

**ARTS AND BUSINESS COUNCIL
OF GREATER NASHVILLE, INC.**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AND CHANGES IN CASH**

**AND
INDEPENDENT ACCOUNTANT'S REVIEW**

FOR THE YEAR ENDED JUNE 30, 2016

ARTS AND BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AND CHANGES IN CASH**

**AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

JUNE 30, 2016

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Arts and Business Council of Greater Nashville, Inc.
Nashville, Tennessee

I have reviewed the accompanying statement of cash receipts and disbursements and changes in cash (the "financial statement") of the Arts and Business Council of Greater Nashville, Inc. (the "Council") for the year ended June 30, 2016. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash receipts and disbursements method of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

My responsibility is to conduct the review in accordance with Statement of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards required me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statement. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in conformity with the cash receipts and disbursements method of accounting as described in Note 1.



Ashland City, Tennessee
October 31, 2016

ARTS AND BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENT AND CHANGES IN CASH

FOR THE YEAR ENDED JUNE 30, 2016

(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

CASH RECEIPTS	
Corporate contributions and grants	\$ 39,641
Individual giving	34,919
Program Fees	98,356
Membership Dues	4,540
Other Revenue	152
Special events:	
Arts Immersion	<u>22,066</u>
TOTAL CASH RECEIPTS	<u>199,674</u>
CASH DISBURSEMENTS	
Salaries and related expenses	110,680
Programs	56,902
Professional fees	900
Office expenses	4,284
Meetings and travel	2,894
Miscellaneous	1,177
Insurance	2,667
Taxes and licenses	1,632
Marketing	3,961
Memberships	2,092
Special events:	
Arts Immersion	<u>3,278</u>
TOTAL CASH DISBURSEMENTS	<u>190,467</u>
EXCESS OF TOTAL CASH DISBURSEMENTS OVER TOTAL CASH RECEIPTS	<u>9,207</u>
OTHER FINANCING RECEIPTS (DISBURSEMENTS)	<u>(8,163)</u>
TOTAL OTHER FINANCING RECEIPTS (DISBURSEMENTS)	<u>(8,163)</u>
NET CHANGE IN CASH BALANCE	1,044
CASH – BEGINNING OF YEAR	<u>74,417</u>
CASH – END OF YEAR	<u>\$ 75,461</u>

See accompanying notes to financial statement.

ARTS AND BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

NOTES TO FINANCIAL STATEMENT

JUNE 30, 2016

(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 1 - GENERAL

The mission of The Arts and Business Council of Greater Nashville, Inc. (the "Council") is to drive collaboration between the arts and business. The vision of the Council is to leverage and unite the unique resources of the business and arts communities to create a thriving, sustainable creative culture in Nashville. This is accomplished through:

- Creating mutually beneficial partnerships between arts and business
- Providing direct services, key opportunities and education to the creative community to help them master the business of art
- Inspiring workplace creativity in business to demonstrate the impact of the arts through tangible benefits development of 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 Arts and Business Council's operating account and money market account.

Special Events

The Council holds events and programs throughout the year that contribute to the overall mission of the Council. Contributions, sponsorships, admissions and other revenue for these events and programs are included in special events cash receipts in the financial statement.

ARTS AND BUSINESS COUNCIL OF GREATER NASHVILLE, INC.

NOTES TO FINANCIAL STATEMENT

JUNE 30, 2016

(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

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

The Council files U.S. Federal Form 990 for organizations exempt from income tax. Tax returns for years prior to 2011 are no longer open for examination.

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 - LINE OF CREDIT

The Council has a \$50,000.00 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, 2016. The line of credit expires May 7, 2017.

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, 2016 all depositor accounts were fully insured.

For the year ended June 30, 2016, cash receipts from two donor represented approximately 7% of total cash receipts.

NOTE 5 – OCCUPANCY COSTS

The Council is located at Belmont University under a collaboration agreement. The agreement provides office space and administrative services at no cost to the Council and therefore, no occupancy costs are reflected on the financial statement. The Council will jointly explore opportunities for collaborative efforts with Belmont University to support and advance Nashville's creative culture.