

ROANE COUNTY COMMITTEE ON AGING, INC.

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

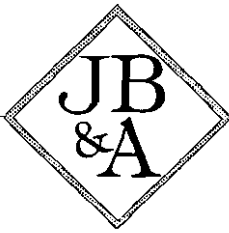
SEPTEMBER 30, 2008

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**ROANE COUNTY COMMITTEE ON AGING, INC.
BOARD OF DIRECTORS
SEPTEMBER 30, 2008**

Charles Mace	President
Dorothy Rhodes	Vice-President
Linda Drennen	Secretary
Janet Davis	Treasurer
Lloyd Naylor	Member
Lorene Jarrell	Member
Steven L. Cooper	Member
David McCutcheon	Member
Christine Kucheraway	Member
Opal Groves	Member
Charles R. Koone	Member



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

INDEPENDENT AUDITORS' REPORT


To the Board of Directors
Roane County Committee on Aging, Inc.
Spencer, West Virginia

We have audited the accompanying statements of financial position of Roane County Committee on Aging, Inc. (a nonprofit organization) as of September 30, 2008, and the related statements of activities, functional expenses and cash flows, for the year ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Roane County Committee on Aging, Inc. as of September 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2009, on our consideration of Roane County Committee on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.


Buckhannon, West Virginia
June 25, 2009

**ROANE COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2008**

ASSETS

Current Assets

Cash	\$ 72,901
Accounts Receivable	59,694
Prepaid Expenses	<u>2,795</u>

Total current assets	<u>135,390</u>
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Property, Plant and Equipment

Land	25,000
Administrative Equipment	143,939
Vehicles	86,816
Construction Work-in-Process	344,822
Buildings	<u>1,585,909</u>

Total Property and Equipment	2,186,486
Less Accumulated Depreciation	<u>(773,833)</u>

Net Property and Equipment	<u>1,412,653</u>
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TOTAL ASSETS	<u>\$ 1,548,043</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 2,486
Accrued Wages	<u>62,640</u>

Total Current Liabilities	<u>65,126</u>
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Net Assets

Unrestricted	<u>1,482,917</u>
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Total net assets	<u>1,482,917</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,548,043</u>
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The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Revenues:	
Federal	\$ 100,498
State	388,833
Program Income	222,084
Match Income	11,045
Local Source	195,273
Miscellaneous Income	<u>18,081</u>
 Total Revenue	 <u>935,814</u>
 Expenses	
Personnel Costs	490,093
Fringe Benefits	86,543
Food and Disposables	55,607
Travel and Training	45,345
Equipment Cost and Maintenance	14,317
Professional Services	3,500
Facilities	11,045
Communications and Utilities	52,193
Office Supplies and Expenses	10,047
Insurance	14,752
Depreciation Expense	61,040
Enhancement Tax	23
Miscellaneous Expense	<u>80,359</u>
 Total Expenses	 <u>924,864</u>
 Change in Net Assets	 10,950
 Net Assets - Prior Year	 <u>1,471,967</u>
 Net Assets - Current Year	 <u><u>\$ 1,482,917</u></u>

The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

<u>Description</u>	<u>III B</u>	<u>III C-1</u>	<u>III C-2</u>	<u>III D</u>	<u>III E</u>	<u>Elder Abuse</u>	<u>SHIP</u>	<u>Veterans</u>
Personnel	\$ 32,549	\$ 20,177	\$ 43,081	\$ 1,394	\$ 9,105	\$	\$ 449	\$ 7,275
Fringe Benefits	8,117	4,841	10,222	144	826		35	664
Food & Disposables		16,128	34,179					
Travel & Training	6,688		3,186	328	904		66	109
Equipment Costs	4,102	1,068	7,452					
Professional Services								
Facilities	3,621	1,178	2,503	220	2,773			
Communications/Utilites	1,007	5,496	11,568				129	
Office	191	232	281	127	88	323	27	
Insurance	2,185	783	1,668					
Depreciation								
Enhancement Tax								
Miscellaneous		946	1,683				75	20
Total Expenses	<u>\$ 58,460</u>	<u>\$ 50,849</u>	<u>\$ 115,823</u>	<u>\$ 2,213</u>	<u>\$ 13,696</u>	<u>\$ 323</u>	<u>\$ 781</u>	<u>\$ 8,068</u>

