



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B34689

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June 26, 2009

Board of Directors
Evansville Black Coalition, Inc.
720 Lincoln Ave.
Evansville, IN 47713

We have reviewed the audit report prepared by Richard A. Goetz, CPA, Independent Public Accountant, for the period July 1, 2004 to June 30, 2005. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Evansville Black Coalition, Inc., as of June 30, 2005, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

EVANSVILLE BLACK COALITION, INC.
(An Indiana Not-For-profit Corporation)

FINANCIAL REPORT

JUNE 30, 2005

EVANSVILLE BLACK COALITION, INC.
(An Indiana Not-For-Profit Corporation)

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Richard A. Goetz
Certified Public Accountant
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INDEPENDENT AUDITOR'S REPORT

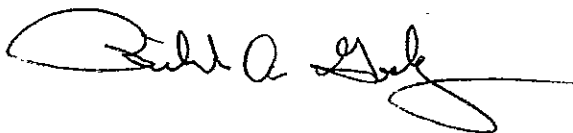
Board of Directors
Evansville Black Coalition, Inc.
720 Lincoln Avenue
Evansville, Indiana 47713

I have audited the accompanying statement of assets, liabilities, and net assets-modified cash basis of Evansville Black Coalition, Inc., (An Indiana Not-For-Profit Corporation) as of June 30, 2005, and the related statements of support, revenue, and functional expenses and changes in net assets-modified cash basis and the statement of functional expenses-modified cash basis for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1, the organization's policy is to prepare its financial statements on a modified cash basis; consequently, certain revenues and the related assets are recognized when received rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets-modified cash basis of Evansville Black Coalition, Inc. as of June 30, 2005, and the support, revenue, and functional expenses and changes in net assets-modified cash basis for the year then ended, on the basis of accounting as described in Note 1.



December 20, 2007
Evansville, Indiana

EVANSVILLE BLACK COALITION, INC.
 (An Indiana Not-For-Profit Corporation)

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS-MODIFIED CASH BASIS

June 30, 2005

ASSETS

CURRENT ASSETS

Cash-Checking		\$ 6,017
Training Houses		<u>136,372</u>
 Total Current Assets		 142,389

FIXED ASSETS

Furniture and Equipment		13,990
Land and Building		<u>136,176</u>
		150,166
Less: Accumulated Depreciation		<u>(41,118)</u>
		<u>109,048</u>
 TOTAL ASSETS		 \$ <u>251,437</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Bank Notes Payable		\$ 112,583
Other Notes Payable		28,638
Payroll Withholdings Payable		<u>21,998</u>
 Total Current Liabilities		 163,219

LONG-TERM LIABILITIES

Lease Payable		124,657
Net Assets		<u>(36,439)</u>
 TOTAL LIABILITIES AND NET ASSETS		 \$ <u>251,437</u>

See Notes to Financial Statements

EVANSVILLE BLACK COALITION, INC.
(An Indiana Not-For-Profit Corporation)

**STATEMENT OF SUPPORT, REVENUES, AND FUNCTIONAL EXPENSES AND
CHANGES IN NET ASSETS-MODIFIED CASH BASIS**

For the Year Ended June 30, 2005

SUPPORT and REVENUE	
Federal Grant Funds	\$ 89,022
State Grant Funds	85,364
House Training Sales	3,164
Contributions	4,961
Miscellaneous Income	<u>4,080</u>
TOTAL SUPPORT AND REVENUE	186,591
 FUNCTIONAL EXPENSES	
Program Services	186,244
Supporting Services- Management and General	<u>15,871</u>
TOTAL FUNCTIONAL EXPENSES	<u>202,115</u>
CHANGE IN NET ASSETS	(15,524)
Net Assets at Beginning of Year	<u>(20,915)</u>
NET ASSETS AT END OF YEAR	\$ <u>(36,439)</u>

See Notes to Financial Statements.

