

**CHRISTIAN WOMEN'S JOB CORPS OF  
MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

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YEARS ENDED DECEMBER 31, 2017 AND 2016**

**TABLE OF CONTENTS**

	<b>PAGE</b>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Functional Expenses	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-14

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors

Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee)

### Report on the Financial Statements

We have audited the accompanying financial statements of Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee), a Tennessee not-for-profit corporation, the "Organization", which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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.

### Auditors' Responsibility

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 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 auditors' 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 Organization'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 Organization's internal control. Accordingly, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee) as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

  
July 5, 2018

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2017 AND 2016**

	2017	2016
<b>ASSETS</b>		
Cash	\$ 489,104	\$ 506,578
Contributions receivable	58,385	160,143
Investments	201,820	187,860
Other assets	3,597	5,035
Furniture and equipment, net	<u>15,432</u>	<u>26,458</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 768,338</u></b>	<b><u>\$ 886,074</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 5,782	\$ 5,585
Deferred special event revenue	<u>83,904</u>	<u>67,150</u>
<b>Total Liabilities</b>	<b><u>89,686</u></b>	<b><u>72,735</u></b>
<b>NET ASSETS</b>		
Unrestricted		
Undesignated	308,952	332,287
Designated - endowment	<u>200,820</u>	<u>186,860</u>
Total Unrestricted	<u>509,772</u>	<u>519,147</u>
Temporarily restricted	167,880	293,192
Permanently restricted - endowment	<u>1,000</u>	<u>1,000</u>
<b>Total Net Assets</b>	<b><u>678,652</u></b>	<b><u>813,339</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 768,338</u></b>	<b><u>\$ 886,074</u></b>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
<b>Changes in Unrestricted Net Assets</b>		
Revenues		
Contributions and grants	\$ 342,686	\$ 283,746
Special event (net of direct benefits to donors of \$17,590 and \$18,113 for 2017 and 2016, respectively)	215,141	213,487
Investment and interest income	<u>15,748</u>	<u>7,909</u>
Total Unrestricted Revenues	573,575	505,142
Net assets released from restrictions	<u>256,892</u>	<u>142,985</u>
Total Unrestricted Revenues and Reclassifications	<u>830,467</u>	<u>648,127</u>
Functional Expenses		
Program services	<u>641,684</u>	<u>516,521</u>
Supporting services:		
Management and general	<u>91,139</u>	<u>104,515</u>
Fundraising	<u>91,993</u>	<u>79,717</u>
Special event direct costs	<u>15,026</u>	<u>12,931</u>
	<u>107,019</u>	<u>92,648</u>
Total Unrestricted Functional Expenses	<u>839,842</u>	<u>713,684</u>
Decrease in unrestricted net assets	<u>(9,375)</u>	<u>(65,557)</u>
<b>Changes in Temporarily Restricted Net Assets</b>		
Restricted contributions	131,580	379,250
Net assets released from restrictions	<u>(256,892)</u>	<u>(142,985)</u>
(Decrease) increase in temporarily restricted net assets	<u>(125,312)</u>	<u>236,265</u>
(DECREASE) INCREASE IN NET ASSETS	(134,687)	170,708
NET ASSETS, BEGINNING OF THE YEAR	<u>813,339</u>	<u>642,631</u>
NET ASSETS, END OF THE YEAR	<u><u>\$ 678,652</u></u>	<u><u>\$ 813,339</u></u>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2017**

