

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

2007

Department of the Treasury
Internal Revenue Service (77)

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning

2007, and ending

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Termination
☐ Amendment return
☐ Application pending

Please use
IRS label
or print
or type.
See
specific
instructions.

C THE ARTS CENTER OF CANNON COUNTY, INC.
 P.O. BOX 111
 WOODBURY, TN 37190

D Employer Identification Number

58-1882966

E Telephone number

615-563-2787

F Accounting method:

☐ Cash☒ Accrual

Other (specify):

Section 501(c)(3) organizations and 4947(a)(1) nonexempt
 charitable trusts must attach a completed Schedule A
 (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H (a) Is this a group return for affiliates? ☐ Yes ☒ No

H (b) If "Yes," enter number of affiliates

H (c) Are all affiliates included? ☐ Yes ☒ No

(If "No," attach a list. See instructions.)

H (d) Is this a separate return filed by an

organization covered by a group ruling? ☐ Yes ☒ No

G Web site: N/A

J Organization type

(check only one)

☒ 501(c)

3

(insert no.)

☐ 4947(a)(1) or☐ 527

K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its
 gross receipts are normally not more than \$25,000. A return is not required, but if the
 organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12: 924,089.

I Group Exemption Number

M Check ☒ if the organization is not required
 to attach Schedule B (Form 990, 990-EZ, or 990-PF).

Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

1 Contributions, gifts, grants, and similar amounts received:					
a Contributions to donor advised funds.	1a				
b Direct public support (not included on line 1a)	1b	216,808.			
c Indirect public support (not included on line 1a)	1c				
d Government contributions (grants) (not included on line 1a)	1d	361,684.			
e Total (add lines 1a through 1d) (cash \$ 598,492., noncash \$)	1e			598,492.	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			324,934.	
3 Membership dues and assessments	3				
4 Interest on savings and temporary cash investments	4				
5 Dividends and interest from securities	5				
6a Gross rents	6a				
b Less: rental expenses	6b				
c Net rental income or (loss). Subtract line 6b from line 6a	6c				
7 Other investment income (describe SEE STATEMENT 1)	7			663.	
8a Gross amount from sales of assets other than inventory	8a				
b Less: cost or other basis and sales expenses	8b				
c Gain or (loss) (attach schedule)	8c				
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d				
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ of contributions reported on line 1b)	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c				
10a Gross sales of inventory, less returns and allowances	10a				
b Less: cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c				
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			924,089.	
13 Program services (from line 44, column (B))	13			399,672.	
14 Management and general (from line 44, column (C))	14			48,567.	
15 Fundraising (from line 44, column (D))	15				
16 Payments to affiliates (attach schedule)	16				
17 Total expenses. Add lines 16 and 44, column (A)	17			448,239.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18			475,850.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			677,030.	
20 Other changes in net assets or fund balances (attach explanation)	20				
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			1,152,880.	

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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Form 990 (2007)

Part III Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts, but optional for others. (See instructions.)

Do not include amounts reported on line 6b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 a Grants paid from donor advised funds (attach schedule) (cash \$ _____) non-cash \$ _____ If this amount includes foreign grants, check here <input type="checkbox"/>	22 a			
22 b Other grants and allocations (attach schedule) (cash \$ _____) non-cash \$ _____ If this amount includes foreign grants, check here <input type="checkbox"/>	22 b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 a Compensation of current officers, directors, key employees, etc. listed in Part VII-A.	25 a 37,450.	29,960.	7,490.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part VII-B.	25 b 0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	25 c 0.	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c.	26 110,881.	99,793.	11,088.	
27 Pension plan contributions not included on lines 25a, b, and c.	27			
28 Employee benefits not included on lines 25a - 27.	28 3,700.	3,330.	370.	
29 Payroll taxes	29 11,348.	10,213.	1,135.	
30 Professional fundraising fees	30			
31 Accounting fees	31 4,389.	3,950.	439.	
32 Legal fees	32			
33 Supplies	33			
34 Telephone	34			
35 Postage and shipping	35 7,982.	7,184.	798.	
36 Occupancy	36			
37 Equipment rental and maintenance	37 3,771.	3,394.	377.	
38 Printing and publications	38 12,125.	10,913.	1,212.	
39 Travel	39 2,517.	2,265.	252.	
40 Conferences, conventions, and meetings	40			
41 Interest	41 15,980.	14,382.	1,598.	
42 Depreciation, depletion, etc (attach schedule)	42 30,869.	27,782.	3,087.	
43 Other expenses not covered above (itemize):				
a SEE STATEMENT 2	43 a 207,227.	186,506.	20,721.	
b	43 b			
c	43 c			
d	43 d			
e	43 e			
f	43 f			
g	43 g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B) - (D) carry these totals to lines 13 - 15).	44 448,239.	399,672.	48,567.	0.

