

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULES,
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED JUNE 30, 2014 AND 2013**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Junior Achievement of Middle Tennessee, Inc.

We have audited the accompanying financial statements of Junior Achievement of Middle Tennessee, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities 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 of 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior Achievement of Middle Tennessee, Inc., as of June 30, 2014 and 2013, 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, as listed in the table of contents, on pages 16 through 19 are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

August 14, 2014

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 235,136	\$ 126,924
Contributions receivable currently due, net	175,695	204,181
Inventory	1,865	2,400
Prepaid expenses and other current assets	<u>17,461</u>	<u>9,963</u>
Total current assets	430,157	343,468
Non-current contributions receivable, net	432,948	507,569
Property and equipment, net	<u>60,725</u>	<u>43,415</u>
Total long term assets	<u>493,673</u>	<u>550,984</u>
TOTAL ASSETS	<u><u>\$ 923,830</u></u>	<u><u>\$ 894,452</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 72,654	\$ 81,141
Deferred revenue	125,938	121,843
Current portion of note payable	<u>3,680</u>	<u>3,502</u>
Total current liabilities	<u>202,272</u>	<u>206,486</u>
LONG TERM LIABILITIES		
Note payable, net of current portion	<u>12,013</u>	<u>15,693</u>
Total long term liabilities	<u>12,013</u>	<u>15,693</u>
Total liabilities	<u>214,285</u>	<u>222,179</u>
NET ASSETS		
Unrestricted	126,597	21,704
Temporarily restricted	<u>582,948</u>	<u>650,569</u>
Total net assets	<u>709,545</u>	<u>672,273</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 923,830</u></u>	<u><u>\$ 894,452</u></u>

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

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2014 AND 2013

	2014			2013		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and other support						
Contributions:						
Corporations	\$ 117,738	\$ 120,500	\$ 238,238	\$ 96,230	\$ 150,432	\$ 246,662
Individuals	66,521	500	67,021	52,630	810	53,440
Foundations	177,466	83,896	261,362	144,031	76,080	220,111
Total contributions	361,725	204,896	566,621	292,891	227,322	520,213
Special events	614,169	-	614,169	523,633	-	523,633
Program fees	159,384	-	159,384	158,058	-	158,058
In-kind contributions	60,856	22,776	83,632	74,416	778	75,194
Other	9,318	-	9,318	9,277	-	9,277
Merchandise sales	6,898	-	6,898	6,786	-	6,786
Interest	5,400	-	5,400	5,090	-	5,090
Gain on sale of property and equipment	-	-	-	15,000	-	15,000
Rental	-	-	-	2,500	-	2,500
Net assets released from restrictions	295,293	(295,293)	-	283,668	(283,668)	-
Total revenues and other support	1,513,043	(67,621)	1,445,422	1,371,319	(55,568)	1,315,751
Expenses						
Functional expenses:						
Program services	950,510	-	950,510	946,451	-	946,451
Management and general	109,014	-	109,014	130,118	-	130,118
Fundraising	108,079	-	108,079	107,882	-	107,882
Total functional expenses	1,167,603	-	1,167,603	1,184,451	-	1,184,451
Special events	182,629	-	182,629	162,767	-	162,767
Franchise and licensee fees	57,918	-	57,918	61,473	-	61,473
Total expenses	1,408,150	-	1,408,150	1,408,691	-	1,408,691
INCREASE (DECREASE) IN NET ASSETS	104,893	(67,621)	37,272	(37,372)	(55,568)	(92,940)
NET ASSETS, BEGINNING OF THE YEAR	21,704	650,569	672,273	59,076	706,137	765,213
NET ASSETS, END OF THE YEAR	<u>\$ 126,597</u>	<u>\$ 582,948</u>	<u>\$ 709,545</u>	<u>\$ 21,704</u>	<u>\$ 650,569</u>	<u>\$ 672,273</u>

