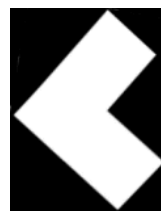


***Lake Country Area Agency on Aging, Inc.***

***Report on Audit of Financial Statements***

***Years Ended September 30, 2024 and 2023***

***EIN #54-1506078***



***Creedle, Jones  
& Associates, P.C.***  
*Certified Public Accountants*

## Lake Country Area Agency on Aging, Inc.

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Lake Country Area Agency on Aging, Inc.

### **Report on the Audit Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Lake Country Area Agency on Aging, Inc. ("LCAAA") (a nonprofit organization), which comprise the statements financial position as of September 30, 2024 and 2023, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of LCAAA as of September 30, 2024 and 2023, and the changes in its nets assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of LCAAA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LCAAA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing

standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 LCAA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LCAA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprise the names of directors and officials and schedules required by the Virginia Division for the Aging, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of LCAAA'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 solely 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 effectiveness of LCAAA's 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 LCAAA's internal control over financial reporting and compliance.

*Creedle, Jones & Associates, P.C.*

Creedle, Jones & Associates, P.C.  
Certified Public Accountants

South Hill, Virginia  
March 31, 2025

## Lake Country Area Agency on Aging, Inc.

## Statements of Financial Position

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 115,033	\$ 206,865
Accounts receivable	<u>167,603</u>	<u>399,083</u>
Total Current Assets	<b>282,636</b>	605,948
<b>Capital Assets</b>		
Property and equipment (Note 3)	821,581	796,928
Operating lease right-of-use asset	3,591	17,688
Finance lease right-of-use asset	<u>4,577</u>	<u>4,504</u>
Capital Assets, Net	<b>829,749</b>	819,120
Total Assets	<b><u>\$ 1,112,385</u></b>	<b><u>\$ 1,425,068</u></b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
<i>Current Liabilities</i>		
Accounts payable	\$ 84,720	\$ 226,196
Lease liability	5,527	15,385
Accrued expenses	<u>16,180</u>	<u>600</u>
Total Current Liabilities	<b>106,427</b>	242,181
<i>Long-Term Liabilities</i>		
Lease liability, net	2,641	6,813
Compensated absences	<u>51,515</u>	<u>27,393</u>
Total Long-Term Liabilities	<b>54,156</b>	34,206
Total Liabilities	<b>160,583</b>	276,387
<b>Net Assets</b>		
Without donor restrictions	<u>951,802</u>	<u>1,148,681</u>
Total Net Assets	<b><u>951,802</u></b>	<b><u>1,148,681</u></b>
Total Liabilities and Net Assets	<b><u>\$ 1,112,385</u></b>	<b><u>\$ 1,425,068</u></b>

See independent auditor's report and accompanying notes to the financial statements.

Lake Country Area Agency on Aging, Inc.

Statements of Activities

Year Ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions
<b>Revenues and Support</b>		
Federal/state grant revenues	\$ 2,802,706	\$ -
Local government contributions	156,319	-
Program income and fees	64,438	-
Rental income	<u>10,987</u>	<u>-</u>
Total Revenues and Support	3,034,450	-
<b>Expenses</b>		
Program activities	3,185,008	-
Management and general	<u>46,321</u>	<u>-</u>
Total Expenses	<u>3,231,329</u>	<u>-</u>
Change in Net Assets	(196,879)	-
Net Assets - Beginning	<u>1,148,681</u>	<u>-</u>
Net Assets - Ending	<u>\$ 951,802</u>	<u>\$ -</u>

See independent auditor's report and accompanying notes to the financial statements.

Lake Country Area Agency on Aging, Inc.

Statements of Activities

Year Ended September 30, 2023

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>
<b>Revenues and Support</b>		
Federal/state grant revenues	\$ 3,386,001	\$ -
Local government	68,074	-
Program income and fees	117,578	-
Rental income	<u>12,000</u>	<u>-</u>
Total Revenues and Support	3,583,653	-
<b>Expenses</b>		
Program activities	3,058,863	-
Management and general	<u>47,574</u>	<u>-</u>
Total Expenses	<u>3,106,437</u>	<u>-</u>
Change in Net Assets	477,216	-
Net Assets - Beginning	<u>671,465</u>	<u>-</u>
Net Assets - Ending	<u><u>\$ 1,148,681</u></u>	<u><u>\$ -</u></u>

See independent auditor's report and accompanying notes to the financial statements.