Joint Costs. Check ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If 'Yes,' enter: (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

a FURTHERANCE OF THE ARTS IN CANNON AND SURROUNDING COUNTIES

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

399,672.

b

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

c

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

d

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

e

Other program services

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

f Total c Program Service Expenses (should equal line 44, column (B), Program services)

399,672.

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Form 990 (2007)

Part I Balance Sheets (See the instructions.)

Note: When required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
45	Cash — non-interest-bearing	129,596.	45	37,147.
46	Savings and temporary cash investments		46	
47a	Accounts receivable	6,250.		
b	Less: allowance for doubtful accounts		47c	6,250.
48a	Pluses receivable			
b	Less: allowance for doubtful accounts		48c	
49	Grants receivable	10,000.	49	20,400.
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
51a	Other notes and loans receivable (attach schedule)			
b	Less: allowance for doubtful accounts		51c	
52	Inventories for sale or use		52	4,306.
53	Prepaid expenses and deferred charges	800.	53	2,980.
54a	Investments — publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a	
b	Investments — other securities (attach sch.)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b	
55a	Investments — land, buildings, & equipment: basis			
b	Less: accumulated depreciation (attach schedule)		55c	
56	Investments — other (attach schedule)		56	
57a	Land, buildings, and equipment: basis	1,658,200.		
b	Less: accumulated depreciation (attach schedule)	309,621.	57c	1,348,579.
58	Other assets, including program-related investments (describe ▶ <u>SEE STATEMENT 5</u>)		58	204,060.
59	Total assets (must equal line 74). Add lines 45 through 58	723,995.	59	1,623,722.
60	Accounts payable and accrued expenses	4,801.	60	3,309.
61	Grants payable		61	
62	Deferred revenue	10,000.	62	15,000.
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64a	Tax-exempt bond liabilities (attach schedule)		64a	
b	Mortgages and other notes payable (attach schedule)	20,570.	64b	436,031.
65	Other liabilities (describe ▶ <u>SEE STATEMENT 6</u>)	1,594.	65	16,502.
66	Total liabilities. Add lines 60 through 65	16,965.	66	470,842.
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67	Unrestricted	677,030.	67	948,820.
68	Temporarily restricted		68	
69	Permanently restricted		69	204,060.
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
70	Capital stock, trust principal, or current funds		70	
71	Paid-in or capital surplus, or land, building, and equipment fund		71	
72	Retained earnings, endowment, accumulated income, or other funds		72	
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 59 and column (B) must equal line 21)	677,030.	73	1,152,880.
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	723,995.	74	1,623,722.

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Part IV Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements.....	a	924,089.
b	Amounts included on line a but not on Part I, line 12:		
	1 Net unrealized gains on investments.....	b1	
	2 Donated services and use of facilities.....	b2	
	3 Recoveries of prior year grants.....	b3	
	4 Other (specify):	b4	
	Add lines b1 through b4.....	b	
c	Subtract line b from line a.....	c	924,089.
d	Amounts included on Part I, line 12, but not on line a:		
	1 Investment expenses not included on Part I, line 6b.....	d1	
	2 Other (specify):	d2	
	Add lines d1 and d2.....	d	
e	Total revenue (Part I, line 12). Add lines c and d.....	e	924,089.