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

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 37,272	\$ (92,940)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Gain on sale of property and equipment	-	(15,000)
Depreciation	14,100	41,471
Decrease in contributions receivable, net	103,107	48,906
Increase in prepaid expenses and other current assets	(6,963)	(1,050)
Decrease in accounts payable and accrued expenses	(8,487)	(32,248)
Increase in deferred revenue	4,095	69,380
	<u>143,124</u>	<u>18,519</u>
Net cash provided by operating activities		
	<u>143,124</u>	<u>18,519</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	-	15,000
Purchases of property and equipment	(31,410)	(34,509)
	<u>(31,410)</u>	<u>(34,509)</u>
Net cash used in investing activities		
	<u>(31,410)</u>	<u>(19,509)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings and refinancing of notes payable	-	19,195
Principal payments on and refinancing of notes payable	(3,502)	(30,740)
	<u>(3,502)</u>	<u>(11,545)</u>
Net cash used in financing activities		
	<u>(3,502)</u>	<u>(11,545)</u>
Increase (decrease) in cash and cash equivalents	108,212	(12,535)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>126,924</u>	<u>139,459</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 235,136</u>	<u>\$ 126,924</u>
<u>SUPPLEMENTAL DISCLOSURES</u>		
CASH PAID DURING THE YEAR FOR INTEREST	<u>\$ 1,294</u>	<u>\$ 1,252</u>

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

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Junior Achievement of Middle Tennessee, Inc. (the "Organization") was chartered as a not-for-profit corporation on August 31, 1957, and organized as a franchise of Junior Achievement, Inc. Since 1919, Junior Achievement, Inc. has been educating and inspiring young people to value free enterprise, understand business and economics, and improve the quality of their lives. Through partnerships and collaborations between businesses, educators, and other not-for-profit organizations, approximately 30,051 students in kindergarten through twelfth grade, in 198 schools throughout middle Tennessee, benefited from the economic education programs. The programs also meet the state's curriculum requirements for economics, with the aid of 1,902 volunteer role models from business, industry and the community. Junior Achievement's funding support comes primarily from businesses, foundations, special events and individuals.

In addition to providing in-school classroom programs the Organization operates JA BizTown. During the JA BizTown on-site experience, students learn what it takes to create a business, operate a budget, advertise and sell products, supervise employees, hold elected office, as well as personally earn and manage money.

Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America using the accrual method of accounting.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets based on the existence or absence of donor-imposed restrictions.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions receivable

Contributions receivable, less an allowance for uncollectible amounts, are recognized as revenues in the period promised, and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Amounts expected to be collected within the next fiscal year are classified as current assets at the face value of the receivable. Amounts which are not collectible within the next fiscal year are recorded as non-current contributions receivable, using the estimated present value of the future cash flows.

Donated Material and Services

Contributions of donated material that are useable for program services, fundraising, and support of management and general functions are recorded at their estimated fair values in the period received. Contributions of donated services requiring specialized skills and which would typically need to be purchased if not donated, are recorded at their estimated fair values in the period received.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. As of June 30, 2014, the Organization has no donated property or equipment which is restricted.

The fair value of donated volunteer services is not reflected in the accompanying financial statements since it is not practicable to objectively determine the fair value of the service received. However, management estimates that a substantial number of volunteers have donated significant amounts of their time as instructors, chapter advisors and as fundraisers.

Cash and Cash Equivalents

Cash includes amounts on hand and on deposit in financial institutions. Cash equivalents include highly liquid investments with an original maturity of three months or less.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost if purchased and at estimated fair value if donated, less accumulated depreciation. Significant additions and improvements are capitalized. Repairs and maintenance are charged to expense as incurred. Depreciation is provided on a straight-line basis over the following estimated useful lives:

	Years
Tenant improvements	10
Furniture and equipment	3 - 7
Automobile	5

Income Taxes

Junior Achievement is a not-for-profit service organization exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income taxes are not provided.

Functional Allocation

Allocation of costs on a functional basis is dependent upon management's estimate of the percentage of staff time incurred in conjunction with each activity and the nature of the expense.

