



STATE OF INDIANA
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September 20, 2019

Board of Directors
Kosciusko County Shelter for Abuse, Inc.
d/b/a The Beaman Home
P.O. Box 12
Warsaw, IN 46581

We have reviewed the audit report of Kosciusko County Shelter for Abuse, Inc. d/b/a The Beaman Home which was opined upon by Culp CPA Group, Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Kosciusko County Shelter for Abuse, Inc. d/b/a The Beaman Home as of June 30, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Culp CPA Group prepared the audit report in accordance with guidelines established by the State Board of Accounts.

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


Paul D. Joyce, CPA
State Examiner

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

AUDIT REPORT

JUNE 30, 2019 AND 2018

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Independent Auditor's Report

To the Board of Directors
Kosciusko County Shelter for Abuse, Inc.
d/b/a The Beaman Home
Warsaw, Indiana

We have audited the accompanying financial statements of Kosciusko County Shelter for Abuse, Inc. d/b/a The Beaman Home (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kosciusko County Shelter for Abuse, Inc. d/b/a The Beaman Home as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Culp CPA Group
Certified Public Accountants

Huntington, Indiana
September 6, 2019

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

ASSETS

	<u>2019</u>	<u>2018</u>
<u>Current Assets:</u>		
Cash and cash equivalents - Notes 1 and 2	\$ 210,737	\$ 323,805
Grants receivable	239,156	163,385
Pledges receivable	-	11,044
Inventory	270	8,600
Prepaid expenses	<u>14,274</u>	<u>12,331</u>
 Total current assets	 <u>464,437</u>	 <u>519,165</u>
 <u>Fixed Assets - Note 1:</u>		
Land	75,000	75,000
Building	2,119,129	2,042,286
Equipment	147,556	147,556
Furniture and fixtures	36,574	36,574
Vehicles	39,393	22,063
Construction in progress	<u>-</u>	<u>3,883</u>
	2,417,652	2,327,362
<u>Less:</u> Accumulated depreciation	<u>262,606</u>	<u>176,509</u>
 Total fixed assets	 <u>2,155,046</u>	 <u>2,150,853</u>
 <u>Other Assets:</u>		
Loan fees	5,030	5,030
<u>Less:</u> Accumulated amortization	<u>5,030</u>	<u>5,030</u>
 Total other assets	 <u>-</u>	 <u>-</u>
 Total assets	 <u>\$2,619,483</u>	 <u>\$2,670,018</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND NET ASSETS

	<u>2019</u>	<u>2018</u>
<u>Current Liabilities:</u>		
Accounts payable	\$ 2,210	\$ -
Wages payable	12,560	5,844
Compensated absences	21,159	23,542
Payroll taxes payable	10,932	2,761
Line of credit - Note 3	60,000	121,456
Current maturity of long-term debt - Note 4	<u>9,939</u>	<u>-</u>
Total current liabilities	<u>116,800</u>	<u>153,603</u>
<u>Long-Term Debt:</u>		
Mortgage payable - Bank - Note 4	112,899	-
<u>Less:</u> Amount due within one year, included in current liabilities - Note 4	<u>9,939</u>	<u>-</u>
Total long-term debt	<u>102,960</u>	<u>-</u>
Total liabilities	<u>219,760</u>	<u>153,603</u>
<u>Net Assets:</u>		
Without donor restrictions	2,175,862	2,356,836
With donor restrictions - Note 5	<u>223,861</u>	<u>159,579</u>
Total net assets	<u>2,399,723</u>	<u>2,516,415</u>
Total liabilities and net assets	<u>\$2,619,483</u>	<u>\$2,670,018</u>

The accompanying notes are an integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenues, gains and other support -</u>			
Grants - Note 7 -			
Federal	\$ 176,140	\$ 223,861	\$ 400,001
State	135,202	-	135,202
County and city	44,841	-	44,841
Other	-	-	-
Contributions	315,428	-	315,428
Contributions - In-kind	471,054	-	471,054
United Way	78,225	-	78,225
Special events - Net of direct expenses of \$15,403	80,302	-	80,302
Interest income	118	-	118
Other income	<u>12,708</u>	<u>-</u>	<u>12,708</u>
Total revenues, gains and other support before net assets released from program restrictions	1,314,018	223,861	1,537,879
Net assets released from program restrictions - Note 5	<u>159,579</u>	<u>(159,579)</u>	<u>-</u>
Total revenues, gains and other support	<u>1,473,597</u>	<u>64,282</u>	<u>1,537,879</u>
<u>Expenses -</u>			
Program	1,330,029	-	1,330,029
Management and general	268,378	-	268,378
Fundraising	<u>56,164</u>	<u>-</u>	<u>56,164</u>
Total expenses	<u>1,654,571</u>	<u>-</u>	<u>1,654,571</u>
Change in net assets	(180,974)	64,282	(116,692)
<u>Net assets, beginning of year</u>	<u>2,356,836</u>	<u>159,579</u>	<u>2,516,415</u>
<u>Net assets, end of year</u>	<u>\$ 2,175,862</u>	<u>\$ 223,861</u>	<u>\$ 2,399,723</u>

