

100 BLACK MEN OF MIDDLE TENNESSEE, INC.

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS**

DECEMBER 31, 2009

100 BLACK MEN OF MIDDLE TENNESSEE, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
100 Black Men of Middle Tennessee, Inc.

I have audited the accompanying statement of financial position of 100 Black Men of Middle Tennessee, Inc. (100 BMMT) (a not-for-profit organization) as of December 31, 2009 and the related statement of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 100 BMMT as of December 31, 2009, and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Maurice Danner, CPA P.C.

March 11, 2011

Member of American Institute of Certified Public Accountants

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31 , 2009

ASSETS

CURRENT ASSETS

Cash	\$ 18,483
Membership Dues and Assessments Receivables	34,250
Other Receivables	<u>5,932</u>

TOTAL CURRENT ASSETS 58,665

FIXED ASSETS

Property and equipment, net of accumulated depreciation of \$37,774	<u>1,281</u>
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OTHER ASSETS

Investments in Equity Securitates	99,059
Investments in Fixed Income Securities	47,875
Cash in Brokerage Accounts	<u>146,594</u>

TOTAL OTHER ASSETS 293,528

TOTAL ASSETS \$ 353,474

LIABILITIES & NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Other	\$ 2,028
Line of Credit	<u>50,225</u>

TOTAL CURRENT LIABILITIES 52,253

NET ASSETS

Unrestricted	16,455
Temporarily Restricted	184,766
Permanently Restricted	<u>100,000</u>

TOTAL NET ASSETS 301,221

TOTAL LIABILITIES AND NET ASSETS \$ 353,474

The accompanying notes are an integral part of these financial statements

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
STATEMENT OF ACTIVITIES
FOR THE PERIOD ENDED DECEMBER 31, 2009

Changes in unrestricted net assets:

Revenues and Support:

Gala Revenue	\$ 129,600
Contributions	13,665
Grants	6,500
Membership Dues and Assessments	4,834
Dividend and Interest Income	216
Other Revenue and Support	61,915
Total Revenues and Support	<u>216,730</u>

Expenses and losses:

Program Services	145,138
Fundraising	32,828
Management and General	77,002
Unrealized/Realized Losses on Investments	<u>135,476</u>
Total Expenses and Losses	390,444

Changes in temporarily restricted net assets:

Contribution- R.H. Boyd Family Foundation	<u>3,500</u>
Net changes in temporarily restricted assets	3,500

Changes in permanently restricted assets:

Contribution- R.H. Boyd Family Foundation	3,500
Net assets released to satisfy donor requirements	<u>(3,500)</u>

Change in Net Assets (170,214)

Net Assets at beginning of year 471,435

Net Assets at end of year \$ 301,221

The accompanying notes are an integral part of these financial statements

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE PERIOD ENDED DECEMBER 31, 2009

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Accounting Support		\$ 353		\$ 353
Academic Enrichment	14,794			14,794
Bank Service Charges		555		555
Banquets and Luncheons				-
Broker Fees and Charges		3		3
Conference and Meetings				-
Contract Labor	1,770			1,770
Credit Card Processing Fee	115	428	96	639
Depreciation Expense	166	331	166	663
Dues and Memberships		3,528		3,528
Equipment Rental	1,716	3,433	1,715	6,864
Annual Dinner Gala			18,777	18,777
Activity Fees		450		450
Liability Insurance				-
Office Supplies and Expenses	257	946		1,203
Payroll Processing Fees		2,112		2,112
Payroll Taxes	8,635	2,537		11,172
Salary Expenses	98,505	28,953		127,458
Employee Benefits				-
Repairs and Maintenance	78	683		761
Scholarships Awarded				-
Postage and Delivery	96	13	301	410
Printing/Advertising	4,787	1,649	276	6,712
Professional Fees		197		197
Tuition and Fees				-
Supplies and Materials		887		887
Other Miscellaneous	1,483	5,868		7,351
Special Projects				-
Rent	10,288	10,288	10,289	30,865
Property Taxes				-
Technology				-
Telephone	2,358	1,538	1,208	5,104
Transportation	90			90
Travel and Lodging				-
Write-offs		12,250		12,250
Total	<u>\$ 145,138</u>	<u>\$ 77,002</u>	<u>\$ 32,828</u>	<u>\$ 254,968</u>