Use of 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 that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Events Occurring After Reporting Date

Junior Achievement of Middle Tennessee, Inc. has evaluated events and transactions that occurred after June 30, 2014, through the date of the issued financial statements. During the period there were no material recognizable subsequent events that required recognition in the disclosures to the June 30, 2014 financial statements.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 2 - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts in financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2014, the Organization did not have cash balances beyond this limit.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable as of June 30, 2014 and 2013 are summarized as follows:

	2014	2013
JA BizTown program	\$ 650,000	\$ 743,000
Other corporations and individuals	35,695	71,181
	<u>685,695</u>	<u>814,181</u>
Less discounts to net present value	(67,052)	(92,431)
Less allowance for uncollectible amounts	<u>(10,000)</u>	<u>(10,000)</u>
Total	<u><u>\$ 608,643</u></u>	<u><u>\$ 711,750</u></u>

The net amounts are classified in the statements of financial position as follows:

	2014	2013
Current portion	\$ 175,695	\$ 204,181
Non-current portion	<u>432,948</u>	<u>507,569</u>
Total	<u><u>\$ 608,643</u></u>	<u><u>\$ 711,750</u></u>

The current portion represents the face value of contributions collectible within the next fiscal year. The non-current portion represents the present value of amounts due after one year. The non-current portion was discounted using a 5% annual interest rate to estimate present value. This rate is used in all subsequent periods to update the estimated present value of this pledge as follows:

	2014	2013
Due in one to five years	\$ 354,595	\$ 354,595
Due after five years	<u>78,353</u>	<u>152,974</u>
Total non-current portion	<u><u>\$ 432,948</u></u>	<u><u>\$ 507,569</u></u>

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	2014	2013
Tenant improvements	\$ 1,299,657	\$ 1,272,201
Furniture and equipment	545,938	541,984
Automobile	34,202	34,202
	<u>1,879,797</u>	<u>1,848,387</u>
Less accumulated depreciation	<u>(1,819,072)</u>	<u>(1,804,972)</u>
Net	<u><u>\$ 60,725</u></u>	<u><u>\$ 43,415</u></u>

Depreciation expense was \$14,100 and \$41,471 for the years ended June 30, 2014 and 2013, respectively.

NOTE 5 - DEFERRED REVENUE

Deferred revenue consists of the following:

	2014	2013
JA Biztown camp	\$ 20,688	\$ 13,693
Nashville Business Hall of Fame	2,500	2,500
Contributions	102,750	105,650
	<u>\$ 125,938</u>	<u>\$ 121,843</u>

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 6 - NOTES PAYABLE

The Organization's outstanding debt at June 30 was as follows:

	2014	2013
Note payable to First Bank	\$ 15,693	\$ 19,195
Less current portion	<u>(3,680)</u>	<u>(3,502)</u>
Total non-current portion	<u><u>\$ 12,013</u></u>	<u><u>\$ 15,693</u></u>

The Organization has an automobile note payable to First Bank due in monthly installments aggregating \$356 including interest at 4.25%. The note matures in June 2018 and is collateralized by the automobile.

The Organization has a \$250,000 revolving line-of-credit with Capstar Bank bearing interest at the bank's prime rate plus 1% which was 5% at June 30, 2014. The credit agreement expires in January 2016. This line of credit had a zero balance at June 30, 2014.

Maturities of notes payable are as follows:

Year Ending June 30,	Amount
2015	\$ 3,680
2016	3,839
2017	4,005
2018	<u>4,169</u>
	<u><u>\$ 15,693</u></u>

Interest expense was \$1,294 and \$1,252 for the years ended June 30, 2014 and 2013, respectively.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30 were restricted for the following purposes:

	2014	2013
Contribution receivable restricted for JA BizTown program	<u>\$ 582,948</u>	<u>\$ 650,569</u>

NOTE 8 - AGENCY FUND

On January 13, 1995, the Organization created the Junior Achievement Agency Fund (the "Fund") with the Nashville Area Community Foundation (the "Foundation"). The Organization retains the right to make future contributions to the Fund and to suggest the manner in which income of the Fund is distributed to charitable organizations, including the Organization, which otherwise meet the eligibility standards of the Foundation.