The accompanying notes are an integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenues, gains and other support -</u>			
Grants - Note 7 -			
Federal	\$ 350,259	\$ 148,535	\$ 498,794
State	195,256	-	195,256
County and city	49,118	-	49,118
Other	15,000	-	15,000
Contributions	167,894	-	167,894
Contributions - In-kind	261,782	-	261,782
United Way	93,715	-	93,715
Special events - Net of direct expenses of \$21,891	62,636	-	62,636
Interest income	102	-	102
Other income	<u>3,337</u>	<u>-</u>	<u>3,337</u>
Total revenues, gains and other support before net assets released from program restrictions	1,199,099	148,535	1,347,634
Net assets released from program restrictions - Note 5	<u>449,780</u>	<u>(449,780)</u>	<u>-</u>
Total revenues, gains and other support	<u>1,648,879</u>	<u>(301,245)</u>	<u>1,347,634</u>
<u>Expenses -</u>			
Program	1,069,887	-	1,069,887
Management and general	256,897	-	256,897
Fundraising	<u>49,876</u>	<u>-</u>	<u>49,876</u>
Total expenses	<u>1,376,660</u>	<u>-</u>	<u>1,376,660</u>
Change in net assets	272,219	(301,245)	(29,026)
<u>Net assets, beginning of year</u>	<u>2,084,617</u>	<u>460,824</u>	<u>2,545,441</u>
<u>Net assets, end of year</u>	<u>\$ 2,356,836</u>	<u>\$ 159,579</u>	<u>\$2,516,415</u>

The accompanying notes are an integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2019

	<u>Program</u>	<u>Manage- ment And General</u>	<u>Fund- raising</u>	<u>Total</u>
Salaries and wages	\$ 486,681	\$ 188,795	\$44,536	\$ 720,012
Payroll taxes and fees	<u>37,478</u>	<u>16,368</u>	<u>4,322</u>	<u>58,168</u>
 Total salaries and related expenses	 524,159	 205,163	 48,858	 778,180
 Accounting and legal	 303	 25,177	 -	 25,480
Bank charges	474	986	212	1,672
Capital campaign	-	-	93	93
Educational	1,155	108	-	1,263
Food supplies	38,545	-	-	38,545
Household/personal supplies	463,649	4,158	5,911	473,718
Office supplies	6,381	421	-	6,802
Advertising and marketing - Note 1	91	928	8	1,027
Postage	1,180	1,022	212	2,414
Rent assistance	72,121	-	-	72,121
Rent expense	13,112	-	-	13,112
Utilities	32,755	-	-	32,755
Telephone and internet	16,182	2,910	638	19,730
Insurance	18,483	13,443	-	31,926
Equipment rental and purchases	3,718	2,225	-	5,943
Building repairs and maintenance	8,132	-	-	8,132
Equipment repairs and maintenance	2,550	164	-	2,714
Technology	33,525	-	-	33,525
Vehicle	4,519	-	-	4,519
Meals, lodging, and travel	1,118	1,816	150	3,084
Personnel recruitment and recognition	1,333	324	82	1,739
Dues and subscriptions	176	766	-	942
Miscellaneous	153	28	-	181
Depreciation - Note 1	77,358	8,739	-	86,097
Interest expense	<u>8,857</u>	<u>-</u>	<u>-</u>	<u>8,857</u>
 Total expenses	 <u>\$ 1,330,029</u>	 <u>\$ 268,378</u>	 <u>\$56,164</u>	 <u>\$1,654,571</u>