The accompanying notes are an integral part of these financial statements

100 BLACK MEN OF MIDDLE TENNESSEE, INC.

STATEMENT OF CASH FLOWS

As of December 31, 2009

OPERATING ACTIVITIES

Change in Net Assets	\$ (170,214)
Adjustments to reconcile Net Income to net cash provided by operations:	
Assessments Receivable	(34,250)
Gala Receivable	(4,250)
Unrealized Gains/(Loss) on Investments	135,476
Miscellaneous Receivable	4,168
Accounts Payable	(5,994)
Accrued Expenses	7,931
Net cash provided by Operating Activities	(67,133)

INVESTING ACTIVITIES

Office Equipment	(3,625)
Paine-Webber	565
Net cash provided by Investing Activities	(3,060)

FINANCING ACTIVITIES

Deferred Gala Income	2,500
Due to Merrill Lynch Endowment	25,000
Reliant Bank LOC	50,225
Net cash provided by Financing Activities	77,725

Net cash Increase for the period 7,533

Cash at beginning of period 10,951

Cash at end of period \$ 18,483

The notes are an integral part of these financial statements

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General and Nature of Activities

The 100 Black Men of Middle Tennessee, Inc.(100BMMT) is a nonprofit corporation that was organized in the State of Tennessee on February 1, 1991. The Organization's mission is to nurture and enhance the growth, development and opportunities for young black males in Middle Tennessee with objectives to encourage value systems and to develop positive work ethics.

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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and savings accounts. At year end and throughout the year, BMMTs cash balances were deposited in one bank. Management believes BMMT is not exposed to any significant credit risks on cash and cash equivalents.

Property and Equipment

Fixed assets are capitalized at cost at the date of purchase or fair value at the date of donation. Depreciation is taken on a straight-line basis over the estimated useful life of the assets.

Membership Dues and Assessments

Local membership dues and assessments are established by the Board of Directors. Each member in good standing must pay an initiation fee of \$5,000. At the member's option the initiation fee may be paid in quarterly installments of \$250 each over a period of five (5) years. Further, each member is assessed \$1,500 for a table at the annual Gala. The assessment is waived under the condition the member obtains an underwriter for the designated table.

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The organization 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, or if they are designated as support for future periods. When a donor 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 statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the organization reports expirations of donor restrictions when the donor or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Income Taxes

BMMT is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. Accordingly, no provision for income taxes is included in the accompanying financial statements.

100 BLACK MEN OF MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 2 - INVESTMENTS

A summary of securities showing cost, current fair values, and unrealized gains(losses) as of December 31, 2009 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain/(Loss)2009</u>
Equities - Sterne Agee	\$ 217,376	\$ 99,059	\$ (118,317)
Fixed Income - Sterne Agee	47,875	47,875	(0)
Certificate of Deposit	100,000	100,000	0
Community Foundation	<u>5,000</u>	<u>15,844</u>	<u>10,844</u>
TOTALS	\$ 370,252	\$ 262,778	\$ (107,474)

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2009:

Furniture and Fixtures	\$ 4,045
Vehicles	19,250
Equipment	<u>15,760</u>
	\$ 39,055
Less accumulated depreciation	<u>(37,774)</u>
	<u>\$ 1,281</u>

Depreciation expense for the year ended December 31, 2009 was \$663.

NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following specific program services:

100 Kings, Scholars and	
Other Community Programs	\$ 184,766

**100 BLACK MEN OF MIDDLE TENNESSEE INC,
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 5 – PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consisted of the following amount, with only the interest earnings available for use, and restricted for scholarships at December 31, 2009:

The R.H. Boyd Family Endowment Fund	<u>\$ 100,000</u>
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NOTE 6 – LINE OF CREDIT

The organization has a \$100,000 line of credit with Reliant Bank of Brentwood Tennessee. The stated interest rate is 5.5 %. The current liability balance as of December 31, 2009 is \$50,225.

NOTE 7 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 8 – SUBSEQUENT EVENTS

On December 23, 2010 the organization signed a new lease for office space located at 301 Donelson Pike Nashville, Tennessee. The lease is for a period of one year commencing on December 23, 2010 and ending on December 31, 2011. The premises may be used by BMMT solely for the purposes of office and administrative use. All other subsequent events have been evaluated through March 11, 2011, which is the date the financial statements were available to be issued.