## Lake Country Area Agency on Aging, Inc.

## Statements of Cash Flows

Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (196,879)	\$ 477,216
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>		
Depreciation	115,899	64,685
Amortization	2,105	995
Loss on right off of equipment	-	13,133
<i>Change in current assets and liabilities</i>		
<i>(Increase) decrease</i>		
Accounts receivable	231,480	(375,426)
<i>(Decrease) increase</i>		
Accounts payable	(141,476)	218,826
Compensated absences	24,122	1,512
Accrued expenses	15,580	(6,404)
Net Cash Provided by Operating Activities	50,831	394,537
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchases of property and equipment	(140,552)	(319,258)
Lease extension	11,919	-
Cash paid for measurement of lease liability	(14,030)	(1,003)
Net Cash Used in Capital and Related Financing Activities	(142,663)	(320,261)
Increase (Decrease) in Cash	(91,832)	74,276
<b>Cash</b>		
Beginning	206,865	132,589
Ending	\$ 115,033	\$ 206,865

See independent auditor's report and accompanying notes to the financial statements.

## Lake Country Area Agency on Aging, Inc.

### Notes to the Financial Statements

Years Ended September 30, 2024 and 2023

## 1 Organization

Lake Country Area Agency on Aging, Inc. ("LCAAA") is a private, non-profit corporation started in 1974 to serve as an advocate for persons 60 years and older by providing services which help to promote independence and improve the quality of life within the participating jurisdictions as defined by the Older Americans Act (Counties of Brunswick, Halifax, Mecklenburg, and the Town of South Hill, Virginia). The Agency is designated as the Area Agency on Aging by the Virginia Division for the Aging ("VDA") of the Department of Aging and Rehabilitation Services ("DARS") for these jurisdictions. Services are generally funded by grants from local, state, and federal agencies.

## 2 Significant Accounting Policies

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Supplementary Schedules A, B, and C are prepared according to Virginia Division for the Aging's guidelines.

The accompanying financial statements present information regarding LCAAA's financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. The two classes are differentiated based on the existence or absence of donor-imposed restrictions.

### Net Assets without Donor Restrictions

Net assets are not subject to donor-imposed restrictions or the donor-imposed restrictions expire in the fiscal year in which the contribution is received. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Revenues, gains, and losses that are not donor restricted by donors are included in this classification. Expenses are reported as decreases in this classification.

### Net Assets with Donor Restrictions

Net assets with donor restrictions are limited in use by donor-imposed stipulations that expire after the fiscal year the contribution is received, by the passage of time, or that can be fulfilled by action of LCAAA pursuant to those stipulations. LCAAA had no net assets with donor restrictions at September 30, 2024 or 2023.

### Cash and Cash Equivalents

For purposes of reporting cash flows, the LCAAA considers all checking, savings, and money market accounts to be cash.

### Accounts Receivable

The accounts receivable balance results from agreements with federal and local agencies and fees for service clients. Management has determined all accounts receivable are collectible; therefore, an allowance is not necessary.

### **Property and Equipment**

The Agency capitalizes all expenditures in excess of \$5,000. Property and equipment is carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

### **Accrued Expenses**

LCAAA accrues the liability arising from outstanding compensated absences. Agency employees earn vacation pay at the rate of twelve (12) days per year; however, after five (5) years of uninterrupted service, full-time administrative and management staff will earn 1.5 days of annual leave per month (18 days per year), and clerical and exempt employees after ten (10) years of uninterrupted service will earn 1.5 days' annual leave per month (18 days per year), but may not be accumulated over the annual allowance. Employees with tenure exceeding six months are paid vacation earnings upon termination. Sick leave is earned at the rate of one day per month and may be accumulated up to 45 days. Sick leave is not payable upon termination.

### **Contributions**

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

### **Advertising**

The costs of advertising are expensed as incurred.

### **Leases**

LCAAA enters into lease arrangements for equipment and, upon entering in an arrangement, determines the appropriate treatment in accordance with ASU 2016-02, Leases (Topic 842). Arrangements in which substantially all of the risks of ownership have been transferred to LCAAA are accounted for as finance leases and extend up to one year for equipment.