The Foundation has ultimate authority and control over all property of the Fund, including income derived therefrom, for use in conjunction with the charitable purposes of the Foundation, therefore, these assets are not included in the financial statements of the Organization. The Fund is charged an asset management fee by the Foundation equal to 0.75% of the current value of the Fund annually, payable quarterly in arrears.

The market value of the Fund was \$114,879, and \$105,171 as of June 30, 2014 and 2013, respectively.

NOTE 9 - DONATED MATERIALS AND SERVICES

The Organization receives donated materials and services ("in-kind" contributions) in the normal course of its operations, to include program materials, special events, fundraising goods or services, property and equipment and office supplies. The estimated fair values of these items are included in the statements of activities for the years ended June 30, 2014 and 2013 as follows:

	2014	2013
Special events	\$ 56,487	\$ 46,256
Program materials	3,569	5,956
Program materials - Biztown	22,776	778
Management and general	<u>800</u>	<u>22,204</u>
Total in-kind contributions	<u>\$ 83,632</u>	<u>\$ 75,194</u>

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 10 - OPERATING LEASE

Junior Achievement of Middle Tennessee, Inc. leases its administrative offices and JA BizTown facilities under an operating lease expiring August 31, 2016. Junior Achievement pays certain operating expenses in addition to the base rent.

The Organization also leases copiers under an operating lease held by CIT. The lease expires in August 2017. Monthly lease payments are \$1,435.

Future minimum rental commitments are as follows:

Year Ending June 30,	Amount
2015	\$ 183,228
2016	187,378
2017	45,718
2018	<u>2,870</u>
	<u>\$ 419,194</u>

Rent amounted to \$165,193 and \$160,390 for the years ended June 30, 2014 and 2013, respectively. The copier lease payments are part of the repair and maintenance expenses in the supplemental schedules.

Junior Achievement of Middle Tennessee, Inc. subleased a portion of the facility in 2013. Rental income for the year ending June 30, 2013 was \$2,500.

NOTE 11 - COMMITMENTS

As a franchisee of Junior Achievement, Inc., the Organization pays franchise fees based on contribution revenue. The fees are based on contributions for the prior fiscal year ended, paid monthly in equal installments.

As a franchise of JA Worldwide, operating the JA BizTown program in Nashville, the Organization pays license fees based on the number of students utilizing the program. The fees are \$1.50 per student.

Total franchise and licensee fees were \$57,918 and \$61,473 for 2014 and 2013, respectively.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 12 - MULTIEMPLOYER PENSION PLAN

The Organization offers a noncontributory defined benefit pension plan (the Plan) to its employees. The Plan is administered by the Organization and covers all full-time employees of the Organization, JA Worldwide, Inc. and participating Junior Achievement chapters in the United States. The Plan is accounted for like a multiemployer plan. Benefits are determined based on years of service and salary history. The Plan's assets are invested in various investment funds. The respective participants' employers are required to fund the Plan, as determined necessary by the Organization's Board of Directors, based on an annual actuarial valuation. The Organization makes contributions equal to 16.75% of participants' eligible compensation. The Plan requires that participating members who withdraw from the Plan, remain liable for any previous funding obligations under the Plan. Accordingly, the Organization recognizes, as net pension cost, the required contribution for the period and recognizes, as a liability, any contributions due and unpaid. There is no recognition of the funded status of the Plan in the financial statements of the Organization.

1. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Organization chooses to stop participating in the Plan, the Organization would be required to pay the Plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Organization's participation in this Plan for the annual period ended June 30, 2014 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number. The Plan's funded status available in 2014 and 2013 is for years ended June 30, 2014 and 2013, respectively. Finally, the number of employees covered by the Organization's multiemployer plan decreased by 8% from 2013 to 2014. This factor affects the period-to-period comparability of the contributions for years 2014 and 2013.

**JUNIOR ACHIEVEMENT
OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013**

NOTE 12 - MULTIEMPLOYER PENSION PLAN (CONTINUED)

Pension Fund	EIN/ Pension Plan Number	Funded Status		Contributions of Organization	
		2014	2013	2014	2013
Retirement Plan for Employees of Junior Achievement USA	13-1635270 PN 333	68%	66%	<u>\$ 69,699</u>	<u>\$ 54,662</u>

The Organization was listed in its Plan's Form 5500 as providing more than 5% of the total contributions for the June 30, 2014 and 2013 plan years.