Part V Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements.....	a	448,239.
b	Amounts included on line a but not on Part I, line 17:		
	1 Donated services and use of facilities.....	b1	
	2 Prior year adjustments reported on Part I, line 20.....	b2	
	3 Losses reported on Part I, line 20.....	b3	
	4 Other (specify):	b4	
	Add lines b1 through b4.....	b	
c	Subtract line b from line a.....	c	448,239.
d	Amounts included on Part I, line 17, but not on line a:		
	1 Investment expenses not included on Part I, line 6b.....	d1	
	2 Other (specify):	d2	
	Add lines d1 and d2.....	d	
e	Total expenses (Part I, line 17). Add lines c and d.....	e	448,239.

Part VI Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
DONALD MANN 395 BRYAN ROAD WOODBURY, TN 37190	EXECUTIVE DIRECTOR	37,450.	0.	0.

Part VII Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82 b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	N/A	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	N/A	
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
If "Yes," was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
85 c	Dues, assessments, and similar amounts from members	N/A	
85 d	Section 501(c)(3) lobbying and political expenditures	N/A	
85 e	Aggregate nondeductible amount of section 501(c)(3)(A) dues notices	N/A	
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85 g	Does the organization elect to pay the section 501(c)(3) tax on the amount on line 85f?	N/A	
85 h	If section 501(c)(3)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues attributable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86 a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	N/A	
86 b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87 a	501(c)(12) organizations. Enter: a Gross income from members or shareholders	N/A	
87 b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	N/A	
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88 b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
89 b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89 c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	0	
89 d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	0	
89 e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89 f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89 g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90 a	List the states with which a copy of this return is filed ▶ NONE		
90 b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	0	
91 a	The books are in care of ▶ DONALD FANN, EXEC DIRECTOR Telephone number ▶ 615-563-2787 Located at ▶ BOX 111, WOODBURY, TN ZIP + 4 ▶ 37190		
91 b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

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Form 990 (2007)

Part VII Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91 c

X

If 'Yes,' enter the name of the foreign country: _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here N/A

and enter the amount of tax-exempt interest received or accrued during the tax year: 92

N/A

Part VIII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a SEE STATEMENT 7					324,934.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees for contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments					
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers. prop.					
99 Other investment income					663.
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))					325,597.
105 Total (add line 104, columns (B), (D), and (E))					325,597.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part IX Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

N/A

Part X Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part XI Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes X No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes X No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

BAA

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Form 990 (2007)

Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If Yes, complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If Yes, complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please
Sign
Here

☒ Signature of officer _____ Date _____
DONALD FANN, EXECUTIVE DIRECTOR
 Type or print name and title.

Paid
Pre-
parer's
Use
Only

Preparer's signature **David B. Hall CPA** Date **2/28/08** Check if self-employed ☐ Preparer's SSN or PTIN (See General instruction X) **N/A**
 Firm's name (or yours if self-employed) **HALL, DAVIDSON & ASSOC., CPA'S** EIN **N/A**
 Address, and ZIP + 4 **P.O. BOX 1234 MURFREESBORO, TN 37133-1234** Phone no. **(615) 893-9334**

BAA

Form 990 (2007)

SCHEDULE A
(Form 990 or 990-EZ)

**Organization Exempt Under
Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information — (See separate instructions.)

OMB No. 1545-0047

2007

Department of the Treasury
Internal Revenue Service

MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.

Name of the organization

Employer identification number

THE ARTS CENTER OF CANNON COUNTY, INC.

58-1882966

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
N/A		0.	0.	0.
Total number of other employees paid over \$50,000	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
N/A		0.
Total number of others receiving over \$50,000 for professional services	0	

Part III Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	0	

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2007

TEEA0401L 12/27/07

Part III Statements About Activities (See instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities. . . . \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B.)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	X
3a	Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4a	Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g	4a	X
b	Did the organization make any taxable distributions under section 4966?	4b	N/A
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A
d	Enter the total number of donor advised funds owned at the end of the tax year		N/A
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		N/A
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year		0.

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Schedule A (Form 990 or Form 990-EZ) 2007

Part IV Reason for Non-Private Foundation Status (See instructions.)I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11 a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11 b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 ☒ An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					0.