Arrangements which do not qualify for finance lease treatment but still provide the LCAAA the right to use the underlying asset are deemed to be operating leases. These leases are recorded on the statement of financial position as "Right of use, lease assets" and "Right of use, lease obligations". LCAAA uses an incremental borrowing rate for discounting leases, as applicable, and has elected to separate lease and non-lease components in the calculation of the right of use, lease assets and lease obligations.

### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Income Taxes**

LCAAA is exempt from federal income tax under Section 501(c)(3) of the *Internal Revenue Code*.

### Cost Allocation

The costs of providing the Agency's various programs and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among programs and supporting services. Other expenses that are common to several functions are allocated statistically.

### 3 Property and Equipment

Property and equipment consist of the following:

	<u>Estimated Useful Life</u>	<u>2024</u>	<u>2023</u>
Land	-	\$ 265,500	\$ 265,500
Building	40 years	399,501	399,501
Equipment	5-10 years	<u>2,212,249</u>	<u>2,071,697</u>
		2,877,250	2,736,698
Accumulated depreciation		<u>(2,055,669)</u>	<u>(1,939,770)</u>
		<u>\$ 821,581</u>	<u>\$ 796,928</u>

### 4 Employee Benefits

LCAAA makes monthly contributions to purchase individual employee annuities. These contributions may not exceed 5 percent of an employee's annual compensation. The cost to the Agency for all employees was \$36,359 and \$29,988 for the years ended September 30, 2024 and 2023 respectively.

### 5 Commitments, Contingencies, and Concentrations

LCAAA receives a substantial amount of support from state and federal agencies. A significant reduction in the level of this support, if this were to occur, may have an adverse effect on the Agency's programs and activities.

### 6 Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date.

	<u>2024</u>	<u>2023</u>
Financial assets at year end	\$ 115,033	\$ 206,865
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	-	-
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 115,033</u>	<u>\$ 206,865</u>

## 7 Functional Expenses

The chart below presents expenses for fiscal years ended September 30, 2024 and 2023 respectively:

	Supporting Activities				
	Program Activities	Management and General	Fundraising	Supporting Subtotal	Total
September 30, 2024					
Salaries and wages	\$ 1,960,454	\$ -	\$ -	\$ -	\$ 1,960,454
Payroll taxes	146,928	-	-	-	146,928
Employee benefits	114,374	-	-	-	114,374
Police credit checks	2,150	-	-	-	2,150
Communications	43,069	-	-	-	43,069
Insurance	147,972	-	-	-	147,972
Travel	17,846	939	-	939	18,785
Advertising	1,867	-	-	-	1,867
Vehicle	100,304	42,988	-	42,988	143,292
Professional fees	76,963	-	-	-	76,963
Training	7,445	-	-	-	7,445
Emergency services	1,198	-	-	-	1,198
Capital expenses	45,704	-	-	-	45,704
Contracts	23,964	1,261	-	1,261	25,225
Postage and shipping	4,138	-	-	-	4,138
Repairs and maintenance	27,656	-	-	-	27,656
Equipment rental and maintenance	15,438	858	-	858	16,296
Supplies	37,096	-	-	-	37,096
Raw food cost	189,099	-	-	-	189,099
Reimbursements	8,267	-	-	-	8,267
Utilities	44,126	-	-	-	44,126
Dues and subscriptions	5,221	275	-	275	5,496
Office	25,220	-	-	-	25,220
Other cost	19,860	-	-	-	19,860
Interest	645	-	-	-	645
Amortization	2,105	-	-	-	2,105
Depreciation	115,899	-	-	-	115,899
	\$ 3,185,008	\$ 46,321	\$ -	\$ 46,321	\$ 3,231,329