		<u>Supporting Services</u>		
	<u>Program</u>	<u>Management</u>	<u>Fund-</u>	<u>Total</u>
	<u>Services</u>	<u>and</u>	<u>raising</u>	
		<u>General</u>		
Salaries and benefits	\$ 457,123	\$ 26,152	\$ 81,167	\$ 564,442
Facilities rent and utilities	109,789	2,452	3,300	115,541
Professional fees	-	32,402	-	32,402
GED/literacy materials	13,280	-	-	13,280
Network and computer administration	4,603	5,609	2,904	13,116
Depreciation	11,466	637	637	12,740
Travel	8,964	1,523	1,188	11,675
Office supplies, software and equipment	7,844	2,739	184	10,767
Administration	1,556	6,103	30	7,689
Telephone	5,918	911	695	7,524
Marketing and promotion	-	7,384	36	7,420
Printing	3,588	786	1,677	6,051
Insurance	2,000	2,752	-	4,752
WMU scholarship	4,626	-	-	4,626
Staff development	3,099	648	175	3,922
Student needs	2,659	-	-	2,659
Program supplies	2,311	-	-	2,311
Volunteer recognition	1,473	722	-	2,195
Postage	1,385	319	-	1,704
	<u>641,684</u>	<u>91,139</u>	<u>91,993</u>	<u>824,816</u>
Total expenses before special event direct costs				
Special event direct costs	-	-	25,116	25,116
Donated items - special event	-	-	7,500	7,500
Less direct benefits to donors	-	-	(17,590)	(17,590)
	<u>-</u>	<u>-</u>	<u>15,026</u>	<u>15,026</u>
Total special event direct costs				
Total expenses	<u>\$ 641,684</u>	<u>\$ 91,139</u>	<u>\$ 107,019</u>	<u>\$ 839,842</u>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2016**

		<u>Supporting Services</u>		
	<u>Program</u>	<u>Management</u>	<u>Fund-</u>	
	<u>Services</u>	<u>and</u>	<u>raising</u>	<u>Total</u>
		<u>General</u>		
Salaries and benefits	\$ 342,852	\$ 33,521	\$ 63,419	\$ 439,792
Facilities rent and utilities	85,844	2,200	5,280	93,324
Professional fees	-	30,734	-	30,734
GED/literacy materials	19,994	-	-	19,994
Network and computer administration	8,992	8,460	3,471	20,923
Depreciation	7,465	415	415	8,295
Travel	7,293	1,742	708	9,743
Office supplies, software and equipment	6,855	1,557	41	8,453
Administration	1,142	3,573	80	4,795
Telephone	6,148	997	693	7,838
Marketing and promotion	11,316	13,979	1,280	26,575
Printing	497	1,013	3,996	5,506
Insurance	1,883	2,685	-	4,568
WMU scholarship	4,200	-	-	4,200
Staff development	1,306	1,187	57	2,550
Student needs	3,590	-	-	3,590
Program supplies	3,694	-	-	3,694
Volunteer recognition	1,676	2,042	73	3,791
Postage	1,774	410	204	2,388
Total expenses before special event direct costs	<u>516,521</u>	<u>104,515</u>	<u>79,717</u>	<u>700,753</u>
Special event direct costs	-	-	23,544	23,544
Donated items - special event	-	-	7,500	7,500
Less direct benefits to donors	<u>-</u>	<u>-</u>	<u>(18,113)</u>	<u>(18,113)</u>
Total special event direct costs	<u>-</u>	<u>-</u>	<u>12,931</u>	<u>12,931</u>
Total expenses	<u>\$ 516,521</u>	<u>\$ 104,515</u>	<u>\$ 92,648</u>	<u>\$ 713,684</u>

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Decrease) increase in net assets	\$ (134,687)	\$ 170,708
Adjustments to reconcile (decrease) increase in net assets to net cash (used in) provided by operating activities		
Depreciation	12,740	8,295
Unrealized gain on investments	(9,503)	(1,714)
Change in operating assets		
Contributions receivable	101,758	(115,366)
Other assets	1,438	(950)
Change in operating liabilities		
Accounts payable and accrued expenses	197	(8,823)
Deferred special event revenue	16,754	1,223
	<u>(11,303)</u>	<u>53,373</u>
Net Cash (Used in) Provided by Operating Activities	<u>(11,303)</u>	<u>53,373</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of investments	1,000	-
Purchase of investments	(5,457)	(5,386)
Purchase of furniture and equipment	<u>(1,714)</u>	<u>(18,570)</u>
Net Cash Used by Investing Activities	<u>(6,171)</u>	<u>(23,956)</u>
Net (Decrease) Increase in Cash	(17,474)	29,417
CASH, BEGINNING OF THE YEAR	<u>506,578</u>	<u>477,161</u>
CASH, END OF THE YEAR	<u><u>\$ 489,104</u></u>	<u><u>\$ 506,578</u></u>

The accompanying notes are an integral part of these financial statements.