The accompanying notes are an integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Program</u>	<u>Management And General</u>	<u>Fund- raising</u>	<u>Total</u>
Salaries and wages	\$ 453,949	\$ 176,098	\$41,541	\$ 671,588
Payroll taxes and fees	<u>33,966</u>	<u>14,834</u>	<u>3,917</u>	<u>52,717</u>
 Total salaries and related expenses	 487,915	 190,932	 45,458	 724,305
 Accounting and legal	 252	 20,949	 -	 21,201
Bank charges	262	545	117	924
Educational	428	40	-	468
Food supplies	46,346	-	-	46,346
Household/personal supplies	232,255	2,083	2,961	237,299
Office supplies	4,622	332	-	4,954
Advertising and marketing - Note 1	708	7,220	65	7,993
Postage	1,183	1,024	212	2,419
Rent assistance	47,491	-	-	47,491
Rent expense	6,100	-	-	6,100
Utilities	30,282	-	-	30,282
Telephone and internet	17,577	3,160	694	21,431
Insurance	18,190	13,229	-	31,419
Equipment rental and purchases	4,424	2,648	-	7,072
Building repairs and maintenance	6,847	-	-	6,847
Equipment repairs and maintenance	2,504	161	-	2,665
Technology	57,060	-	-	57,060
Vehicle	2,990	-	-	2,990
Meals, lodging, and travel	1,913	3,108	256	5,277
Personnel recruitment and recognition	1,836	447	113	2,396
Dues and subscriptions	257	1,118	-	1,375
Miscellaneous	3,266	590	-	3,856
Depreciation - Note 1	82,416	9,311	-	91,727
Amortization	1,397	-	-	1,397
Interest expense	<u>11,366</u>	<u>-</u>	<u>-</u>	<u>11,366</u>
 Total expenses	 <u>\$ 1,069,887</u>	 <u>\$ 256,897</u>	 <u>\$49,876</u>	 <u>\$1,376,660</u>

The accompanying notes are an integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.
D/B/A THE BEAMAN HOME
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	\$ (116,692)	\$ (29,026)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities -		
Depreciation and amortization	86,097	93,124
(Increase) Decrease in -		
Grants receivable	(75,771)	263,288
Pledges receivable	11,044	23,107
Inventory	8,330	(1,100)
Prepaid expenses	(1,943)	1,893
Increase (Decrease) in -		
Accounts payable	2,210	(320)
Wages payable	6,716	583
Compensated absences	(2,383)	12,313
Payroll taxes payable	8,171	371
Grants payable	<u>-</u>	<u>(22,269)</u>
Net cash provided by (used in) operating activities	<u>(74,221)</u>	<u>341,964</u>
 <u>Cash flows from investing activities:</u>		
Purchase of fixed assets	<u>(90,290)</u>	<u>(37,344)</u>
Net cash (used in) investing activities	<u>(90,290)</u>	<u>(37,344)</u>
 <u>Cash flows from financing activities:</u>		
Payments on line of credit	(61,456)	(203,544)
Increase in long-term debt	<u>112,899</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>51,443</u>	<u>(203,544)</u>
 <u>Net increase (decrease) in cash and cash equivalents</u>	<u>(113,068)</u>	<u>101,076</u>
 <u>Cash and cash equivalents at beginning of year</u>	<u>323,805</u>	<u>222,729</u>
 <u>Cash and cash equivalents at end of year</u>	<u>\$ 210,737</u>	<u>\$ 323,805</u>
 <u>Supplementary cash flow information:</u>		
Cash paid for interest	<u>\$ 8,857</u>	<u>\$ 11,366</u>

The accompanying notes are integral part of these financial statements.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

Note 1: Organization and summary of significant accounting policies -

Organization - The Kosciusko County Shelter for Abuse, Inc. d/b/a The Beaman Home (the Organization) is a nonprofit corporation serving Kosciusko, Fulton, and Marshall Counties and was formed under Indiana law pursuant to Articles of Incorporation, effective September 17, 1984. The Organization's purpose is to provide services for individuals and their dependent children in crisis as it relates to domestic violence and sexual assault and to provide educational, informative, and supportive services to residents. The Organization also assists former clients with relocation. The Organization is primarily supported through grants, donor contributions, and the United Way.

Basis of accounting - The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded when liabilities are incurred. Also, equipment purchased through grant awards is charged to expense in the period during which it is approved by funding sources and purchased. The equipment acquired is owned by the Organization while used in current or other future authorized programs. The funding sources have a reversionary interest in the equipment purchased with grant funds; therefore, its disposition as well as the ownership of any sale proceeds, is subject to funding source regulations.