The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

<u>Description</u>	<u>Medicaid</u>	<u>Waiver</u>	<u>Lighthouse</u>	<u>LIFE</u>	<u>FAIR</u>	<u>Building</u>	<u>Agency</u>	<u>Totals</u>
Personnel	\$ 56,892	\$ 97,216	\$ 38,404	\$ 107,781	\$ 22,402	\$ 35,850	\$ 17,518	\$ 490,093
Fringe Benefits	7,092	10,090	5,424	25,017	3,843	7,803	2,425	86,543
Food & Disposables						5,210	90	55,607
Travel & Training	7,801	5,082	3,727	6,116	1,696		9,642	45,345
Equipment Costs				499		1,196		14,317
Professional Services				3,500				3,500
Facilities					750			11,045
Communications/Utilites	50	70	63	13,320	220	19,047	1,223	52,193
Office	255	255	252	7,293	260	114	349	10,047
Insurance				1,728		4,188	4,200	14,752
Depreciation						57,437	3,603	61,040
Enhancement Tax	10	13						23
Miscellaneous	278	248	517	4,742	701	12,703	58,446	80,359
Total Expenses	<u>\$ 72,378</u>	<u>\$ 112,974</u>	<u>\$ 48,387</u>	<u>\$ 169,996</u>	<u>\$ 29,872</u>	<u>\$ 143,548</u>	<u>\$ 97,496</u>	<u>\$ 924,864</u>

The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 10,950
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	61,040
(Increase) decrease in assets:	
Accounts receivable	4,293
Prepaid expenses	1,306
Increase (Decrease) in liabilities:	
Accounts payable	(142)
Accrued liabilities	<u>9,656</u>
Net cash provided by operating activities	<u>87,103</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(34,753)</u>
Net cash used in investing activities	<u>(34,753)</u>

CASH FLOWS FORM FINANCING ACTIVITIES:

Net cash provided (used) by financing activities	<u> </u>
Net increase in cash and cash equivalents	52,350
Cash and cash equivalents, beginning	<u>20,551</u>
Cash and cash equivalents, ending	<u><u>\$ 72,901</u></u>

The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Note 1. Summary of Significant Accounting Policies

Basis of Accounting – The Roane County Committee on Aging, Inc. (RCCOA) uses the cash basis of accounting for all recording purposes during the year. The Committee converts to the full accrual basis of accounting for reporting purposes. Basis of accounting refers to the timing of the recognition of transactions. For the cash basis of accounting, costs are paid and revenues are recognized only when received. The full accrual basis accrues costs when incurred without regard to when those costs are paid; revenue is recognized when earned without regard to when it's received. These financial statements are presented in accordance with the recommendations of the American Institute of Certified Public Accountants in its industry guide, *Audits of Certain Nonprofit Organizations*.

Income Taxes – RCCOA is a nonprofit organization and is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code.

Inventory – Inventories, such as raw food, fruit, frozen meals, and office supplies are expensed in the period in which they are purchased.

Accounting Estimates – In preparing financial statements in conformity with generally accepted accounting principle, management must make estimates based on future events that effect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Significant Concentrations of Credit Risk

The Committee's accounts receivable at September 30, 2008, consist primarily of billings to the West Virginia Department of Health and Human Services for home health care services and to the West Virginia Bureau of Senior Services via the Metro Area Agency on Aging for Title III program services.

The Committee maintains three banking accounts. One checking account at Traders Bank and one money market account at First Neighborhood Bank. The bank balances were \$ 98,822. RCCOA had no investments as of September 30, 2008.

**ROANE COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Note 3. Property, Plant and Equipment (continued)

RCCOA capitalizes all purchases or other acquisitions of property, plant, and equipment with an estimated useful life of at least five years and a basis of at least \$ 1,000. Other fixed assets are expensed in the year of purchase. Vehicles and office equipment are depreciated over five years. The useful life of building renovations is estimated at thirty years. Construction work-in-progress is capitalized, but not depreciated, until the renovations are completed and placed into service.

Assets' estimated useful lives are as follows:

Office Furniture, Fixtures, and Equipment	5-10 years
Vehicles	5 years
Buildings and Renovations	10-30 years

Note 4. Note Payable

The Committee has a \$ 20,000 line of credit note with Traders Bank. The interest rate is 8.25% and the note is unsecured. There was no outstanding balance at September 30, 2008.

Note 5. Retirement Benefits

The Committee provides no retirement plan or other deferred compensation plan to its employees.

Note 6. Compensated Absences

RCCOA has reported accrued leave expenses in accordance with generally accepted accounting principles.

**ROANE COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Note 7. Grant Revenues

The following grants have years ending other than September 30. Revenues were recognized as follows for fiscal year ended September 30, 2008.

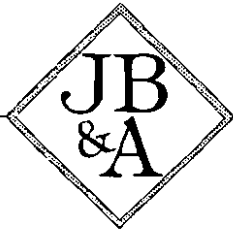
Grant	Grant Revenue	Support Recognized Year Ended 9/30/08
LIFE	7/1/07 – 6/30/08	\$ 142,323
LIFE	7/1/08 – 6/30/09	45,079
	Total	----- \$ 187,402 =====
Lighthouse	7/1/07 – 6/30/08	\$ 35,557
Lighthouse	7/1/08 – 6/30/09	24,200
	Total	----- \$ 59,757 =====
FAIR/Alzheimer's	7/1/07 – 6/30/08	\$ 19,306
FAIR/Alzheimer's	7/1/08 – 6/30/09	17,246
	Total	----- \$ 36,554 =====

Note 8. Contingent Liabilities

In the normal course of operations, the Committee receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions relevant to the grant. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

The Center participates in the West Virginia Public Employees Insurance Agency (PEIA) for health insurance. The Committee does not provide post retirement health benefits. However, PEIA shows a liability of \$ 9,988 at September 30, 2008 for post retirement benefits. The center does not expect to have to pay this liability.