- 14
- ☐
- An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

BAA

Schedule A (Form 990 or 990-EZ) 2007

Part III Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.***Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	276,942.	159,956.	97,219.	123,735.	657,852.
16 Membership fees received					0.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	236,522.	211,080.	97,258.	115,546.	660,406.
18 Gross income from interest, dividends, amounts received from payments on securities loans (sec. 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975	1,003.	107.	368.	435.	1,913.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0.
23 Total of lines 15 through 22	514,467.	371,143.	194,845.	239,716.	1,320,171.
24 Line 23 minus line 17	277,945.	160,063.	97,587.	124,170.	659,765.
25 Enter 2% of line 23	5,145.	3,711.	1,948.	2,397.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 N/A ... **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts **26b**

c Total support for section 509(a)(1) test: Enter line 24, column (e) **26c**

d Add: Amounts from column (e) for lines: 18 _____ 19 _____
22 _____ 26b _____ **26d**

e Public support (line 26c minus line 26d total) **26e**

f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) **26f** %

27 Organizations described on line 12:

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year:
(2006) _____ 0. (2005) _____ 0. (2004) _____ 0. (2003) _____ 0.

b For an amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:
(2006) _____ 0. (2005) _____ 0. (2004) _____ 0. (2003) _____ 0.

c Add: Amounts from column (e) for lines: 15 _____ 657,852. 16 _____
17 _____ 660,406. 20 _____ 21 _____ **27c** 1,318,258.

d Add: Line 27a total 0. and line 27b total 0. **27d** 0.

e Public support (line 27c total minus line 27d total) **27e** 1,318,258.

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ... **27f** 1,320,171.

g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) **27g** 99.86 %

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) **27h** 0.14 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part IV Private School Questionnaire (See instructions.)
(To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

		N/A	Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)	31		
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32 a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32 b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32 c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32 d		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33 a		
b	Admissions policies?	33 b		
c	Employment of faculty or administrative staff?	33 c		
d	Scholarships or other financial assistance?	33 d		
e	Educational policies?	33 e		
f	Use of facilities?	33 f		
g	Athletic programs?	33 g		
h	Other extracurricular activities?	33 h		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34 a		
b	Has the organization's right to such aid ever been revoked or suspended?	34 b		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.	35		

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Schedule A (Form 990 or 990-EZ) 2007

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768)

N/A

Check ☐ a ☐ if the organization belongs to an affiliated group. Check ☐ b ☐ if you checked 'a' and 'limited control' provisions apply.**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred.)

	(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is -		
Not over \$500,000	20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.		

4-Year Averaging Period Under Section 501(h)(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) *	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h.)			

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

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Schedule A (Form 990 or 990-EZ) 2007

2/28/08

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STATEMENT 1
FOR 990, PART I, LINE 7
OTHER INVESTMENT INCOME

INTE EST-CHECKING & CD'S.....\$ 663.
TOTAL \$ 663.

STATEMENT 2
FOR 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
EVEN EXPENSES	63,093.	56,784.	6,309.	
GIFT SHOP MDSE & COMM	14,962.	13,466.	1,496.	
GIFT SHOP & GALLERY EXP	3,359.	3,023.	336.	
CONC SSION EXPENSES	4,035.	3,632.	403.	
CLAS ES	10,204.	9,184.	1,020.	
ADVE TISING	757.	681.	76.	
BANK CARD FEES & S/C	4,204.	3,784.	420.	
MISC LLANEOUS	5,111.	4,600.	511.	
SALE TAX (GIFT SHOP)	1,306.	1,175.	131.	
SECU ITY	406.	365.	41.	
SHOP SUPPLIES	4,185.	3,767.	418.	
MUSE M EXPENSE	11,759.	10,583.	1,176.	
MAIN ENANCE & REPAIRS	10,971.	9,874.	1,097.	
UTIL TIES & PHONE	28,188.	25,369.	2,819.	
INSU ANCE - GENERAL	11,514.	10,363.	1,151.	
OFFI E SUPPLIES & EXP	5,222.	4,700.	522.	
GRAN S EXP - TIMBER COOP	2,865.	2,579.	286.	
CD'S PUBISHING, MISC	23,850.	21,465.	2,385.	
MEMB RSHIP EXP	40.	36.	4.	
CONTRIBUTIONS EXP	1,200.	1,080.	120.	
ROUNDING	-4.	-4.		
TOTAL	\$ 207,227.	\$ 186,506.	\$ 20,721.	\$ 0.

