



Accountants' Compilation Report

To the Board of Directors of  
Healing Arts Project, Inc.

Management is responsible for the accompanying financial statements of Healing Arts Project, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statement of revenue and expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Healing Arts Project, Inc.

Carson & McKinney, CPAs, PLLC  
Nashville, TN  
March 12, 2018

**Healing Arts Project, Inc.**  
**Statement of Financial Position**  
As of December 31, 2017

|                                       | <u>Dec 31, 17</u>       | <u>Dec 31, 16</u>       | <u>\$ Change</u>        | <u>% Change</u>     |
|---------------------------------------|-------------------------|-------------------------|-------------------------|---------------------|
| <b>ASSETS</b>                         |                         |                         |                         |                     |
| Current Assets                        |                         |                         |                         |                     |
| Checking/Savings                      |                         |                         |                         |                     |
| Regions Checking Acct                 | 34,346.77               | 27,087.38               | 7,259.39                | 26.8%               |
| Regions - Acct #3472                  | 10,000.36               | 0.00                    | 10,000.36               | 100.0%              |
| Total Checking/Savings                | 44,347.13               | 27,087.38               | 17,259.75               | 63.7%               |
| Total Current Assets                  | 44,347.13               | 27,087.38               | 17,259.75               | 63.7%               |
| Fixed Assets                          |                         |                         |                         |                     |
| Computer                              | 3,512.54                | 2,563.18                | 949.36                  | 37.0%               |
| Accumulated Depreciation              | -2,276.28               | -2,005.90               | -270.38                 | -13.5%              |
| Total Fixed Assets                    | 1,236.26                | 557.28                  | 678.98                  | 121.8%              |
| <b>TOTAL ASSETS</b>                   | <u><b>45,583.39</b></u> | <u><b>27,644.66</b></u> | <u><b>17,938.73</b></u> | <u><b>64.9%</b></u> |
| <b>LIABILITIES &amp; EQUITY</b>       |                         |                         |                         |                     |
| Equity                                |                         |                         |                         |                     |
| Funds Balance Forward                 | 27,644.66               | 30,201.94               | -2,557.28               | -8.5%               |
| Net Income                            | 17,938.73               | -2,557.28               | 20,496.01               | 801.5%              |
| Total Equity                          | 45,583.39               | 27,644.66               | 17,938.73               | 64.9%               |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <u><b>45,583.39</b></u> | <u><b>27,644.66</b></u> | <u><b>17,938.73</b></u> | <u><b>64.9%</b></u> |

**Healing Arts Project, Inc.**  
**Statement of Revenue and Expenses**  
January through December 2017

|                                | Jan - Dec 17     | Jan - Dec 16     |
|--------------------------------|------------------|------------------|
| <b>Ordinary Income/Expense</b> |                  |                  |
| <b>Income</b>                  |                  |                  |
| Sponsorships                   | 1,320.00         | 2,700.00         |
| Art Sales                      | 4,088.00         | 3,055.00         |
| Awards Dinner                  | 8,400.00         | 9,444.00         |
| Book/Notecard Sales            | 110.00           | 40.00            |
| Contributions, Gifts, Grants   | 56,873.32        | 28,025.48        |
| Reimbursements                 | 16,086.50        | 22,944.94        |
| <b>Total Income</b>            | <b>86,877.82</b> | <b>66,209.42</b> |
| <b>Cost of Goods Sold</b>      |                  |                  |
| Notecard Costs                 | 0.00             | 150.00           |
| <b>Total COGS</b>              | <b>0.00</b>      | <b>150.00</b>    |
| <b>Gross Profit</b>            | <b>86,877.82</b> | <b>66,059.42</b> |
| <b>Expense</b>                 |                  |                  |
| Accounting                     | 1,887.05         | 2,313.75         |
| Art Classes                    |                  |                  |
| Instructors                    | 31,121.50        | 37,149.85        |
| Materials                      | 5,375.63         | 6,680.83         |
| <b>Total Art Classes</b>       | <b>36,497.13</b> | <b>43,830.68</b> |
| Art for Resale                 | 300.00           | 0.00             |
| Art Supplies                   | 313.03           | 0.00             |
| Awards Dinner Expenses         | 5,822.63         | 4,661.39         |
| Banking Fees                   | 261.78           | 59.61            |
| Booth Expense                  | 75.00            | 127.27           |
| Commissions for Art Sales      | 2,267.60         | 1,904.00         |
| Conferences & Seminars         | 2,085.00         | 1,212.00         |
| Contract Labor                 | 12,433.83        | 5,166.16         |
| Contributions Paid Out         | 175.00           | 214.00           |
| Depreciation                   | 270.38           | 512.64           |
| Exhibit Expenses               | 1,328.59         | 105.04           |
| Insurance                      |                  |                  |
| Liability Insurance            | 350.00           | 350.00           |
| <b>Total Insurance</b>         | <b>350.00</b>    | <b>350.00</b>    |
| Licenses & Fees                | 145.00           | 160.00           |
| Membership Dues                | 325.00           | 325.00           |
| Office Expense                 | 835.99           | 0.00             |
| Office Supplies                | 1,399.37         | 182.13           |
| Parking                        | 0.00             | 54.50            |
| Performance Fee                | 0.00             | 100.00           |
| Postage and Delivery           | 328.25           | 401.19           |
| Printing                       | 710.82           | 4,064.96         |
| Rent                           | 198.00           | 198.00           |
| Supplies                       | 0.00             | 515.50           |
| Training Expenses              | 50.00            | 0.00             |
| Travel                         |                  |                  |
| Transportation                 | 0.00             | 20.00            |

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|                      | Jan - Dec 17     | Jan - Dec 16     |
|----------------------|------------------|------------------|
| Total Travel         | 0.00             | 20.00            |
| Website              | 880.00           | 2,138.88         |
| Total Expense        | 68,939.45        | 68,616.70        |
| Net Ordinary Income  | 17,938.37        | -2,557.28        |
| Other Income/Expense |                  |                  |
| Other Income         |                  |                  |
| Interest             | 0.36             | 0.00             |
| Total Other Income   | 0.36             | 0.00             |
| Net Other Income     | 0.36             | 0.00             |
| Net Income           | <u>17,938.73</u> | <u>-2,557.28</u> |