

ARTS & BUSINESS COUNCIL
OF GREATER NASHVILLE, INC.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AND CHANGES IN CASH

JUNE 30, 2015

ARTS & BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH

FOR THE YEAR ENDED JUNE 30, 2015

CASH RECEIPTS

Corporate contributions and grants	\$ 42,582
Individual giving	\$ 36,152
Program fees	\$ 31,775
Membership dues	\$ 4,755
Miscellaneous revenue	\$ 3,271
Special events:	
Arts Immersion	\$ 18,945
TOTAL CASH RECEIPTS	<u>\$ 137,480</u>

CASH DISBURSEMENTS

Salaries and related expenses	\$ 105,000
Programs	\$ 11,496
Professional fees	\$ 1,533
Office expenses	\$ 1,002
Meetings and travel	\$ 4,636
Miscellaneous	\$ 1,662
Insurance	\$ 2,684
Taxes and licenses	\$ 766
Memberships	\$ 1,133
Marketing	\$ 1,304
Special events:	
Arts Immersion	\$ 2,924
TOTAL CASH DISBURSEMENTS	<u>\$ 134,140</u>

EXCESS OF CASH DISBURSEMENTS OVER CASH RECEIPTS	<u>\$ 3,340</u>
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OTHER FINANCING RECEIPTS (DISBURSEMENTS)

Repayment of advance from Belmont University	<u>(\$ 21,517)</u>
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NET CHANGE IN CASH BALANCE	<u>(\$ 18,177)</u>
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CASH – BEGINNING OF YEAR	<u>\$ 91,487</u>
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CASH – END OF YEAR	<u>\$ 73,310</u>
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ARTS & BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

NOTES TO FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 – GENERAL

The mission of the Arts & Business Council of Greater Nashville, Inc. (“ABC”) is to leverage and unite the unique resources of the business and arts communities to create a thriving, sustainable creative culture in Nashville. The mission is accomplished through programs that:

- Create mutually beneficial partnerships between arts and business;
- Provide direct services, key opportunities and education to the creative community to help them master the business of art; and
- Inspire workplace creativity in businesses to demonstrate the impact of the arts through tangible benefits and develop life-long arts participants and supporters.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. All transactions are recognized as either cash receipts or disbursements, and non-cash transactions are not recognized. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

The bank accounts included in the Schedule of Cash Receipts and Disbursements and Changes in Cash include the ABC’s operating account and money market account.

Special Events

ABC holds events and programs throughout the year that contribute to the overall mission of the organization. Contributions, sponsorships, admissions and other revenue for these events and programs are included in the respective categories in the financial statement.

Income Taxes

ABC qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

ABC files U.S. Federal Form 990 for organizations exempt from income tax. Tax returns for years prior to 2012 are no longer open for inspection.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing the Council’s income tax returns to determine whether the income tax positions meet a “more likely than not” standard of being sustained under examination by the

applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the “more likely than not” standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statement.

NOTE 3 – LINE OF CREDIT

The Council has a \$50,000 unsecured line of credit arrangement with a financial institution. Interest on outstanding borrowings is payable monthly at the Wall Street Journal’s prime rate plus 2% per annum. No borrowings on the line of credit were outstanding at June 30, 2015. The line of credit expires May 7, 2016.

NOTE 4 – CONCENTRATION OF CREDIT RISK

The Council maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to statutory limits. As of June 30, 2015, all depositor accounts were fully insured.

For the year ended June 30, 2015, cash receipts from two donors represented approximately 12% of total cash receipts.

NOTE 5 – OCCUPANCY COSTS

ABC is located at Belmont University under a collaboration agreement. The agreement provides office space and administrative services at no cost to ABC and therefore, no occupancy costs are reflected on the financial statement.