STATEMENT 3
FOR 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

THE ARTS CENTER HOLDS VARIOUS SHOWS, EVENTS, PLAYS, ARTISTIC ACTIVITIES, ETC., WITH GRANTS, DONATIONS, MEMBERSHIPS, AND ADMISSIONS INCOME BEING USED TO PAY RELATED EXPENSES, THUS PROVIDING QUALITY ARTS EXPERIENCES AND THE OPPORTUNITY TO PARTICIPATE IN THE ARTS FOR RESIDENTS OF CANNON AND SURROUNDING COUNTIES, COMPRISING A MOSTLY RURAL PART OF MIDDLE TENNESSEE.

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STATEMENT 4
 FORM 990, PART IV, LINE 57
 LAND BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
FURNITURE AND FIXTURES	\$ 211,080.	\$ 127,184.	\$ 83,896.
BUILDINGS	1,187,733.	150,193.	1,037,540.
IMPROVEMENTS	209,014.	32,244.	176,770.
LAND	50,373.		50,373.
TOTAL	<u>\$ 1,658,200.</u>	<u>\$ 309,621.</u>	<u>\$ 1,348,579.</u>

STATEMENT 5
 FORM 990, PART IV, LINE 58
 OTHER ASSETS

MUSEUM COLLECTION-ART & BASKETS	\$ 204,060.
TOTAL	<u>\$ 204,060.</u>

STATEMENT 6
 FORM 990, PART IV, LINE 65
 OTHER LIABILITIES

SALES TAX PAYABLE	\$ 678.
ACCRUED INTEREST PAYABLE	15,359.
UNREDEEMED GIFT CARDS	465.
TOTAL	<u>\$ 16,502.</u>

STATEMENT 7
 FORM 990, PART VII, LINE 93
 PROGRAM SERVICE REVENUE

PROGRAM SERVICE REVENUE	(A) BUSI- NESS CODE	(B) UNRELATED BUSINESS AMOUNT	(C) EXCLU- SION CODE	(D) EXCLUDED AMOUNT	(E) RELATED OR EXEMPT FUNCTION
EVENINGS/SEASON TICKET					\$ 232,756.
FUND RAISERS					
GIFT SHOP & GALLERY SALES					17,007.
OTHER SALES-CD'S, MISC					15,533.
CONCERTESSIONS					7,263.
CLASSES					16,225.
RENTALS					
MISCELLANEOUS					
MURFREESBORO CITY SCHOOLS					
SPONSORS					36,150.
TOTAL		<u>\$ 0.</u>		<u>\$ 0.</u>	<u>\$ 324,934.</u>

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CONTRIBUTIONS, GIFTS, AND GRANTS DIRECT PUBLIC SUPPORT

INDIVIDUAL CONTRIBUTIONS.....	\$	12,748.
DONATED ART & BASKET COLLECTION.....		204,060.
TOTAL	\$	<u>216,808.</u>

GOVERNMENT CONTRIBUTIONS (GRANTS)

TENN ARTS COMMISSION GENL SUPPORT.....	\$	13,600.
TENN ARTS COMMISSION GENL SUPPORT.....		20,400.
TENN ARTS COMMISSION-JOHN WORK CD.....		10,000.
MIDDLE TN ELECTRIC MEMBERSHIP CORP.....		3,000.
TARGET.....		2,500.
COMMUNITY FOUNDATION.....		840.
NEA JOHN WORK PROJECT.....		15,000.
NEA DUNLAP PROJECT.....		12,000.
HUD ECONOMIC DEVEL- NEW BUILDING.....		120,280.
TN DEPT OF TRANSPORT - NEW BUILDING.....		134,064.
CANNON CO HISTORICAL SOC - NEW BUILDING.....		50,000.
TOTAL	\$	<u>381,684.</u>

2/28/08

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PROJECTED SUPPORT SCHEDULE FOR 2008

THIS WORKSHEET PROJECTS IF THE ORGANIZATION WILL MEET THE SUPPORT TEST FOR THE TAX YEAR 2008 BASED ON THE DATA ENTERED IN SCREEN 55 FOR THE COLUMN 2007.