**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES**

Christian Women's Job Corps of Middle Tennessee (D/B/A Begin Anew of Middle Tennessee), the "Organization", was established in 1997 and is a Tennessee not-for-profit corporation. The Organization is a poverty reduction program, which implements the best practices for reducing the effect of poverty on individuals and on our community, by creating positive outcomes through a faith based educational program and a life changing community. The mission is to empower individuals to overcome the obstacles caused by poverty by providing education, mentoring and resources.

Education, training and mentoring is provided to low income working women and men seeking basic skills necessary for employment and a self-sufficient life. At no cost to the student, the holistic program provides an individual the support and knowledge to change their circumstances and their lives. As they obtain the education, skills and support to overcome the obstacles in their lives, they will begin "A Journey to A Brighter Future".

Four program tracks are available to students: HiSET (High School Equivalency Test), Computer and Job Skills, English Language Learner (ELL), and Literacy. Additional services are provided to each student to assist in overcoming obstacles that might prevent them from reaching their education, employment or personal goal. These services include a mentor, a job coach, and child care for their children while they attend classes, and a case manager to assist with crisis which might arise in their lives. The goal for these "wrap around services" is to help students to obtain self-sufficiency through obtaining employment, job training, education, housing, transportation, childcare and medical care.

The Organization offers this holistic Poverty Reduction Adult Education Program at six satellite locations in Davidson and Williamson Counties. The demographics of our students are as follows: 24% African American, 20% Caucasian, 46% Hispanic, 1% Asian, and 9% other nationalities. Approximately 74% of the students are women and 26% of the students are men. Students range in age from 18-56 with the majority between 25 and 35. In January 2017, a new site was launched in the Woodbine Community of Davidson County increasing the number of sites to seven.

Central to the Organization's mission and ability to provide programs are volunteers who come alongside each student as a teacher, tutor, mentor, and childcare provider. Our volunteers are highly trained, supervised by Program Directors and are as committed to their volunteer assignment as they would be if they were a staff member. Mentors meet weekly with their assigned student. There are over 285 volunteers with 2/3 serving once or twice per week for 2 to 4 hours as teachers and tutors in adult classes or as childcare providers. It is in this nurturing environment that students are facing the challenges of life, setting personal and educational goals for themselves and their children and succeeding in reaching them.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES (CONTINUED)**

The Organization is primarily supported by donations from churches, individuals, corporations and special fundraising events.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and the disclosures of commitments and contingencies. Actual results could differ from those estimates.

Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. The Organization uses the allowance method to determine uncollectible unconditional contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. The Organization does not record conditional pledges until conditions have been met.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire during the 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.

Cash

Cash consists of checking and money market deposits in financial institutions.

Investments

Investments are composed of fixed income securities and mutual funds and are valued at quoted fair market price.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Furniture and Equipment and Depreciation

The Organization follows the practice of capitalizing, at cost, all expenditures for furniture and equipment in excess of \$1,000. Donations of furniture and equipment are recorded as revenues at their estimated fair value. Such donations are reported as unrestricted revenues unless the donor has restricted the donated asset to a specific purpose. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain (except on trade-in) or loss is included in the statements of activities and changes in net assets for the period. A gain on trade-in is applied to reduce the cost of the new acquisition. Depreciation is provided over the estimated useful life of three to seven years and is computed on the straight-line method.

Deferred Special Event Revenue

Deferred special event revenue represents proceeds received in advance, net of related prepaid expenses, for the Organization's annual fundraiser which are not considered earned by the Organization (or expenses incurred) until after the event has occurred.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3) and the tax laws of the state of Tennessee.