NOTE 13 - HEALTH AND WELFARE BENEFITS TRUST AND POSTRETIREMENT BENEFITS PLAN

Health and Welfare Benefits Trust

The Organization has a self-funded medical, dental and other benefits plan covering full-time employees of the Organization and their beneficiaries and covered dependents. The plan is accounted for like a multi-employer plan. Premiums are paid into the plan for each participant by the Organization. All the assets and liabilities of the plan are held in the Junior Achievement USA Health and Welfare Benefits Trust (Benefits Trust). Accordingly, no balances or transactions of the Benefits Trust are recorded in the financial statements of the Organization.

Postretirement Benefits Plan

The Organization also offers health care benefits to retired personnel of the Organization. The plan is administered by the Organization and accounted for like a multi-employer plan. This creates an implicit rate subsidy, which is considered to be a postretirement benefit. Management of the Organization does not believe the implicit rate subsidy amount to be material to the Organization, especially since the plan is a multi-employer plan. Accordingly, no balances or transactions of the Postretirement Benefits Plan are recorded in the financial statements of the Organization.

The Organization's premium expense for the years ended June 30, 2014 and 2013 was \$66,782 and \$63,459, respectively.

SUPPLEMENTAL SCHEDULES

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and benefits	\$ 379,239	\$ 47,405	\$ 47,405	\$ 474,049
Rent	132,155	16,519	16,519	165,193
Program materials	125,639	-	-	125,639
Repairs and maintenance	70,620	8,827	8,827	88,274
Retirement benefits	55,759	6,970	6,970	69,699
Employee insurance	53,426	6,678	6,678	66,782
Utilities	30,854	3,857	3,857	38,568
Payroll taxes	27,831	3,479	3,479	34,789
Telephone	12,285	1,536	1,536	15,357
Subscriptions	12,061	1,508	1,508	15,077
Program insurance	7,725	-	-	7,725
Professional fees	-	7,075	-	7,075
Staff training	4,534	567	567	5,668
Business insurance	4,512	564	564	5,640
Computer expense	4,017	502	502	5,021
Outside services	3,828	479	479	4,786
Business development	-	-	4,617	4,617
Volunteer training	4,166	-	-	4,166
Office supplies	2,785	348	348	3,481
Travel	1,862	233	233	2,328
Marketing	-	-	2,323	2,323
Interest	1,036	129	129	1,294
Postage	673	84	84	841
Public relations	348	44	44	436
	<hr/>	<hr/>	<hr/>	<hr/>
Total functional expenses before depreciation and in-kind items	935,355	106,804	106,669	1,148,828
Depreciation	11,280	1,410	1,410	14,100
In-kind items	3,875	800	-	4,675
	<hr/>	<hr/>	<hr/>	<hr/>
Total functional expenses	<u>\$ 950,510</u>	<u>\$ 109,014</u>	<u>\$ 108,079</u>	<u>\$ 1,167,603</u>

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
SCHEDULE OF SPECIAL EVENTS
YEAR ENDED JUNE 30, 2014

BOWL-A-THON

Revenues:	
Cash contributions	\$ 218,009
In-kind contributions	2,956
Total Revenues	<u>220,965</u>
Expenses:	
T-shirts	6,749
Online/credit card fees	5,215
Gift certificates/Prizes	4,857
Lanes fees	4,718
Awards/luncheon	1,167
Travel	572
Concessions	326
Décor/supplies/photos	275
Printing/miscellaneous	160
Total Expenses	<u>24,039</u>
Net	<u><u>\$ 196,926</u></u>

GOLF TOURNAMENTS

Revenues:	
Cash contributions	\$ 194,370
In-kind contributions	27,426
Total Revenues	<u>221,796</u>
Expenses:	
Awards/gifts	46,894
Meals/entertainment	26,547
Green fees	3,780
Shoot out	1,800
Printing/miscellaneous	965
Miscellaneous	542
Total Expenses	<u>80,528</u>
Net	<u><u>\$ 141,268</u></u>

