

**CUMBERLAND REGION TOMORROW**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009 AND 2008**

# CUMBERLAND REGION TOMORROW

## Table of Contents

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT .....	1
FINANCIAL STATEMENTS	
Statements of Financial Position .....	2
Statements of Activities .....	3 - 4
Statements of Cash Flows.....	5
Notes to Financial Statements .....	6 - 9



Independent Auditors' Report

To the Board of Directors  
Cumberland Region Tomorrow  
Nashville, Tennessee

We have audited the accompanying statements of financial position of Cumberland Region Tomorrow as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Cumberland Region Tomorrow'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 audits 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cumberland Region Tomorrow, as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Crosslin & Associates, P.C.*

April 24, 2010  
Nashville, Tennessee

CUMBERLAND REGION TOMORROW  
STATEMENTS OF FINANCIAL POSITION

ASSETS

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
Cash	\$112,660	\$124,640
Contributions and grants receivable (Note B)	28,674	41,280
Prepaid insurance	284	284
Equipment, net (Note C)	<u>2,224</u>	<u>2,398</u>
Total assets	<u>\$143,842</u>	<u>\$168,602</u>

LIABILITIES

Accounts payable and accrued expenses	\$ <u>4,660</u>	\$ <u>4,570</u>
---------------------------------------	-----------------	-----------------

NET ASSETS

Unrestricted	131,247	119,855
Temporarily restricted (Note D)	<u>7,935</u>	<u>44,177</u>
Total net assets	<u>139,182</u>	<u>164,032</u>
Total liabilities and net assets	<u>\$143,842</u>	<u>\$168,602</u>

See accompanying notes to financial statements.

CUMBERLAND REGION TOMORROW  
STATEMENTS OF ACTIVITIES

	Year Ended December 31, 2009		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and revenue:			
Contributions and grants	\$296,818	\$ -	\$ 296,818
Interest and other income	156	-	156
Net assets released from restrictions (Note D)	<u>36,242</u>	<u>(36,242)</u>	<u>-</u>
Total support and revenue	<u>333,216</u>	<u>(36,242)</u>	<u>296,974</u>
Expenses:			
Program services:			
Quality Growth Tool Box	46,189	-	46,189
Power of Ten Regional Communications	69,284	-	69,284
Convening the Region Summit	<u>115,473</u>	<u>-</u>	<u>115,473</u>
Total program services	<u>230,946</u>	<u>-</u>	<u>230,946</u>
Supporting services:			
Administrative expenses	<u>90,878</u>	<u>-</u>	<u>90,878</u>
Total expenses	<u>321,824</u>	<u>-</u>	<u>321,824</u>
Net (decrease) increase in net assets	11,392	(36,242)	( 24,850)
Net assets at beginning of year	<u>119,855</u>	<u>44,177</u>	<u>164,032</u>
Net assets at end of year	<u>\$131,247</u>	<u>\$ 7,935</u>	<u>\$ 139,182</u>

<u>Year Ended December 31, 2008</u>		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 96,605	\$ 189,330	\$285,935
212	-	212
<u>163,524</u>	<u>(163,524)</u>	<u>-</u>
<u>260,341</u>	<u>25,806</u>	<u>286,147</u>
159,353	-	159,353
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>159,353</u>	<u>-</u>	<u>159,353</u>
<u>82,435</u>	<u>-</u>	<u>82,435</u>
<u>241,788</u>	<u>-</u>	<u>241,788</u>
18,553	25,806	44,359
<u>101,302</u>	<u>18,371</u>	<u>119,673</u>
<u>\$119,855</u>	<u>\$ 44,177</u>	<u>\$164,032</u>

See accompanying notes to financial statements.

CUMBERLAND REGION TOMORROW  
STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
(Decrease) increase in net assets	\$( 24,850)	\$ 44,359
Adjustments to reconcile (decrease) increase in net assets to net cash (used in) provided by operating activities:		
Depreciation	1,285	1,131
Direct write-off of uncollectible contributions and grants receivable	6,000	-
Decrease (increase) in contributions and grants receivable	6,606	( 2,266)
Increase (decrease) in accounts payable and accrued liabilities	<u>90</u>	<u>( 2,931)</u>
Net cash (used in) provided by operating activities	<u>( 10,869)</u>	<u>40,293</u>
Cash flows from investing activities:		
Purchases of equipment	<u>( 1,111)</u>	<u>-</u>
Net cash used in investing activities	<u>( 1,111)</u>	<u>-</u>
Net (decrease) increase in cash	( 11,980)	40,293
Cash:		
Beginning of year	<u>124,640</u>	<u>84,347</u>
End of year	<u>\$ 112,660</u>	<u>\$ 124,640</u>

See accompanying notes to financial statements.

CUMBERLAND REGION TOMORROW  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Cumberland Region Tomorrow is a private sector non-profit organization founded in 2000, working with the Greater Nashville Regional Council and others in the public sector. Cumberland Region Tomorrow's goal is to support and encourage growth planning with emphasis in land use, transportation planning, preservation of open space and the distinctive character of the region's communities. Cumberland Region Tomorrow seeks to bring together diverse interests; enhance the quality of decision making through education, research, and discussion; foster regional thinking and planning; and encourage citizens to become involved in growth planning for the future of the region. Cumberland Region Tomorrow is supported primarily through donor contributions.