Basis of presentation - Financial statement presentation follows Financial Accounting Standards Board Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU No. 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Without donor restrictions - Net assets that are not subject to donor-imposed stipulations. 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. Donor-imposed stipulations are reported as net assets without donor restrictions if the stipulations expire in the reporting period in which the revenue is recognized.

With donor restrictions - Net assets whose use by the Organization is subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by passage of time. Also, net assets include amounts whose use is limited by donor-imposed restrictions which stipulate that resources be maintained permanently, but permits the Organization to expend part or all of the income derived from the donated assets. Resources arising from the results of operations or assets set aside by the Board of Directors are not considered to be donor restricted.

Cash and cash equivalents - For the purpose of reporting cash flows, the Organization considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.
D/B/A THE BEAMAN HOME
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019 AND 2018

Note 1: Organization and summary of significant accounting policies (Continued) -

Significant concentrations of credit risk - Cash balances at various local banks are insured by the Federal Deposit Insurance Corporation (FDIC). The amount of coverage is \$250,000 per financial institution. In the case of bank failure, accounts of deposits in excess of that federally insured amount would be subject to loss. At times throughout the year, the balances of certain accounts may exceed these limits. The Organization's balance did not exceed federally insured limits at June 30, 2019 and 2018.

Pledges receivable - When a donor has unconditionally promised to contribute funds to the Organization in future periods, the Organization recognizes a pledge receivable. Pledges expected to be collected within one year are recorded as support and a receivable at net realizable value. Pledges expected to be collected in future years are recorded as support and a receivable at the present value of expected future cash flows.

Allowance for uncollectible accounts - The Organization believes that all of the grant receivables will be collected. Therefore, no allowance for uncollectible accounts has been established. Management closely monitors outstanding grants receivable, and charges off to expense any balances that are determined to be uncollectible.

Fixed assets - Fixed assets are stated at cost or, if donated, at fair value at the date of the gift. Items with a cost or value of \$500 or more and a useful life of one year or more are capitalized. The Organization follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets.

Food, clothing, and supplies inventory - Inventory is carried at cost if purchased. However, if inventory is donated, the item is valued at fair market value at the date of the gift. All inventory is valued on a first-in, first-out (FIFO) basis. Other in-kind donations for use in Mary Ann's Place have not been inventoried.

Depreciation - Depreciation charged against income was \$86,097 and \$91,727 for the years ended June 30, 2019 and 2018, respectively. The Organization depreciates assets over their estimated useful lives, using the straight-line method of computing depreciation for financial statement purposes. Estimated useful lives for computing depreciation were as follows:

<u>Assets</u>	<u>Years</u>
Building	39
Equipment	5-10
Furniture and fixtures	5-10
Vehicles	5

Contributions - Under FASC 958, all contributions are considered to be available for use unless specifically restricted by the donor. Gifts of cash and other assets are reported as net assets with donor restrictions if they are received with donor stipulations that limit their use. When a donor restriction expires, these net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2019 AND 2018

Note 1: Organization and summary of significant accounting policies (Continued) -

Functional expenses - The cost of the Organization's programs and supporting services have been reported on a functional basis in the statements of functional expenses. Expenses are charged to each program based on direct expenses incurred. Any program expenses not directly chargeable to a program have been allocated among the programs and supporting services benefited.

Income tax status - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and qualifies for the 50% charitable contributions deduction limitation, and is not considered to be a private foundation under Section 509(a) of the Code.

The Organization has adopted the accounting standard on accounting for uncertainty in income taxes. This standard addresses the determination of whether tax benefits claimed, or expected to be claimed, on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits that could be recognized in the financial statements from such positions would be measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses derecognition, classification, interest and penalties on income taxes, and accounting in interim periods. At June 30, 2019 and 2018, there were no unrecognized tax benefits identified or recorded as liabilities. The Organization files Form 990 and the related state of Indiana return.

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 regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results could differ from those estimates.

Advertising - Advertising costs are charged to operations as incurred. Total advertising costs expensed during the years ended June 30, 2019 and 2018 was \$1,027 and \$7,993, respectively.

Liquidity and funds available - The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. All current assets are available to meet cash needs for general expenditures within one year.

Note 2: Pledges receivable - The capital campaign was completed during the year ended June 30, 2019. The Organization received pledges totaling \$8,000 and \$22,663 for the years ended June 30, 2019 and 2018, respectively.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2019 AND 2018

Note 3: Line of credit - The Organization had a revolving line of credit agreement with a local bank which provides that it may borrow up to \$600,000 at the bank's prime rate. The line of credit matured in May 2018. In May 2018, the Organization secured a \$275,000 non-revolving line of credit at the Wall Street prime rate. The line of credit was secured by the building. The line of credit matured on July 12, 2018. On September 17, 2018, the line of credit was renewed at \$225,000 through September 17, 2023 at 5.5%. The line of credit was secured by the building.

