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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Central Community Action
Harlan, Iowa

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of West Central Community Action (an Iowa Non-Profit Corporation) which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Central Community Action as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 West Central Community Action, 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 opinion.

Responsibilities of Management 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. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation 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 West Central Community Action's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement 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 West Central Community Action'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Central Community Action'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.

To the Board of Directors
West Central Community Action

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise West Central Community Action's basic financial statements. We previously audited, in accordance with the standards referred to in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report, the financial statements for the two years ended September 30, 2021 (which are not presented herein) and expressed an unmodified opinion on those financial statements. The supplementary information included on page 1 and on Schedules 1 through 18, including the 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 (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2023 on our consideration of West Central Community Action'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 West Central Community Action'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 West Central Community Action's internal control over financial reporting and compliance.

Amesworth, Bell, Thylor - Co. P.C.

Atlantic, Iowa
March 20, 2023

WEST CENTRAL COMMUNITY ACTION
Statement of Financial Position
September 30, 2022

ASSETS

	<u>Total</u>
Cash	\$ 1,551,081
Investments:	
Cash and cash equivalents	32,503
Certificates of deposit	327,587
Accrued interest receivable	591
Receivables:	
Grantor agencies	1,263,078
Other sources	15,636
Prepaid expenses	26,571
Property and equipment at cost, less accumulated depreciation of \$2,363,548	<u>2,148,346</u>
Total Assets	<u>\$ 5,365,393</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 409,804
Accrued salaries and benefits	284,379
Compensated absences	326,419
Advances from grantors and others	344,652
Notes payable	<u>488,003</u>
Total Liabilities	1,853,257
Net Assets	
Without donor restrictions	2,101,236
With donor restrictions	<u>1,410,900</u>
Total Net Assets	<u>3,512,136</u>
Total Liabilities and Net Assets	<u>\$ 5,365,393</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Activities
Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Totals
Public Support and Revenues:			
Grant Revenues	\$ 16,927,015	\$ 171,413	\$ 17,098,428
In-Kind Contributions	1,333,478	--	1,333,478
Public Support and Contributions	199,825	19,823	219,648
Co-funding	512,493	--	512,493
Investment Income	2,327	--	2,327
Miscellaneous	456,317	52,461	508,778
Total Public Support and Revenues	19,431,455	243,697	19,675,152
Net Assets Released from Restrictions	236,932	(236,932)	--
Total Public Support, Revenues, and Net Assets Released from Program Restrictions	19,668,387	6,765	19,675,152
Expenses:			
Head Start	5,278,732	--	5,278,732
Community Services Block Grant (CSBG)	579,400	--	579,400
Child and Adult Care Food Program (CACFP)	909,239	--	909,239
Women, Infants and Children (WIC)	264,830	--	264,830
Low-Income Household Water Assistance Program (LIHWAP)	347,746	--	347,746
Low-Income Home Energy Assistance Program (LIHEAP)	7,543,683	--	7,543,683
Weatherization Assistance	942,859	--	942,859
Child Care Resource & Referral (CCR&R)	897,630	--	897,630
Family Development	551,741	--	551,741
Early Childhood Iowa	204,925	--	204,925
Outreach	970,456	--	970,456
Other Programs	591,757	--	591,757
Administration	243,277	--	243,277
Depreciation	212,622	--	212,622
Total Expenses	19,538,897	--	19,538,897
Change in Net Assets	129,490	6,765	136,255
Net Assets - Beginning of Year	1,971,746	1,404,135	3,375,881
Net Assets - End of Year	\$ 2,101,236	\$ 1,410,900	\$ 3,512,136

See notes to financial statements.