	<u>Supporting Activities</u>					
		<u>Management</u>		<u>Supporting</u>		
	<u>Program Activities</u>	<u>and General</u>	<u>Fundraising</u>	<u>Subtotal</u>	<u>Total</u>	
<u>September 30, 2023</u>						
Salaries and wages	\$ 1,787,139	\$ -	\$ -	\$ -	\$ 1,787,139	
Payroll taxes	126,928	-	-	-	126,928	
Employee benefits	172,340	-	-	-	172,340	
Police credit checks	3,223	-	-	-	3,223	
Communications	50,042	-	-	-	50,042	
Insurance	98,465	-	-	-	98,465	
Travel	9,119	480	-	480	9,599	
Advertising	2,285	-	-	-	2,285	
Vehicle	103,524	44,368	-	44,368	147,892	
Professional fees	34,489	-	-	-	34,489	
Training	6,676	-	-	-	6,676	
Emergency services	4,508	-	-	-	4,508	
Capital expenses	144,212	-	-	-	144,212	
Contracts	23,821	1,254	-	1,254	25,075	
Postage and shipping	3,859	-	-	-	3,859	
Repairs and maintenance	39,687	-	-	-	39,687	
Equipment rental and maintenance	14,226	749	-	749	14,975	
Supplies	60,853	-	-	-	60,853	
Raw food cost	211,066	-	-	-	211,066	
Utilities	48,567	-	-	-	48,567	
Dues and subscriptions	13,746	723	-	723	14,469	
Office	20,869	-	-	-	20,869	
Other cost	12,894	-	-	-	12,894	
Interest	645	-	-	-	645	
Amortization	995	-	-	-	995	
Depreciation	64,685	-	-	-	64,685	
	<u>\$ 3,058,863</u>	<u>\$ 47,574</u>	<u>\$ -</u>	<u>\$ 47,574</u>	<u>\$ 3,106,437</u>	

## 8 Revenue Recognition

We have analyzed the provisions of the FASB's ASC TOPIC 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. The Organization recognizes revenue on the accrual basis of accounting, as such, revenue is recorded when a customer is invoiced.

## 9 Leasing Activities

LCAAA has operating and financing leases of building space and certain equipment. Our leases have remaining lease terms of 1 year to 5 years, some of which include options to extend the leases, and some of which include options to terminate the leases within 1 year.

The following summarizes the line items in the statement of financial position which include amounts for operating and finance leases as of September 30, 2024:

### Operating Leases

Operating lease right-of-use assets	<u>\$ 3,591</u>
Other current liabilities	<u>\$ 3,591</u>
Total Operating Lease Liabilities	<u>\$ 3,591</u>

**Finance Leases**

Finance lease right-of-use assets	<u>\$ 4,577</u>
Other current liabilities	\$ 1,927
Other lease liability	<u>2,650</u>
Total Finance Lease Liabilities	<u>\$ 4,577</u>

The following summarizes the weighted-average remaining lease term and discount rate as of September 30, 2024:

**Weighted-average remaining lease term**

Operating leases	0.25
Finance leases	3.27

**Weighted-average discount rate**

Operating leases	3%
Finance leases	3%

The maturities of lease liabilities as of September 30, 2024 were as follows:

<u>Year</u>	<u>Finance</u>	<u>Operating</u>	<u>Total</u>
2025	\$ 1,927	\$ 3,600	\$ 5,527
2026	985	-	985
2027	985	-	985
2028	903	-	903
Total Undiscounted Cash Flows	4,800	3,600	8,400
Less: Present Value Discount	<u>(223)</u>	<u>(9)</u>	<u>(232)</u>
Total Lease Liabilities	<u>\$ 4,577</u>	<u>\$ 3,591</u>	<u>\$ 8,168</u>

The following summarizes the line items in the statement of activities which include the components of lease expense for the year ended September 30, 2024:

Operating lease expense	<u>\$ 14,400</u>
<i>Finance lease expense:</i>	
Amortization of ROU assets	\$ 2,105
Interest on lease liabilities	<u>166</u>
Total	<u>\$ 2,271</u>

The following summarizes cash flow information related to leases for the year ended September 30, 2024:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from finance lease (interest)	\$ 171
Financing cash flows from finance lease (principal)	2,070
Operating cash flows from operating leases	14,400

## 10 Subsequent Events

Subsequent events were considered through March 31, 2025, the date the financial statements were available to be issued.



