<b>133,606</b>	<b>187,411</b>	<b>302,430</b>	<b>1,878,545</b>	<b>-</b>	<b>1,878,545</b>
<b>Expenses</b>											
Payroll & Benefits	28,210	127,048		10,833	625,891		237,993	196,001	1,225,976	211,812	1,437,788
Travel	16,609	4,012		468	88,995		24,132	8,077	142,293	17,696	159,989
Bad Debts							426		426		426
Communications & Utilities									-	43,024	43,024
Office Expense									-	10,578	10,578
Professional Fees		2,890	550				450		3,890	11,977	15,867
Raw Food		71,022							71,022		71,022
Maintenance	1,839	14,318			80				16,237	6,769	23,006
Disposables		15,537							15,537		15,537
Interest									-	12,322	12,322
Insurance									-	8,282	8,282
Transportation	2,627	6,068					1,300		9,995		9,995
Other Expenses		800	972	527	4,326		1,227	91,394	99,246	22,432	121,678
Depreciation									-	52,721	52,721
Indirect Expenses	9,149	41,205		3,513	202,991		77,187	63,568	397,613	(397,613)	-
<b>Total Expenses</b>	<b>58,434</b>	<b>282,900</b>	<b>1,522</b>	<b>15,341</b>	<b>922,283</b>	<b>-</b>	<b>342,715</b>	<b>359,040</b>	<b>1,982,235</b>	<b>-</b>	<b>1,982,235</b>
<b>Change in Net Assets</b>	<b>\$ (9,149)</b>	<b>\$ (29,330)</b>	<b>\$ -</b>	<b>\$ (6,469)</b>	<b>\$ 19,566</b>	<b>\$ 133,606</b>	<b>\$ (155,304)</b>	<b>\$ (56,610)</b>	<b>\$ (103,690)</b>	<b>\$ -</b>	<b>\$ (103,690)</b>

The accompanying notes are an integral part of these financial statements



**Hampshire County Committee on Aging, Inc.**  
**STATEMENT OF ACTIVITIES BY PROGRAM**  
**For the Year Ended September 30, 2016**

	Program Services							Management & General	Total
	III-B	III-C	MIPPA/ SHIP	Waiver/ COC/CM	LIFE	FAIR/LH	Other Programs		
<b>Revenue &amp; Support</b>									
Grant Revenue									
Federal	\$ 36,364		\$ 5,500				\$ 41,864	\$ -	\$ 41,864
Nutrition		\$ 129,897					129,897		129,897
State	19,921		3,000			188,297	211,218		211,218
LIFE		32,130			159,840		191,970		191,970
Program Service Fees				945,975		36,842	224,231		1,207,048
Project Income		50,338					50,338		50,338
Contributions		33,695					3,879		37,574
Other Income							2,313		2,313
Interest							3		3
<b>Total Revenue &amp; Support</b>	<b>56,285</b>	<b>246,060</b>	<b>8,500</b>	<b>945,975</b>	<b>159,840</b>	<b>225,139</b>	<b>230,426</b>	<b>-</b>	<b>1,872,225</b>
<b>Expenses</b>									
Payroll & Benefits	37,938	117,431	10,365	633,771		222,888	241,121	180,427	1,443,941
Travel	13,549	7,292	54	65,713		25,248	13,694	4,654	130,204
Bad Debts						413	596		1,009
Communications & Utilities									
Office Expense	272		753						
Professional Fees		2,129							
Raw Food		68,269							
Maintenance	2,504	7,525						5,467	15,496
Disposables		12,213							12,213
Interest								11,926	11,926
Insurance								9,531	9,531
Transportation	2,024	4,495							
Other Expenses			37	582			95,064		
Depreciation								49,909	49,909
Indirect Expenses		31,778	137	301	5,517	7	305,024	(342,764)	-
<b>Total Expenses</b>	<b>56,287</b>	<b>251,132</b>	<b>11,346</b>	<b>700,367</b>	<b>5,517</b>	<b>248,556</b>	<b>655,499</b>	<b>-</b>	<b>1,928,704</b>
<b>Change in Net Assets</b>	<b>\$ (2)</b>	<b>\$ (5,072)</b>	<b>\$ (2,846)</b>	<b>\$ 245,608</b>	<b>\$ 154,323</b>	<b>\$ (23,417)</b>	<b>\$ (425,073)</b>	<b>\$ -</b>	<b>\$ (56,479)</b>

The accompanying notes are an integral part of these financial statements

**Hampshire County Committee on Aging, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS**  
**For the Fiscal Year Ended September 30, 2016**

	<b>Grant Identification Number</b>	<b>Expenditures</b>
<b>FEDERAL:</b>		
U.S. Department of Health and Human Services:	93.044	\$ 36,364
Administration for Community Living Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers		
Administration for Community Living Special Programs for othe Aging Title III Part C Nutrition Services (includes expenditures of state awards)	93.045	129,897
Centers for Medicare & Medicaid Services CMS Research, Demonstration & Evaluations State Health Insurance Assistance Program (SHIP)	93.779	5,500
<i>Total Expenditures of Federal Awards</i>		\$ 171,761
<b>STATE:</b>		
LIFE 7/1/16-6/30/17	2017	\$ 65,584
LIFE 7/1/15-6/30/16	2016	94,256
Lighthouse 7/1/16-6/30/17	2017	48,663
Lighthouse 7/1/15-6/30/16	2016	93,028
FAIR 7/1/16-6/30/17	2017	12,425
FAIR 7/1/15-6/30/16	2016	34,181
III-B		19,921
III-C LIFE Funds		32,130
SHIP		3,000
<i>Total Expenditures of State Awards</i>		\$ 403,188
<b>TOTAL EXPENDITURES OF FEDERAL &amp; STATE AWARDS</b>		<b>\$ 574,949</b>

The notes are an integral part of these financial statements.

# Williams & Associates, A.C.

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Elkins, WV 26241

Certified Public Accountant

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## **Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance with Government Auditing Standards**

To the Board of Directors of  
Hampshire County Committee on Aging, Inc.

We have audited, 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, the financial statements of the Hampshire County Committee on Aging, Inc (a nonprofit organization), which comprise the statement of financial position as of September 30, 2015 and 2016, the related statement of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2017.

### **Internal Control over Financial Reporting**

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

Elkins, West Virginia  
June 26, 2017

# Williams & Associates, A.C.

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Certified Public Accountant

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## MANAGEMENT LETTER

To the Board of Directors  
Hampshire County Committee on Aging, Inc.  
Romney, West Virginia 26757

Our audit on the financial statements of Hampshire County Committee on Aging, Inc., for the years ended September 30, 2015 and 2016, 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 26, 2017