Note 4: Mortgage payable - Bank - The Organization secured a mortgage of \$121,456 on July 12, 2018 requiring monthly payments of \$1,325 through June 12, 2028 at an interest rate of 5.5%. Then, one principal and interest payment are due on July 12, 2028 to pay the remaining balance. The mortgage is secured by the building. The future principal amounts are due below:

2020	\$ 9,939
2021	10,500
2022	11,092
2023	11,717
2024	12,378
Thereafter	<u>57,268</u>
	<u>\$112,894</u>

Note 5: Net assets with donor restrictions - The Organization has net assets with donor restrictions for the following purposes at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Government grants	\$223,861	\$148,535
Capital campaign	<u>-</u>	<u>11,044</u>
Total	<u>\$223,861</u>	<u>\$159,579</u>

Net assets were released from donor restriction by incurring expenses satisfying the purpose of the restrictions as follows:

Government grants	\$148,535	\$426,673
Capital campaign	<u>11,044</u>	<u>23,107</u>
Total net assets released from restrictions	<u>\$159,579</u>	<u>\$449,780</u>

Note 6: Donated materials and services - Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated fair values at date of receipt. Donated materials are included in the financial statements as follows at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Food supplies	\$ 7,870	\$ 19,838
Household/personal supplies	<u>463,184</u>	<u>241,944</u>
	<u>\$471,054</u>	<u>\$261,782</u>

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.
D/B/A THE BEAMAN HOME
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019 AND 2018

Note 6: Donated materials and services (Continued) -

Many individuals volunteer their time and perform a variety of tasks that assist the Organization. These services do not meet the criteria for recognition in the financial statements and, accordingly, have not been recorded. The Organization received approximately 5,202 and 6,113 hours of donated services during the years ended June 30, 2019 and 2018, respectively. The fair value of donated service hours for the years was estimated to be \$59,826 and \$67,247, respectively. Services that are donated which would otherwise be purchased and do meet the criteria, are recorded at fair market value.

Note 7: Government funding - During 2019 and 2018, the Organization received the following amounts from government entities:

<u>Agency Or Federal Grantor/ Pass-Through Grantor</u>	<u>2019</u>	<u>2018</u>
Housing and Urban Development - Passed through Indiana Housing and Community Development Authority - Continuum of Care Rapid Rehousing Emergency Solutions Grant	\$ 76,191 34,697	\$ 75,683 57,718
U.S. Department of Health and Human Services - Passed through Indiana Criminal Justice Institute - Victims of Crime Act Social Service Block Grant Family Violence Preventions and Services	214,543 18,066 51,271	278,309 16,262 58,542
U.S. Department of Education - Passed through Indiana Department of Education - Child and Adult Care Food Program Grant	<u>5,233</u>	<u>12,280</u>
Total federal assistance	400,001	498,794
State of Indiana	135,202	195,256
County and City	<u>44,841</u>	<u>49,118</u>
	<u>\$580,044</u>	<u>\$743,168</u>

Note 8: Operating leases - In January 2016, the Organization entered into a building lease for Mary Ann's Place, which expired in January 2018 and reverted to a month-to-month lease. A one-year lease was entered into for the building on May 1, 2019 with monthly payments of \$850. Lease expense for the years ended June 30, 2019 and 2018 was \$12,300 and \$6,000, respectively.

KOSCIUSKO COUNTY SHELTER FOR ABUSE, INC.

D/B/A THE BEAMAN HOME

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2019 AND 2018

Note 8: Operating leases (Continued) -

The Organization also leases a copier through an annual lease that ended July 31, 2018. Monthly payments were \$455. A new lease commenced on August 1, 2018 that ended on July 31, 2019. Total copier lease expense was \$9,988 and \$5,460 for the years ended June 30, 2019 and 2018, respectively.

The remaining rents are temporary, month-to-month rents, and include short-term storage units and client rental assistance.

Note 9: Subsequent events - The Organization evaluated all events or transactions that occurred after June 30, 2019 up through September 6, 2019, which is the date the financial statements were available to be issued. During this period, management has determined that the Organization did not have any material recognizable or disclosable subsequent events.