SUPPORT ITEMS	2007 (A)	2006 (B)	2005 (C)	2004 (D)	TOTAL (E)
15. GIFTS, GRANTS, AND CONTRIBUTIONS	598,462.	276,942.	159,956.	97,219.	1,132,579.
16. MEMBERSHIP FEES RECEIVED					0.
17. GROSS RECEIPTS FROM ADMISSIONS, MERCHANDISE SOLD OR SERVICES PERFORMED, OR FURNISHING OF FACILITIES IN ANY ACTIVITY THAT IS RELATED TO THE ORGANIZATION'S CHARITABLE PURPOSE	324,934.	236,522.	211,080.	97,258.	869,794.
18. GROSS INCOME FROM INTEREST, DIVIDENDS, AMOUNT RECEIVED FROM PAYMENTS ON SECURITIES LOANS, RENTS, ROYALTIES, AND UNRELATED BUSINESS TAXABLE INCOME FROM BUSINESSES ACQUIRED BY THE ORGANIZATION AFTER 6/30/1975	663.	1,003.	107.	368.	2,141.
19. NET INCOME FROM UNRELATED BUSINESS ACTIVITIES NOT INCLUDED IN LINE 18					0.
20. TAX REVENUES LEVIED FOR THE ORGANIZATION'S BENEFIT AND EITHER PAID TO IT OR EXPENDED ON ITS BEHALF					0.
21. THE VALUE OF SERVICES OR FACILITIES FURNISHED TO THE ORGANIZATION BY A GOVERNMENTAL UNIT WITHOUT CHARGE. DO NOT INCLUDE THE VALUE OF SERVICES OR FACILITIES GENERALLY FURNISHED TO THE PUBLIC WITHOUT CHARGE					0.
22. OTHER INCOME. DO NOT INCLUDE GAIN (OR LOSS) FROM SALE OF CAPITAL ASSETS					0.
23. TOTAL OF LINES 15 THROUGH 22	924,059.	514,467.	371,143.	194,845.	2,004,514.
24. LINE 23 MINUS LINE 17	599,125.	277,945.	160,063.	97,587.	1,134,720.
25. ENTER 1% OF LINE 23	9,241.	5,145.	3,711.	1,948.	

ORGANIZATIONS DESCRIBED ON LINE 12:

27A. TOTAL AMOUNTS FROM LINES 15, 16, AND 17 FROM DISQUALIFIED PERSONS	0.
27B. LINE 17 AMOUNTS FROM DISQUALIFIED PERSONS LARGER THAN LINE 25 OR \$5,000	0.
27C. AMOUNTS FROM COLUMN (E) FOR LINES 15, 16, 17, 20, AND 21	2,002,373.
27D. TOTAL OF LINES 27A AND 27B	0.
27E. PUBLIC SUPPORT (LINE 27C MINUS LINE 27D)	2,002,373.
27F. TOTAL SUPPORT FOR SECTION 509(A) (2) TEST (LINE 23, COLUMN (E))	2,004,514.
27G. PUBLIC SUPPORT PERCENTAGE (LINE 27E DIVIDED BY LINE 27F)	99.89%
27H. INVESTMENT INCOME PERCENTAGE (LINE 18, COLUMN (E) DIVIDED BY LINE 27F)	0.11%

12/31/07

2007 FEDERAL SUMMARY DEPRECIATION SCHEDULE

PAGE 1

CLIENT ARTCENTR

THE ARTS CENTER OF CANNON COUNTY, INC.

