

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT EXAMINATION REPORT

OF

INDIANA WAR MEMORIALS FOUNDATION, INC.

January 1, 2014 to December 31, 2015



FILED
09/23/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President	Colin Lennon	01-01-14 to 01-12-16
	Linda Jeffrey	01-13-16 to 12-31-16
Treasurer	Celeste Ross	01-01-14 to 09-09-15
	Colin Lennon (interim)	09-10-15 to 01-12-16
	Anthony Aaron	01-13-16 to 12-31-16



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA WAR MEMORIALS FOUNDATION, INC.

We have examined the accompanying financial statement of the Indiana War Memorials Foundation, Inc. (Foundation) for the period of January 1, 2014, to December 31, 2015. The financial statement is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the financial statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Foundation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Foundation for the period of January 1, 2014, to December 31, 2015.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Foundation for the period of January 1, 2014, to December 31, 2015, on the basis of accounting described in Note 1.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

August 2, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were prepared by management of the Foundation. The financial statement and notes are presented as intended by the Foundation.

INDIANA WAR MEMORIALS FOUNDATION, INC.
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 As of and For the Years Ended December 31, 2014 and 2015

	<u>2014</u>	<u>2015</u>
Cash and investments, January 1	\$ 494,068	\$ 545,326
Total receipts	<u>\$ 82,402</u>	<u>\$ 88,093</u>
Total disbursements	<u>\$ 31,144</u>	<u>\$ 61,543</u>
Excess (deficiency) of total receipts over (under) total disbursements	<u>\$ 51,258</u>	<u>\$ 26,550</u>
Cash and investments, December 31	<u>\$ 545,326</u>	<u>\$ 571,876</u>

The accompanying notes are an integral part of this statement.

INDIANA WAR MEMORIALS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Indiana War Memorials Foundation, Inc. (Foundation) was authorized and established under Public Law 17-2005 effective April 13, 2005, which retroactively approved all financial transactions of the Foundation from inception in 2000 to the enactment of the law. The Foundation is established as a 501(c)(3) Corporation. The Foundation was established for the benefit of, to perform the functions of, and to carry out the purposes of the Indiana War Memorials Commission. The Foundation provides cultural and recreational services.

The accompanying financial statement presents the financial information for the Foundation.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of investment.

D. Receipts

Receipts are presented in the aggregate on the face on the financial statement. The aggregate receipts include the following sources: donations, Bricks of Remembrance sales, and investment income.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following expenses: grants to the Indiana War Memorials, Bricks of Remembrance expenses, investing expenses, and other operating expenses.

Note 2. Deposits and Investments

A. Deposits - Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. The Foundation's deposits were insured up to \$250,000 by the National Credit Union Administration.

B. Investments - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Foundation will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Foundation does not have a formal investment policy for custodial credit risk for investments. The Foundation's investments are held in the name of the Foundation.