**NOTE 3 - CONTRIBUTIONS RECEIVABLE**

Scheduled expected collections of the receivables are as follows:

Year Ending December 31,

2018	\$ 53,385
2019	<u>5,000</u>
	<u>\$ 58,385</u>

No allowance for uncollectible receivables was deemed necessary as of December 31, 2017 and 2016.

The Organization's policy is to not record conditional pledges until conditions have been met. The Organization has \$52,000 of conditional pledges as of December 31, 2017 which will be recorded in the financial statements once the conditions have been met.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 4 - INVESTMENTS**

The Organization's investments consist of the following at December 31:

	2017	2016
Held with Tennessee Baptist Foundation		
Cash funds	\$ 6,370	\$ 3,527
Fixed income securities	46,370	30,618
Mutual funds	<u>115,868</u>	<u>121,650</u>
	<u>168,608</u>	<u>155,795</u>
Held with a Broker		
Cash funds	1,802	1,690
Fixed income funds	21,365	20,805
Mutual funds	<u>10,045</u>	<u>9,570</u>
	<u>33,212</u>	<u>32,065</u>
Total investments	<u>\$ 201,820</u>	<u>\$ 187,860</u>

The investments held by the Tennessee Baptist Foundation are for the establishment of a general, unrestricted operational endowment. Total investment income, net of fees, on these investments was \$12,813 and \$6,449 for 2017 and 2016, respectively. This investment income includes realized and unrealized gains of \$7,083 and \$884 for 2017 and 2016, respectively. See Note 6 for information regarding this endowment.

The investments held with a Broker are for a scholarship endowment. Total investment income, net of fees, on these investments was \$2,148 and \$650 for 2017 and 2016, respectively. This investment income includes realized and unrealized gains of \$2,420 and \$830 for 2017 and 2016, respectively. See Note 6 for information regarding this endowment.

Accounting principles generally accepted in the United States of America require the Organization to disclose the basis for considering market participant assumptions in fair value measurements. Fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2) and the reporting entity's own assumptions about market participant assumptions (Level 3). All of the Organization's investments are valued using Level 1 inputs.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 5 - FURNITURE AND EQUIPMENT**

Furniture and equipment consist of the following at December 31:

	<b>2017</b>	<b>2016</b>
Equipment - computers	\$ 60,556	\$ 58,841
Software	26,524	26,524
Equipment - office	<u>1,049</u>	<u>1,049</u>
	88,129	86,414
Accumulated depreciation	<u>(72,697)</u>	<u>(59,956)</u>
	<u><b>\$ 15,432</b></u>	<u><b>\$ 26,458</b></u>

Depreciation expense was \$12,740 and \$8,295 for the years ended December 31, 2017 and 2016, respectively.

**NOTE 6 - NET ASSET RESTRICTIONS AND DESIGNATIONS**

The temporarily restricted net assets at year-end consist of contributions made for specific projects or programs or are restricted by time. These net assets will be released from restrictions when the funds are used for the purpose designated by the donor.

Temporarily restricted net assets consist of the following at December 31:

	<b>2017</b>	<b>2016</b>
Restricted for programs	\$ 131,800	\$ 249,692
Restricted for future periods	<u>36,080</u>	<u>43,500</u>
	<u><b>\$ 167,880</b></u>	<u><b>\$ 293,192</b></u>

Unrestricted net assets are available for various programs and administration of the Organization. Within unrestricted net assets, the Organization has designated funds for two endowments, one of which also has a permanently restricted component.