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
FORM 1180										
BUILDINGS										
1	BUILDING	7/01/91		256,020			99,213	S/L	40	6,401
2	BUILDING ADDITION	7/01/96		81,604			21,420	S/L	40	2,040
3	BUILDING ADDITION	7/01/97		35,231			8,369	S/L	40	881
4	BUILDING ADDITION	7/01/98		10,384			2,210	S/L	40	260
37	BUILDING ADDITION	7/01/99		14,039			2,457	S/L	40	351
38	BUILDING ADDITION	1/01/00		10,181			1,785	S/L	40	255
74	BUILDING IMPROVEMENTS	7/01/05		47,072			2,668	S/L HY	25	1,883
85	BUILDING ADDITION	12/31/07		733,202				S/L	40	0
TOTAL BUILDINGS				1,187,733		0	138,122			12,071
IMPROVEMENTS										
5	PAVING	7/01/93		26,917			24,221	S/L	15	1,794
39	SIDEWALK	4/17/00		1,386			598	S/L HY	15	92
40	LANDSCAPING	5/23/00		1,000			435	S/L HY	15	67
75	WATER & SEWER LINES	7/01/05		78,967			3,012	S/L MM	39	2,025
86	PAVING	12/31/07		11,250				S/L	15	0
87	SEWER LINE	12/31/07		89,494				S/L	40	0
TOTAL IMPROVEMENTS				209,014		0	28,266			3,978
MACHINERY AND EQUIPMENT										
6	COMPUTER	7/01/91		2,456			2,456	S/L	5	0
7	STAGE LIGHTING	7/01/91		8,916			6,912	S/L	20	446
8	CHAIRS - STAGE	7/01/91		12,825			9,937	S/L	20	641
9	EQUIPMENT	7/01/97		2,247			2,247	S/L	10	0
10	EQUIPMENT	7/01/92		263			263	S/L	10	0
11	KNIFE	7/01/93		1,242			1,242	S/L	10	0
12	BASKETS	7/01/93		625			625	S/L	10	0
13	EQUIPMENT	7/01/94		557			557	S/L	10	0
14	SEMI	7/01/95		39,448			18,147	S/L	25	1,578
15	SOUND SYSTEM	7/01/95		10,580			10,580	S/L	10	0
16	PHONE SYSTEM	7/01/95		2,568			2,568	S/L	10	0
17	CAMERA	7/01/96		451			451	S/L	10	0
18	EQUIPMENT	7/01/96		277			277	S/L	10	0
19	COMPUTER	7/01/97		2,590			2,590	S/L	5	0

12/31/07

2007 FEDERAL SUMMARY DEPRECIATION SCHEDULE

PAGE 2

CLIENT ARTCENTR

THE ARTS CENTER OF CANNON COUNTY, INC.

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
20	EQUIPMENT	7/01/97		524			494	S/L	10	30
21	TRUSTEY	7/01/97		5,500			1,663	S/L	20	175
22	SCULPTING	7/01/98		180			153	S/L HY	10	18
23	SCULPTURES	7/01/98		500			425	S/L HY	10	50
24	FOUNTAIN	7/01/98		375			323	S/L HY	10	38
25	LIGHTING	7/01/98		466			399	S/L HY	10	47
26	CORNER	7/01/98		590			590	S/L HY	5	0
27	LIGHTING	7/01/98		383			323	S/L HY	10	38
28	COMPUTER UPGRADES	7/01/98		994			994	S/L HY	5	0
29	20 TABLES	7/01/98		800			680	S/L HY	10	80
30	MISC KITCHEN EQUIPMENT	7/01/99		2,834			2,123	S/L HY	10	283
31	STOVE	7/01/99		1,000			750	S/L HY	10	100
32	ICE MACHINE	7/01/99		900			675	S/L HY	10	90
33	DISHMER	7/01/99		800			600	S/L HY	10	80
34	DISH WASHER	7/01/99		2,500			1,875	S/L HY	10	250
35	SHOOP VACUUM	7/01/99		191			143	S/L HY	10	19
36	LASER PRINTER	7/01/99		260			260	S/L HY	5	0
41	RANGE HOOD	7/01/00		4,367			2,840	S/L HY	10	437
42	PLANO DOLLY	7/01/00		450			293	S/L HY	10	45
43	FOLDER	7/01/00		1,132			735	S/L HY	10	113
44	COMPUTER	7/01/00		719			719	S/L HY	5	0
45	COMPUTER	7/01/00		1,249			1,249	S/L HY	5	0
46	TABLES	7/01/00		700			455	S/L HY	10	70
47	GEIE LIFT	7/01/00		2,000			1,300	S/L HY	10	200
48	PAINT MIXER	7/01/00		700			455	S/L HY	10	70
49	FREEZER	7/01/00		225			149	S/L HY	-10	23
50	OFFICE EQUIPMENT	7/01/00		600			390	S/L HY	10	60
51	STATUE	7/01/00		500			325	S/L HY	10	50
52	PEINTER	1/01/01		380			380	S/L HY	5	0
53	PLANO	1/31/01		8,000			4,400	S/L HY	10	800
54	FAN	4/30/01		350			350	S/L HY	5	0
55	LIGHT BOOTH	5/31/01		420			231	S/L HY	10	42
56	PLANO BOX	8/31/01		251			138	S/L HY	10	25
57	COMPUTER & MISC EQUIP.	7/31/01		1,090			1,090	S/L HY	5	0
58	20 TON AIR CONDITIONER	10/31/01		15,200			8,360	S/L HY	10	1,520
59	COMPUTER UPGRADES	7/01/02		922			828	S/L HY	5	94
60	TELEPHONE SYSTEM	7/01/02		5,075			2,286	S/L HY	10	508
61	DIGITAL CAMERA	7/01/02		330			297	S/L HY	5	33
62	SECURITY SYSTEM	7/01/02		4,179			1,881	S/L HY	10	418