## **SUPPLEMENTARY INFORMATION**

**Lake Country Area Agency on Aging, Inc.**

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2024

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
<b>U. S. Department of Health and Human Services</b>			
<b>Pass-Through Payments</b>			
<i>Department for Aging and Rehabilitative Services</i>			
Aging Cluster			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	262	\$ 779,213
Special Programs for the Aging - Title III, Part C - Nutrition Services			
Congregate (C1)	93.045	262	412,010
Home-Delivered (C2)	93.045	262	590,141
Nutrition Services Incentive Program	93.053	262	<u>30,323</u>
Subtotal - Aging Cluster			1,811,687
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	262	43,929
National Family Caregiver Support, Title III, Part E	93.052	262	238,056
Special Programs for the Aging - Title VII - Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	262	2,734
Special Programs for the Aging, Title IV, Title II, Discretionary Projects	93.048	V4A	9,124
Medicare Enrollment Assistance Program	93.071	262	9,656
State Health Insurance Assistance Program	93.324	262	<u>16,422</u>
Total U. S. Department of Health and Human Services			2,131,608
<b>U. S. Department of Agriculture</b>			
<b>Pass-Through Payments</b>			
<i>Department for Aging and Rehabilitative Services</i>			
Senior Farmers' Market Nutrition Program (SFMNP)	10.576	262	<u>9,845</u>
Total U. S. Department of Agriculture			9,845
<b>U. S. Department of Transportation</b>			
<b>Pass-Through Payments</b>			
<i>Virginia Department of Rail and Public Transportation</i>			
Formula Grants for Rural Areas & Tribal Transit Program			
Operating Purposes	20.509	505	102,210
Capital Assistance Purposes	20.509	505	<u>335,877</u>
Total U. S. Department of Transportation			<u>438,087</u>
Grand Total			<u><u>\$ 2,579,540</u></u>

See accompanying notes to schedule of expenditures of federal awards.

**Lake Country Area Agency on Aging, Inc.**

**Notes to Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2024**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Lake Country Area Agency on Aging, Inc. ("LCAAA") under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements by the Virginia Division for the Aging and by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of LCAAA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of LCAAA.

**2. Summary of Significant Accounting Policy**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Indirect Cost Rate**

LCAAA has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**4. Subrecipients**

No awards passed through to subrecipients.

