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June 26, 2009

Board of Directors
Ozanam Family Shelter Corporation
1100 Read Street
Evansville, IN 47710

We have reviewed the audit report prepared by Umbach & Associates, LLP, Independent Public Accountants, 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 Ozanam Family Shelter Corporation, 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

Financial Statements

Ozanam Family Shelter Corporation

June 30, 2005 and 2004

OZANAM FAMILY SHELTER CORPORATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Ozanam Family Shelter Corporation
1100 Read Street
Evansville, Indiana 47710

We have audited the accompanying statements of assets, liabilities, and net assets - cash basis of Ozanam Family Shelter Corporation (a nonprofit organization), as of June 30, 2005 and 2004, and the related statements of support, revenue, and expenses - cash basis for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Ozanam Family Shelter Corporation, as of June 30, 2005 and 2004, and its support, revenue, and expenses for the years then ended, on the basis of accounting described in Note 1.

Umbach & Associates, LLP

Certified Public Accountants
August 24, 2005

OZANAM FAMILY SHELTER CORPORATION
Statements of Assets, Liabilities, and Net Assets - Cash Basis
At June 30, 2005 and 2004

Assets	<u>2005</u>	<u>2004</u>
Current Assets		
Cash and cash equivalents:		
Unrestricted	\$ 36,557	\$ 27,774
Temporarily restricted	<u>9,922</u>	<u>88,200</u>
	<u>46,479</u>	<u>115,974</u>
Property and Equipment	889,302	678,086
Less accumulated depreciation	<u>(272,674)</u>	<u>(233,437)</u>
	<u>616,628</u>	<u>444,649</u>
Total Assets	<u>\$ 663,107</u>	<u>\$ 560,623</u>
 Liabilities and Net Assets		
Current Liabilities		
Payroll withholdings	\$ 2,684	\$ 00
Net Assets	<u>660,423</u>	<u>560,623</u>
Total Liabilities and Net Assets	<u>\$ 663,107</u>	<u>\$ 560,623</u>

See notes to financial statements

OZANAM FAMILY SHELTER CORPORATION
Statements of Support, Revenue, and Expenses - Cash Basis
For the Years Ended June 30, 2005 and 2004

	<u>2005</u>	<u>2004</u>
Operating Support and Revenue		
Support:		
Contributions	\$ 132,490	\$ 148,026
Grants	<u>96,167</u>	<u>110,754</u>
	228,657	258,780
Other Support:		
Construction grants and contributions	101,483	171,217
Revenue:		
Interest income	<u>1,067</u>	<u>1,201</u>
	<u>331,207</u>	<u>431,198</u>
Operating Expenses		
Gross wages	121,664	173,417
Taxes - payroll	9,517	13,473
Utilities	13,184	21,499
Telephone	2,258	3,540
Insurance	13,120	15,578
Supplies	10,601	8,938
Office supplies	3,237	3,517
Repairs and maintenance	5,952	4,891
Dues and subscriptions	100	100
Travel	85	413
Professional fees	1,800	1,600
Fundraising	7,198	7,480
Miscellaneous	2,054	2,934
Depreciation expense	40,637	33,984
Write-off of leasehold improvements at Shelter I	<u>00</u>	<u>32,866</u>
	<u>231,407</u>	<u>324,230</u>
Change in Net Assets	99,800	106,968
Net Assets - Beginning of Year	<u>560,623</u>	<u>453,655</u>
Net Assets - End of Year	<u><u>\$ 660,423</u></u>	<u><u>\$ 560,623</u></u>

See notes to the financial statements

OZANAM FAMILY SHELTER CORPORATION
Notes to Financial Statements - Cash Basis
For The Years Ended June 30, 2005 and 2004

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Business - The Ozanam Family Shelter Corporation was incorporated in 1990 in the State of Indiana as a nonprofit organization. The Corporation runs an emergency shelter for homeless families in Evansville, Indiana. The Corporation's major sources of revenue consist of individual and corporate donations and governmental grants.