In 2009 Cumberland Region Tomorrow continued its work to advance the region through two synergistic areas of focus. In support of their efforts toward successful Regionalism and Collaborative Action, CRT brought together diverse regional leaders at the 2009 Convening the Region Summit and created new Outreach, Education and Regional Communications efforts through their new Power of Ten brand and regional communications platform. In support of the regional issue of Land Use/Quality Growth and Sustainable Development, CRT continued to enhance the quality of decision making, along with regional and local comprehensive planning through their Quality Growth Toolbox education, tools and technical assistance program efforts.

Accrual Basis and Financial Statement Presentation

Cumberland Region Tomorrow has presented its financial statements on the accrual basis of accounting.

Cumberland Region Tomorrow classifies its support, revenue, expenses, gains and losses into three classes of net assets based on the existence or absence of donor-imposed restrictions. Net assets of Cumberland Region Tomorrow and changes therein are classified as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of Cumberland Region Tomorrow and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations require that the assets be maintained permanently by Cumberland Region Tomorrow. Generally, the donors of these assets permit Cumberland Region Tomorrow to use all or part of the income earned on related investments for general or specific purposes.



CUMBERLAND REGION TOMORROW  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The amount for each of these classes of net assets is displayed in the statement of financial position and the amount of change in each class of net assets is displayed in the statement of activities. There were no permanently restricted net assets at December 31, 2009 and 2008.

Contributions

Cumberland Region Tomorrow reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions Receivable

Contributions receivable are recorded at their estimated fair value and reflect discounts for payment terms greater than one year. Contributions receivable are considered to be either conditional or unconditional promises to give. A conditional contribution is one which depends on the occurrence of some specified uncertain future event to become binding on the donor. Conditional contributions are not recorded as revenue until the condition is met, at which time they become unconditional. Unconditional contributions are recorded as revenue at the time verifiable evidence of the pledge is received.

Equipment

Equipment is stated in the accompanying statements of financial position at cost, or if contributed, at fair market value at date of gift. Depreciation is calculated using the straight-line basis over the estimated useful life of the various assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the financial statements and disclosures. The most significant area includes the collectibility of contributions and grants receivable. Accordingly, actual results could differ from those estimates.

Financial Instruments

CRT's financial instruments consist of contributions and grants receivable, accounts payable and accrued expenses and approximate their fair values based on their short-term nature.

CUMBERLAND REGION TOMORROW  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Taxes

Cumberland Region Tomorrow is exempt from income taxes under Internal Revenue Code Section 501(c)(3) accordingly; no provision for taxes has been made in the financial statements.

Donated Services

A number of unpaid volunteers have made contributions of their time to assist Cumberland Region Tomorrow. The total value of time contributed by these volunteers for specialized services, for the years ended December 31, 2009 and 2008 was approximately \$60,000 and \$-0-. The amount was calculated based upon fair market values.

For 2009 and 2008, Cumberland Region Tomorrow used office space donated by a member of the Board of Directors. The fair value of donated rent is \$34,500 for 2009 and 2008, and has been included in contribution revenue and general and administrative expense in the statements of activities.

B. CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable at December 31, 2009 and 2008 totaled \$28,674 and \$41,280, respectively. The outstanding balance at December 31, 2009 is expected to be collected in 2010. Management did not consider an allowance for uncollectible contributions receivable necessary at December 31, 2009 or 2008. During 2009 and 2008, \$6,000 and \$-0-, respectively, of contributions and grants receivable were written-off as uncollectible. There were no conditional promises to give as of December 31, 2009 and 2008.

C. EQUIPMENT

Equipment at December 31, 2009 and 2008 consisted of the following:

	<u>2009</u>	<u>2008</u>
Equipment	\$ 21,778	\$ 20,667
Less accumulated depreciation	<u>(19,554)</u>	<u>(18,269)</u>
Net investment in equipment	<u>\$ 2,224</u>	<u>\$ 2,398</u>

Depreciation expense for the years ended December 31, 2009 and 2008 was \$1,285 and \$1,131, respectively.

CUMBERLAND REGION TOMORROW  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008

D. NET ASSETS AND NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Temporarily restricted net assets at December 31, 2009 and 2008 consisted of the following:

	<u>2009</u>	<u>2008</u>
Contributions for operations in future periods	\$7,935	\$22,392
Quality Growth Tool Box Project	<u>-</u>	<u>21,785</u>
Total Temporarily Restricted Net Assets	<u>\$7,935</u>	<u>\$44,177</u>

Net assets of \$36,242 in 2009 and \$163,524 in 2008 were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the passage of time restrictions.

E. CONCENTRATIONS OF CREDIT RISK

Cumberland Region Tomorrow maintains its cash in financial institutions at balances, which at times, may exceed federally insured limits. Cumberland Region Tomorrow has not experienced any losses in such accounts and believes it is not exposed to any significant concentration risk on cash.

F. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 24, 2010, which is the date the financial statements were available for issuance, and has determined that there are no subsequent events requiring disclosure.