NASHVILLE BUSINESS HALL OF FAME

Revenues:	
Cash contributions	\$ 148,982
In-kind contributions	24,740
Total Revenues	<u>173,722</u>
Expenses:	
Dining and refreshments	33,624
Printing/postage	25,141
Video/audio visual	6,300
Decorations	1,400
Awards/gifts	624
Supplies	309
Travel	19
Total Expenses	<u>67,417</u>
Net	<u><u>\$ 106,305</u></u>

JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
SCHEDULE OF SPECIAL EVENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

AWARENESS EVENT

Revenues:	
Cash contributions	\$ 28,128
Total Revenues	<u>28,128</u>
Expenses:	
Food/linens	5,382
Audio/visual	1,623
Decorations	337
Awards/gifts	288
Printing/supplies	168
Total Expenses	<u>7,798</u>
Net	<u><u>\$ 20,330</u></u>

BOTTLES FOR BIZTOWN & OTHER

Revenues:	
Cash contributions - Bottles for Biztown	\$ 18,290
Cash contributions - Delek Golf Tournament	4,000
Cash contributions - Nashville Predators JA Night	2,390
In-kind contributions	1,365
Total Revenues	<u>26,045</u>
Expenses:	
Supplies	1,988
Fees	353
Entertainment/security	270
Food/beverage	236
Total Expenses	<u>2,847</u>
Net	<u><u>\$ 23,198</u></u>

TOTAL SPECIAL EVENTS, REVENUES*	\$ 670,656
TOTAL SPECIAL EVENTS, EXPENSES*	<u>182,629</u>
NET	<u><u>\$ 488,027</u></u>

* Total in-kind amounts included in revenues and expenses	<u><u>\$ 56,487</u></u>
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JUNIOR ACHIEVEMENT OF MIDDLE TENNESSEE, INC.
SCHEDULE OF ACTIVITIES BY DIVISION
YEAR ENDED JUNE 30, 2014

	Junior Achievement Program Activities	JA BizTown Program Activities	Total
Revenues and other support			
Contributions - special events	\$ 614,169	\$ -	\$ 614,169
Contributions - corporations and individuals	422,581	227,672	650,253
Program fees	-	159,384	159,384
Other	9,318	6,898	16,216
Interest income	5,400	-	5,400
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Total revenues and other support	1,051,468	393,954	1,445,422
	<hr/>	<hr/>	<hr/>
Expenses			
Salaries and wages	314,975	159,074	474,049
Special events	182,629	-	182,629
Rent	71,033	94,160	165,193
Program materials	98,680	26,959	125,639
Repairs and maintenance	36,505	51,769	88,274
Retirement benefits	49,134	20,565	69,699
Employee insurance	47,977	18,805	66,782
Franchise and licensee fees	46,272	11,646	57,918
Utilities	14,598	23,970	38,568
Payroll taxes	22,995	11,794	34,789
Telephone	11,609	3,748	15,357
Subscriptions	14,482	595	15,077
Program insurance	5,725	2,000	7,725
Professional fees	4,811	2,264	7,075
Staff training	3,521	2,147	5,668
Business insurance	3,631	2,009	5,640
Computer expense	3,608	1,413	5,021
Outside services	2,774	2,012	4,786
In-kind items	4,675	-	4,675
Business development	4,551	66	4,617
Volunteer training	3,577	589	4,166
Office supplies	1,104	2,377	3,481
Travel	2,328	-	2,328
Marketing	1,217	1,106	2,323
Interest	1,294	-	1,294
Postage	690	151	841
Public relations	308	128	436
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Total expenses before depreciation	954,703	439,347	1,394,050
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INCREASE IN NET ASSETS BEFORE DEPRECIATION	96,765	(45,393)	51,372
	<hr/>	<hr/>	<hr/>
Depreciation	9,137	4,963	14,100
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INCREASE IN NET ASSETS	\$ 87,628	\$ (50,356)	\$ 37,272
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