Basis of Reporting - The Corporation prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

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

Donated Services and Food - A number of volunteers have donated time to the Corporation's program services during the year, however, these donated services are not reflected in the financial statements because the Corporation is on the cash basis of accounting and because the services do not require specialized skills. The Corporation also receives food and other personal goods as donations for program services during the year.

Cash and Cash Equivalents - The Corporation considers all liquid investments with original maturities of three months or less to be cash equivalents.

Restricted and Unrestricted Revenue and Support - The Corporation has no donor permanently restricted assets. Temporarily restricted contributions which are expended in the year received are reported as unrestricted contributions.

During fiscal 2005, the Corporation received a temporarily restricted gift of \$18,750 to be used for case management for the shelter's residents. As of June 30, 2005, \$8,055 of these funds had not been expended.

During fiscal 2004, the Corporation received a temporarily restricted gift of \$7,000 to be used to furnish the new expansion of the building at Read Street and to be used for a lending library. As of June 30, 2005 and 2004, \$1,867 and \$6,867 of these funds had not been expended, respectively.

During fiscal 2004, the Corporation received temporarily restricted grant monies of \$88,517 to be used to construct the new expansion of the building at Read Street. As of June 30, 2004 \$81,333 of these funds had not been expended.

OZANAM FAMILY SHELTER CORPORATION
Notes to Financial Statements - Cash Basis
For The Years Ended June 30, 2005 and 2004

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - continued:

Restricted and Unrestricted Revenue and Support (continued)

Temporarily restricted cash at June 30, 2005 and 2004:

	2005	2004
Building supplies	\$ 1,867	\$ 6,867
Case management	8,055	00
Building project	00	81,333
	\$ 9,922	\$ 88,200

Property, Equipment, and Depreciation - Property and equipment are stated at cost for purchased assets and at fair value for donated assets. Provisions for depreciation of property and equipment have been computed on the straight-line method over the estimated useful life.

The Corporation does not record donated depreciable assets unless the value is readily determinable. During fiscal years 2005 and 2004 the Corporation did not receive any donated equipment.

NOTE 2 -- FINANCIAL OPERATIONS:

The Corporation received approximately 28 percent and 25 percent of its operating support from federal and local governments (excluding building grant) for the years ended June 30, 2005 and 2004, respectively. A significant reduction in the level of this support may have a significant effect on the Corporation's programs and activities.

The Corporation closed its leased homeless shelter during 2004 resulting in the write-off of leasehold improvements of \$32,866.

NOTE 3 - PROPERTY AND EQUIPMENT:

Property and equipment at June 30, 2005 and 2004 consisted of the following:

	2005		2004	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	\$ 38,000	\$ 00	\$ 38,000	\$ 00
Building	510,259	149,937	213,229	127,089
Equipment	8,861	4,254	7,047	4,842
Furniture and fixtures	5,845	5,601	5,845	5,459
Building improvement	326,337	112,882	324,081	96,047
Construction in progress	00	00	89,884	00
	\$ 889,302	\$ 272,674	\$ 678,086	\$ 233,437

OZANAM FAMILY SHELTER CORPORATION
Notes to Financial Statements - Cash Basis
For the Years Ended June 30, 2005 and 2004

NOTE 4 - INCOME TAXES:

The Corporation is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code.

NOTE 5 - REVENUE:

Government grant revenue for the years ended June 30, 2005 and 2004 consisted of the following:

	2005	2004
DMD - Block Grant	\$ 16,274	\$ 41,559
Emergency Shelter Grant Programs	48,288	24,090
DMD - HUD - Building Program	101,483	88,517
	\$ 166,045	\$ 154,166

During fiscal 2005, HUD funding of the Emergency Shelter Grant Program through the DMD had been delayed. During fiscal 2006, the Corporation received \$14,700 in reimbursement for fiscal 2005. During fiscal 2004, the Corporation received \$22,850 in reimbursement for fiscal 2003.