EVANSVILLE BLACK COALITION, INC.
 (An Indiana Not-For-Profit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES-MODIFIED CASH BASIS

For the Year Ended June 30, 2005

	<u>Supporting Services</u>		
	<u>Program</u>	<u>Management</u>	
	<u>Services</u>	<u>and General</u>	<u>Total</u>
<u>FUNCTIONAL EXPENSES</u>			
Salaries and Wages	\$ 108,507	\$ 12,056	\$ 120,563
Payroll Taxes	9,008	1,001	10,009
Employee Benefits	14,825	1,647	16,472
Program Expenses	10,033	-0-	10,033
Facility Operations	14,088	-0-	14,088
Depreciation	3,711	412	4,123
Insurance	10,234	-0-	10,234
Interest Expense	6,034	-0-	6,034
Professional Fees	3,000	-0-	3,000
Office Supplies	1,519	169	1,688
Repairs and Maintenance	95	10	105
Telecommunications	4,486	498	4,984
Miscellaneous	<u>704</u>	<u>78</u>	<u>782</u>
	\$ <u>186,244</u>	\$ <u>15,871</u>	\$ <u>202,115</u>

See Notes to Financial Statements.

EVANSVILLE BLACK COALITION, INC.
(An Indiana Not-For-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS

June 30, 2005

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Operations

Evansville Black Coalition, Inc., was formed in 1970 as an Indiana Not-For-Profit Corporation and is located in Evansville, Indiana. The organization receives approximately 90% of its funding from local, state, and federal grants. The funds received are used to provide free job training, promoting job placement, and to provide drug and alcohol abuse services to individuals southwestern Indiana.

Basis of Accounting

The organization maintains its accounts on a modified cash basis with a provision for the depreciation of fixed assets. Under this method of accounting, income is not recorded on the books until cash is received. Expenses incurred are not recorded until time of payment. The accompanying financial statements, therefore, do not reflect accrued income, accrued or prepaid expenses, nor the financial position and results of operations in accordance with accounting principles generally accepted in the United States of America.

Income Taxes

The organization is an Indiana Not-For-Profit Corporation, which qualifies as a tax-exempt, non-profit organization under Internal Revenue Code section 501(c)(3). Accordingly, no provision for federal or state income taxes is required.

Fixed Assets

Fixed assets are stated at cost. Depreciation is calculated using the straight-line method based on the estimated useful life of the assets.

Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures and liabilities and 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.

EVANSVILLE BLACK COALITION, INC.
(An Indiana Not-For-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS

June 30, 2005

NOTE 2 - NET ASSET CLASSIFICATIONS

The financial statements have been prepared in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." SFAS No. 117 requires, among other things, that the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are to be classified as unrestricted, temporarily restricted, and permanently restricted.

NOTE 3 - TRAINING HOUSES

Acquisition costs associated with the construction-training program are carried as an asset until the house rehabilitation is completed and the house is sold.

NOTE 4 - BANK NOTES PAYABLE

The organization has various bank notes payable totaling \$ 112,583 at June 30, 2005. The notes carry various interest rates and are secured by the Training Houses described in Note 3. Each bank note is due upon the sale of the respective Training House.

NOTE 5 - OTHER NOTES PAYABLE

The organization has received operating funds from one individual. There is no interest provision or repayment terms on these funds and they are unsecured.

NOTE 6 - LEASE PAYABLE

The organization leases the physical location under a 99-year capitalized lease expiring September 2092. The rental amount is negotiated on an annual basis. Monthly payments under the lease agreement assigned to principal and interest amount to \$ 627 per month. Any monthly payment made in excess of the \$ 627 per month are considered reimbursement to the landlord for utilities, repairs, taxes, insurance and are shown as Facility Operations in the financial statements.

NOTE 6 - VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The organization's is substantially funded by various grants. The grants contain provisions, which permit the grants to be terminated or the funds reduced if the unit of government does not appropriate an adequate amount of funds to maintain the present funding levels. Any excess funds on hand from federal and state grants at termination date would be subject to refund if such funds exceeded the accrued expenditures allowable under the grants. Such changes may occur with little notice.