The balance in endowments is as follows as of December 31:

	<b>2017</b>	<b>2016</b>
General, Operational Endowment		
Unrestricted – designated	\$ 167,608	\$ 154,795
Permanently restricted	<u>1,000</u>	<u>1,000</u>
	168,608	155,795
Scholarship Endowment		
Unrestricted – designated	<u>33,212</u>	<u>32,065</u>
	<u><b>\$ 201,820</b></u>	<u><b>\$ 187,860</b></u>

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 6 - NET ASSET RESTRICTIONS AND DESIGNATIONS (CONTINUED)**

The general, operational endowment consists of a permanently restricted contribution and funds designated by the Organization's board of directors. No contributions were made during 2017 and 2016. Currently, the earnings on the invested funds are being added to the designated portion of the endowment fund for future use and stability. The funds are held with the Tennessee Baptist Foundation as described in Note 4.

The scholarship endowment (known as the Dawn Ferguson Scholarship) was funded during 2015 with memorial contributions that were designated by the board of directors to honor a longtime volunteer. The Organization plans to use the endowment to assist applicants with attending accredited educational institutions or to fund the Organization's classroom activities. There were no contributions made to this fund during 2017 and 2016. During 2017, \$1,000 was transferred to operations to fund classroom activities. The funds are held with a broker as described in Note 4.

**NOTE 7 - LEASING ARRANGEMENTS**

The Organization leases space for its administrative offices from the Nashville Baptist Association ("NBA" – see Note 8). This year-to-year lease does not require a specific rent; however, the Organization pays \$600 per month to share in covering the cost of utilities. The Organization also reimburses the NBA for any office related expenses such as copier use and postage. Additional in-kind contributions have been included in the financial statements for this lease.

The Organization also has year-to-year leases with seven (six in 2016) churches that provide office and/or classroom space for programming. All of these leases are rent-free or at below market rates. Accordingly, the value of these leases have been included in the in-kind contributions described in Note 9.

**NOTE 8 - RELATED PARTY TRANSACTION**

As more fully described in Note 7, the Organization leases space from the NBA whose executive director is a family member of one of the Organization's management team personnel. A total of \$7,200 was paid to NBA in both 2017 and 2016 for this lease arrangement. Also, during both 2017 and 2016, the Organization received contributions from NBA totaling \$1,000.



**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 9 - DONATED SERVICES AND MATERIALS**

The following donated services and materials have been included in unrestricted revenues and expenses/assets in the financial statements for the years ended December 31:

	<b>2017</b>	<b>2016</b>
Included in contributions/expenses:		
Rent	\$ 95,428	\$ 75,144
Teaching, instruction and work study	25,209	7,982
Marketing	3,000	2,252
Automobiles	2,569	3,500
Network and computer administration	2,332	2,332
Printing	1,677	-
Editing	484	-
Photographer	176	176
Car repairs	90	90
 Included in special event revenues and special event direct costs	 <u>7,500</u>	 <u>7,500</u>
	 <u><u>\$ 138,465</u></u>	 <u><u>\$ 98,976</u></u>

Various program assistance for the Organization including mentoring, teaching, tutoring, child care, job coaching, fundraising, and board service was provided by volunteers of the surrounding communities. Those donated services have not been reflected in the accompanying financial statements because they did not meet the criteria for recognition.

**NOTE 10 - CONCENTRATIONS**

Of the Organization's total revenues for 2017, approximately 18% (44% for 2016) represents funds received from one donor (two donors for 2016).

**NOTE 11 - EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through July 5, 2018 which is the date the financial statements were available to be issued.

**CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE  
(D/B/A BEGIN ANEW OF MIDDLE TENNESSEE)  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 12 - RECENT ACCOUNTING PRONOUNCEMENTS**

In August, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*, that is intended to improve financial reporting relating to liquidity, financial performance and cash flows.

More specifically, the changes affect net asset classifications by reflecting two classifications of net assets, one "without donor-imposed restrictions" and one "with donor-imposed restrictions," which differ from the traditional classifications of unrestricted, temporarily restricted, and permanently restricted. In addition, reporting of expenses by both natural and functional classification is required and investment returns must be reflected net of related investment expenses. The cash flow statement is also allowed to be restructured by using the direct method of reporting and there are further disclosures regarding an organization's liquidity.

The new standard is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial statements in the subsequent years.