

**100 BLACK MEN OF MIDDLE TENNESSEE**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

# 100 BLACK MEN OF MIDDLE TENNESSEE

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-8

# FINANCIAL SECTION

**JOHN R. POOLE, CPA**  
**CERTIFIED PUBLIC ACCOUNTANT**

134 NORTHLAKE DRIVE  
HENDERSONVILLE, TN 37075

(615) 822-4177

**Independent Auditor's Report**

To the Board of Directors of  
the 100 Black Men of Middle Tennessee  
Nashville, Tennessee

**Report on the Financial Statements**

I have audited the accompanying financial statements of 100 Black Men of Middle Tennessee, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted the 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 100 Black Men of Middle Tennessee, as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

September 20, 2018

*John R Poole, CPA*

# FINANCIAL STATEMENTS

# 100 BLACK MEN OF MIDDLE TENNESSEE

## Statement of Financial Position

December 31, 2017

### Assets

#### Current assets:

Cash	\$	322,026
Investments		60,770
Accounts receivable		6,605
Total current assets		<u>389,401</u>

#### Property and equipment at cost:

Office equipment		19,324
Furnitures and fixtures		4,045
Less: accumulated depreciation		<u>(22,887)</u>
Net property and equipment		<u>482</u>

Total assets	\$	<u><u>389,883</u></u>
--------------	----	-----------------------

### Liabilities and Net Assets

#### Current liabilities:

Accounts payable	\$	1,676
Deferred revenue		107,193
Total current liabilities		<u>108,869</u>

#### Net assets:

Unrestricted		<u>281,014</u>
Total net assets		<u>281,014</u>

Total liabilities and net assets	\$	<u><u>389,883</u></u>
----------------------------------	----	-----------------------

# 100 BLACK MEN OF MIDDLE TENNESSEE

## Statement of Activities

For the year ended December 31, 2017

### Revenues

#### Public support:

Contributions	\$ 106,512
Program income	79,663
Fundraising	103,890
Grants	62,750
Membership dues	5,715
Interest	467
Unrealized loss on investment	(61,213)
In-kind donations	109,239
Total public support	<u>407,023</u>

### Expenses:

Program	160,845
GALA and fundraising	190,691
Administrative and operations	74,498
Total expenses	<u>426,034</u>

Increase (decrease) in net assets	<u>(19,011)</u>
-----------------------------------	-----------------

Beginning of year net assets	300,025
------------------------------	---------

End of year net assets	<u><u>\$ 281,014</u></u>
------------------------	--------------------------

# 100 BLACK MEN OF MIDDLE TENNESSEE

## Statement of Functional Expenses

For the year ended December 31, 2017

	Program	GALA and Fund Raising	Administrative and Operations	Total
Salaries and wages	\$ 85,388	-	33,205	118,593
Payroll taxes	5,303	-	4,086	9,389
GALA	-	89,952	-	89,952
Program activities	69,908	-	-	69,908
Equipment rentals	-	-	2,923	2,923
Office expense	-	-	2,536	2,536
Supplies	112	-	297	409
Telephone and internet	-	-	2,360	2,360
Mileage, travel and entertainment	-	-	4,355	4,355
Meetings	-	-	4,568	4,568
Dues and memberships	-	-	4,206	4,206
Insurance	-	-	2,714	2,714
Professional services	134	-	3,735	3,869
Equipment maintenance	-	-	295	295
Depreciation	-	-	322	322
Miscellaneous	-	-	396	396
In-kind expenses	-	100,739	8,500	109,239
Total expenses	160,845	190,691	74,498	426,034



# 100 BLACK MEN OF MIDDLE TENNESSEE

## Statement of Cash Flows

For the year ended December 31, 2018

Cash flows from operating activities:	
Support and revenue received	\$ 436,798
Cash paid for:	
Salaries and related expenses	(127,982)
Program and support services	(226,687)
Net cash provided (used) by operating activities	<u>82,129</u>
Cash flows used by investing activities:	
Acquisition of equipment	<u>-</u>
Net cash used by investing activities	-
Net increase (decrease) in cash	82,129
Cash and cash equivalents at beginning of year	239,897
Cash and cash equivalents at end of year	\$ <u><u>322,026</u></u>

## Reconciliation of Increase in Net Assets to Net Cash Provided by Operating Activities

Increase (decrease) in net assets	\$ (19,011)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	322
Changes in assets (increase) decrease:	
Accounts receivable	5,775
Investments	60,799
Prepaid assets	8,568
Changes in liabilities increase (decrease)	
Accounts payable	1,676
Deferred revenue	24,000
Net cash provided (used) by operating activities	\$ <u><u>82,129</u></u>

# NOTES TO THE FINANCIAL STATEMENTS

# 100 BLACK MEN OF MIDDLE TENNESSEE

## Notes to the Financial Statements

December 31, 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

#### Nature of Activities

The 100 Black Men of Middle Tennessee was established in 1991. The 100 Black Men of Middle Tennessee is a non-profit organization providing resources to further the academic and social development of black male students in Nashville and surrounding Middle Tennessee. The 100 Black Men of Middle Tennessee is an affiliate of the 100 Black Men of America, Inc., a service organization chartered in 1986 with a commitment to improve the academic and social proficiency of inner-city black youth.

#### Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and recommendations of the American Institute of Certified Public Accountants in its industry audit and accounting guide, Not-for-Profit Organizations.

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Standards (SFAS) No. 117, *Financial Statements of Not -for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to the three classes of net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

#### Contributions

In accordance with SFAS 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

#### Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization did not have any permanently restricted net assets at yearend.

# 100 BLACK MEN OF MIDDLE TENNESSEE

## Notes to the Financial Statements

December 31, 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

#### Donated Services

100 Black Men of Middle Tennessee receives many hours of donated time from various citizens. It is impractical to estimate a value for these services, as such no such value has been placed on these services in the financial statements.

#### Donor -Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or donor-restricted for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor- stipulated time restriction is accomplished, then the restricted net assets are reclassified to unrestricted net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

#### Depreciation

Depreciation is provided for over the estimated useful lives of the assets. Assets are depreciated using the straight-line method of depreciation.

#### Promises to Give/Pledges

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

#### Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

# **100 BLACK MEN OF MIDDLE TENNESSEE**

## **Notes to the Financial Statements**

**December 31, 2017**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

#### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **2. CASH**

All of the 100 Black Men of Middle Tennessee's cash is deposited in financial institutions with FDIC insurance.

### **2. INVESTMENTS**

Investments as of December 31, 2017 are summarized as follows:

The Community Foundation Endowment Fund cost and market value of \$18,968.

Donated common stock of AAC holdings market value of \$41,802.