## **OTHER INFORMATION**

## Lake Country Area Agency on Aging, Inc.

Board of Directors and Officials

Year Ended September 30, 2024

### Board of Directors

### Title

### Local Government

Hercule Clark

Chairman

County of Brunswick

Dr. Steven Bailey

Vice Chairman

County of Mecklenburg

Phyllis Speede

Secretary

Town of South Hill

Angela Caison

Director

County of Halifax

Randolph Hite

Director

County of Mecklenburg

Latrisha McCargo

Director

County of Mecklenburg

Dr. Elizabeth Burns

Director

County of Brunswick

Juanita Johnson

Director

County of Halifax

### Officials

Marvalene Johnson

President/CEO

Brielle Hicks

Vice President

Crystal Washburn

Finance Manager

NAME OF AGENCY AUDITED	Lake Country Area Agency on Aging					
	SCHEDULE A - STATUS OF FUNDS					
	From October 1, 2023 to September 30, 2024					
FUND	UNENCUMBERED FUNDS ON HAND OCTOBER 1, 2023	TOTAL FUNDS RECEIVED DURING PERIOD	FUNDS REQUESTED BY SEPTEMBER 30, 2024 BUT NOT RECEIVED BY SEPTEMBER 30, 2024	TOTAL OF FUNDS AVAILABLE DURING PERIOD	ACCRUED COSTS TO CONTRACT PERIOD	UNENCUMBERED FUNDS ON HAND SEPTEMBER 30, 2024
<b>Older Americans Act</b>						
Title III-B	\$35,903	\$309,578	\$0	\$345,481	\$551,048	-\$205,567
Title III-C(1)	\$67,540	\$222,587	\$0	\$290,127	\$223,274	\$66,853
Title III-C(2)	\$94,117	\$227,571	\$0	\$321,688	\$299,861	\$21,827
Title III-D	-\$3,845	\$28,608	\$0	\$24,763	\$21,954	\$2,809
Title III-E	\$28,131	\$165,641	\$0	\$193,772	\$164,494	\$29,278
Title VII-Elder Abuse	\$0	\$2,775	\$0	\$2,775	\$2,734	\$41
Title VII-Ombudsman			\$0	\$0	\$0	\$0
NSIP	-\$2,727	\$30,323	\$0	\$27,596	\$30,323	-\$2,727
Supplemental Nutrition C2			\$0	\$0	\$0	\$0
Vaccine Access			\$0	\$0	\$0	\$0
American Rescue Plan (ARP) III-B	\$15,977	\$169,652	\$0	\$185,629	\$228,165	-\$42,536
American Rescue Plan (ARP) III-C(1)	\$15,777	\$123,924	\$0	\$139,701	\$188,736	-\$49,035
American Rescue Plan (ARP) III-C(2)	\$19,978	\$189,989	\$0	\$209,967	\$290,280	-\$80,313
American Rescue Plan (ARP) III-D	\$15,977	\$20,933	\$0	\$36,910	\$21,975	\$14,935
American Rescue Plan (ARP) III-E	\$10,417	\$71,856	\$0	\$82,273	\$73,562	\$8,711
American Rescue Plan (ARP) VII-Ombudsman				\$0	\$0	\$0
Expanding Public Health Workforce				\$0	\$0	\$0
Other				\$0		\$0
Other				\$0		\$0
<b>Other Federal</b>						
Title V -(PY 06/30/24 Award)				\$0		\$0
Title V -(PY 06/30/25 Award)				\$0		\$0
Title V - DOL (STCS)				\$0		\$0
VICAP-(PY 03/31/24 Award)	\$966	\$4,773		\$5,739	\$5,739	\$0
VICAP-(PY 03/31/25 Award)		\$6,566		\$6,566	\$10,683	-\$4,117
DMAS Ombudsman FY 22				\$0		\$0
DMAS Ombudsman FY 23				\$0		\$0
DMAS Ombudsman FY 24				\$0		\$0
MIPPA - Priority 1 - SHIP				\$0		\$0
MIPPA - Priority 2 - AAA		\$9,656		\$9,656	\$9,656	\$0
MIPPA - Priority 3 - ADRC				\$0		\$0
SNAP				\$0		\$0
Senior Farmers Market		\$140		\$140	\$140	\$0
Senior Farmers Market - ARPA Expansion		\$2,705		\$2,705	\$9,705	-\$7,000
CDSME Grant				\$0		\$0
Falls Prevention Grant				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
<b>General Funds</b>						
OAA General-(PY 06/30/24)	-\$4,807	\$57,551		\$52,744	\$52,744	\$0
OAA General-(PY 06/30/25)		\$54,630		\$54,630	\$45,682	\$8,948
Community Based-(PY 06/30/24)	\$338	\$86,532		\$86,870	\$86,870	\$0
Community Based-(PY 06/30/25)		\$38,021		\$38,021	\$59,668	-\$21,647
Transportation-(PY 06/30/24)	-\$7,197	\$31,282		\$24,085	\$24,085	\$0
Transportation-(PY 06/30/25)		\$15,157		\$15,157	\$27,852	-\$12,695
Home Delivered Meals-(PY 06/30/24)		\$110,222		\$110,222	\$110,222	\$0
Home Delivered Meals-(PY 06/30/25)		\$41,413		\$41,413	\$64,300	-\$22,887
Supplemental Nutrition-(PY 06/30/24)	-\$4,752	\$25,303		\$20,551	\$20,551	\$0
Supplemental Nutrition-(PY 06/30/25)		\$16,614		\$16,614	\$14,721	\$1,893
Ombudsman-(PY 06/30/24)				\$0		\$0
Ombudsman-(PY 06/30/25)				\$0		\$0
Care Coordination CCEVP-(PY 06/30/24)	\$912	\$45,016		\$45,928	\$45,928	\$0
Care Coordination CCEVP-(PY 06/30/25)		\$10,533		\$10,533	\$18,344	-\$7,811
Respite Care Initiative-(PY 06/30/24)				\$0		\$0
Respite Care Initiative-(PY 06/30/25)				\$0		\$0
Guardianship VDA-(PY 06/30/24)				\$0		\$0
Guardianship VDA-(PY 06/30/25)				\$0		\$0
Guardianship VDA Mental Health-(PY 06/30/24)				\$0		\$0
Guardianship VDA Mental Health-(PY 06/30/25)				\$0		\$0
Guardianship DBHDS ID/DDS-(PY 06/30/24)				\$0		\$0
Guardianship DBHDS ID/DDS-(PY 06/30/25)				\$0		\$0
Guardianship DBHDS Mental Illness-(PY 06/30/24)				\$0		\$0
Guardianship DBHDS Mental Illness-(PY 06/30/25)				\$0		\$0
Senior Cool Care	\$0	\$4,000		\$4,000	\$4,232	-\$232
Senior Farmer's Market General Funds-(PY 06/30/24)				\$0		\$0
Senior Farmer's Market General Funds-(PY 06/30/25)				\$0		\$0
VICAP General Funds-(PY 06/30/24)		\$25,000		\$25,000	\$25,000	\$0
VICAP General Funds-(PY 06/30/25)		\$4,166		\$4,166	\$7,737	-\$3,571
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
Other				\$0		\$0
<b>*Note: PY means Program Year Ending</b>						
<b>GRAND TOTAL:</b>	<b>\$282,705</b>	<b>\$2,152,717</b>	<b>\$0</b>	<b>\$2,435,422</b>	<b>\$2,740,265</b>	<b>-\$304,843</b>
Revised 09/26/2024						