12/31/07

2007 FEDERAL SUMMARY DEPRECIATION SCHEDULE

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CLIENT ARTCENTR

THE ARTS CENTER OF CANNON COUNTY, INC.

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR	METHOD	LIFE	CURRENT DEPR.
63	GALLERY TILE & CARPET	7/01/02		813			366	S/L HY	10	81
64	SIGN	7/01/02		1,200			540	S/L HY	10	120
65	FOLDING CHAIRS	7/01/02		1,530			689	S/L HY	10	153
66	TABLES	7/01/02		811			365	S/L HY	10	81
67	LIGHT BOARD, MONITOR, ETC	7/01/03		4,809			1,683	S/L HY	10	481
68	COMPUTER	7/01/03		848			595	S/L HY	5	170
69	COMPUTER	7/01/03		849			595	S/L HY	5	170
70	SOUND EQUIPMENT	7/01/03		1,574			550	S/L HY	10	157
71	SOUND EQUIPMENT	7/01/04		5,898			1,475	S/L HY	10	590
72	COMPUTER EQUIPMENT	7/01/04		584			292	S/L HY	5	117
73	LIGHTING EQUIPMENT	7/01/04		545			137	S/L HY	10	55
76	EQUIPMENT	7/01/04		1,814			542	S/L HY	10	181
77	COPIER	7/01/05		521			156	S/L HY	5	104
78	50 COMPUTERS	7/01/05		1,821			546	S/L HY	5	364
79	HAND RAILS	7/01/05		3,868			580	S/L HY	10	387
80	CHAIR BOTTOMS	7/01/05		5,575			837	S/L HY	10	558
81	ELECTRICAL EQUIPMENT	7/01/05		7,945			1,192	S/L HY	10	795
82	MUSEUM CABINETS	7/01/06		8,500			424	S/L HY	10	850
83	MUSEUM EXHIBIT TECHNOLOGY	7/01/06		5,500			274	S/L HY	10	550
84	MARKING BOARD	7/01/06		1,013			50	S/L HY	10	101
88	COMPUTER	5/19/07		549				2000B HY	5	54
89	AUDIO RACK	6/19/07		369				S/L HY	10	18
90	TABLE FOR GALLERY	9/25/07		2,596				S/L HY	10	135
91	COPIER	10/24/07		764				S/L HY	5	76
TOTAL MACHINERY AND EQUIPME				211,077		0	112,361			14,819
TOTAL DEPRECIATION				1,607,824		0	278,749			30,868
GRAND TOTAL DEPRECIATION				1,607,824		0	278,749			30,868