SUPPLEMENTAL INFORMATION



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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Roane County Committee on Aging, Inc.
Spencer, West Virginia

Our report on our audit of the basic financial statements of the Roane County Committee on Aging, Inc. for the year ended September 30, 2008 appears on page 2. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States for the purpose of forming an opinion of the basic financial statements taken as a whole. The schedule of revenues is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Buckhannon, West Virginia

June 25, 2009

**ROANE COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF REVENUES AND SUPPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

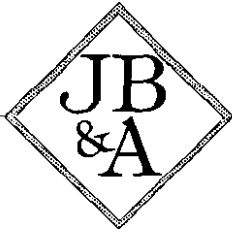
Description	III B	III C-1	III C-2	III D	III E	Elder Abuse	SHIP	Veterans
Federal Revenues	\$ 30,775	\$ 10,012	\$ 21,275	\$ 1,872	\$ 8,319	\$ 323	\$	\$ 13,531
NSIP		4,614	9,777					
State Revenues	15,619	1,769	3,758	121				
State LIFE Nutrition		1,507	3,203					
State Nutrition Supplement		2,928	6,224					
Program Income	2,884	13,819	15,295					
Match Income	3,621	1,178	2,503	220	2,773			
Local Sources		14,315	53,816					
Miscellaneous								
Total Revenue	52,899	50,142	115,851	2,213	11,092	323		13,531
Personnel	32,549	20,177	43,081	1,394	9,105		449	7,275
Fringe Benefits	8,117	4,841	10,222	144	826		35	664
Food & Disposables		16,128	34,179					
Travel & Training	6,688		3,186	328	904		66	109
Equipment Costs	4,102	1,068	7,452					
Professional Services								
Facilities	3,621	1,178	2,503	220	2,773			
Communications/Utilites	1,007	5,496	11,568				129	
Office	191	232	281	127	88	323	27	
Insurance	2,185	783	1,668					
Depreciation								
Enhancement Tax								
Miscellaneous		946	1,683				75	20
Total Expenses	58,460	50,849	115,823	2,213	13,696	323	781	8,068
Net income	\$ (5,561)	\$ (707)	\$ 28	\$ -	\$ (2,604)	\$	\$ (781)	\$ 5,463

The accompanying notes are an integral part of this statement.

**ROANE COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF REVENUES AND SUPPORT (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

<u>Description</u>	<u>Medicaid</u>	<u>Waiver</u>	<u>Lighthouse</u>	<u>LIFE</u>	<u>FAIR</u>	<u>Building</u>	<u>Agency</u>	<u>Totals</u>
Federal Revenues	\$	\$	\$	\$	\$	\$	\$	\$ 86,107
NSIP								14,391
State Revenues			59,757	187,402	36,554		69,991	374,971
State LIFE Nutrition Nutrition Supplement								4,710
Program Income	66,308	118,044		5,328	406			222,084
Match Income					750			11,045
Local Sources						83,707	43,435	195,273
Miscellaneous						85	17,996	18,081
Total Revenue	66,308	118,044	59,757	192,730	37,710	83,792	131,422	935,814
Personnel	56,892	97,216	38,404	107,781	22,402	35,850	17,518	490,093
Fringe Benefits	7,092	10,090	5,424	25,017	3,843	7,803	2,425	86,543
Food & Disposables						5,210	90	55,607
Travel & Training	7,801	5,082	3,727	6,116	1,696		9,642	45,345
Equipment Costs				499		1,196		14,317
Professional Services				3,500				3,500
Facilities					750			11,045
Communications/Utilites	50	70	63	13,320	220	19,047	1,223	52,193
Office	255	255	252	7,293	260	114	349	10,047
Insurance				1,728		4,188	4,200	14,752
Depreciation						57,437	3,603	61,040
Enhancement Tax	10	13						23
Miscellaneous	278	248	517	4,742	701	12,703	58,446	80,359
Total Expenses	72,378	112,974	48,387	169,996	29,872	143,548	97,496	924,864
Net income	\$ (6,070)	\$ 5,070	\$ 11,370	\$ 22,734	\$ 7,838	\$ (59,756)	\$ 33,926	\$ 10,950

The accompanying notes are an integral part of this statement.



JOHN BURDETTE & ASSOCIATES

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Roane County Committee on Aging, Inc.
Spencer, West Virginia

We have audited the financial statements of Roane County Committee on Aging, Inc. (a nonprofit organization) as of and for the year ended September 30, 2008, and have issued our report thereon dated June 25, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Roane County Committee on Aging, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Roane County Committee on Aging, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Roane County Committee on Aging, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.


A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the management, the audit committee, Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Buckhannon, West Virginia
June 25, 2009