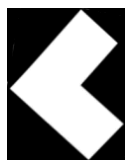
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NAME OF AGENCY AUDITED		Lake Country Area Agency on Aging			
		<b>SCHEDULE C - STATUS OF INVENTORIES</b>			
		YEAR ENDED SEPTEMBER 30, 2024			
		Value on		Increase	Value on
		Hand		(Decrease)	Hand
Fund Source and		10/1/2023		During	9/30/2024
Type of Inventory				Period	
Title III-B Older Americans Act		16,967			16,967
Title III-C(1) Older Americans Act		24,182			24,182
Title III-C(2) Older Americans Act		21,386			21,386
Title III-D Older Americans Act		12,537			12,537
Title III-E Older Americans Act		20,938			20,938
Title VII Elder Abuse					0
Title VII Ombudsman					0
Other Funds (Voluntary Contributions)		26,923			26,923
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
Other Funds (Specify funds)					0
<b>GRAND TOTAL</b>		<b>122,933</b>		<b>0</b>	<b>122,933</b>
Revised 09/26/2024					

For financial statement purposes, the above items are expensed as incurred.



# COMPLIANCE



**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  
Lake Country Area Agency on Aging, Inc.

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 Lake Country Area Agency on Aging, Inc. ("LCAAA") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, 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 March 31, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered LCAAA's internal control over financial reporting (internal control) as a basis for designing 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 LCAAA's internal control. Accordingly, we do not express an opinion on the effectiveness of LCAAA'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.

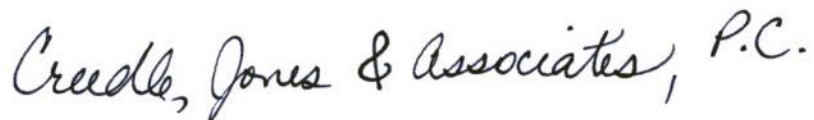
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LCAAA'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 financial statements. 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.

A handwritten signature in black ink that reads "Creedle, Jones & Associates, P.C." in a cursive script.

Creedle, Jones & Associates, P.C.  
Certified Public Accountants

South Hill, Virginia  
March 31, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE**

To the Board of Directors  
Lake Country Area Agency on Aging, Inc.

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Lake Country Area Agency on Aging, Inc. ("LCAAA")'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of LCAAA's major federal programs for the year ended September 30, 2024. LCAAA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, LCAAA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of LCAAA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of LCAAA's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to LCAAA's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on LCAAA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about LCAAA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding LCAAA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of LCAAA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of LCAAA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Creedle, Jones & Associates, P.C.*

Creedle, Jones & Associates, P.C.  
Certified Public Accountants

South Hill, Virginia  
March 31, 2025

## Lake Country Area Agency on Aging, Inc.

### Schedule of Findings and Questioned Costs

Year Ended September 30, 2024

#### SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an **unmodified opinion** on whether the financial statements of LCAAA were prepared in accordance with GAAP.
2. **No significant deficiencies** were disclosed during the audit of the financial statements as reported in the 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*. No material weaknesses were reported.
3. **No instances of noncompliance** material to the financial statements of LCAAA were disclosed during the audit.
4. **No significant deficiencies** in internal control over major federal award programs were disclosed during the audit as reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses were reported.
5. The auditor's report on compliance for the major federal award programs for LCAAA expresses an **unmodified opinion** on all major federal programs.
6. The audit disclosed **no audit findings** that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs included:  

**The Aging Cluster**  
**CFDA #'s 93.044 – Title III, Part B, #93.045 – Title III, Part C, and**  
**#93.053 – Nutrition Services Incentive Program**
8. The **threshold** for distinguishing Types A and B programs was **\$750,000**.
9. LCAAA **was** determined to be a **low-risk auditee**.

#### Findings – Financial Statements Audit

None

#### Findings and Questioned Costs – Major Federal Award Programs Audit

None