
Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
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C. DEWITT FOARD & COMPANY, P.A.

*CERTIFIED PUBLIC ACCOUNTANTS
817 EAST MOREHEAD STREET SUITE 100
CHARLOTTE, NORTH CAROLINA 28202
TELEPHONE: 704-372-1515 FACSIMILE: 704-372-6066*

*PHILLIP G. WILSON
TERRY W. LANCASTER*

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
Cornelius Arts and Community Center, Inc.
Cornelius, North Carolina

We have reviewed the accompanying financial statements of Cornelius Arts and Community Center, Inc., (the "Center" - a nonprofit corporation), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Center's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

October 2, 2019

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Statement of Financial Position
June 30, 2018

ASSETS

Current Assets:		
Cash	\$	16,297
Receivables:		
Operating pledges		3,375
Sales tax receivable		51
Total Current Assets		19,723

TOTAL **\$ 19,723**

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable	\$	3,011
Total Current Liabilities		3,011
Net Assets:		
Unrestricted		16,712
Total Net Assets		16,712

TOTAL **\$ 19,723**

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Statement of Activities
Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	TOTALS
<i>SUPPORT AND REVENUE</i>			
Contributions	\$ 13,900	\$ 59,595	\$ 73,495
Grants	245,000	-	245,000
In-kind contributions	58,548	-	58,548
Other income	231	-	231
Net assets released from restriction by payment	59,595	(59,595)	-
<i>Total Support and Revenue</i>	<i>377,274</i>	<i>-</i>	<i>377,274</i>
<i>EXPENSES</i>			
Professional services	159,023	-	159,023
Personnel	153,779	-	153,779
Travel	3,861	-	3,861
Telecommunications	1,924	-	1,924
Office supplies	2,399	-	2,399
Insurance	1,818	-	1,818
Events	4,991	-	4,991
Dues and subscriptions	4,639	-	4,639
Advertising	22,585	-	22,585
All other	15,982	-	15,982
<i>Total Expenses</i>	<i>371,001</i>	<i>-</i>	<i>371,001</i>
<i>CHANGE IN NET ASSETS</i>	<i>6,273</i>	<i>-</i>	<i>6,273</i>
<i>NET ASSETS, BEGINNING</i>	<i>10,439</i>	<i>-</i>	<i>10,439</i>
<i>NET ASSETS, ENDING</i>	<i>\$ 16,712</i>	<i>\$ -</i>	<i>\$ 16,712</i>

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Statement of Cash Flows
Year Ended June 30, 2018

OPERATING ACTIVITIES

Change in net assets	\$ 6,273
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
(Increase) in operating assets:	
Operating pledges	(3,375)
Sales tax receivable	(51)
Increase in operating liabilities	
Accounts payable	3,011
<i>Cash Flows from Operating Activities</i>	5,858
NET CHANGE IN CASH	5,858
CASH, BEGINNING	10,439
CASH, ENDING	\$ 16,297

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Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts (the “Center”) is a not-for-profit organization, located in Cornelius, North Carolina. The Center was incorporated in July 2016. The Center was created as a result of the town of Cornelius recognizing the need for an arts and cultural venue to revitalize and enrich the community through the arts and all the benefits of arts education. The Center is supported primarily through contributions from individuals, businesses, and foundations as well as a grant from the town of Cornelius.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets can be both undesignated and designated in nature. Undesignated, unrestricted net assets are those currently available for use in the day-to-day operation for the Center.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center or the passage of time. When a restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2018, the Center had no temporarily restricted net assets.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center. At June 30, 2018, the Center had no permanently restricted net assets.

Cash

Cash consists of cash on hand, cash in banks, and money market funds.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Donated services and goods

Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated equipment or materials, if significant, are included in support at fair value. During the year, the Center recorded no contributed services or donated goods.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Center with specific assistance programs and various assignments. No amounts have been reflected in the financial statements for these contributions, as they do not meet the criteria for recognition described above.

Income tax status

The Center is a nonprofit Center and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code with respect to its exempt function income. The Center is not a private organization as defined by Section 509(a) of the Internal Revenue Code.

NOTE B - PLEDGES RECEIVABLE

Operating pledges

Unconditional promises to give for operations are presented with no allowance for doubtful accounts. Management's assessment of the collectability of receivables is based on a review of individual accounts, historical experience, and current economic conditions. The balance of the operating pledges are expected to be collected during the year ending June 30, 2019.

NOTE C - CONCENTRATIONS OF RISK

Geographic area

The Center operates in a small geographic area and, accordingly, is sensitive to changes in the local economy.

NOTE D - SUBSEQUENT EVENTS

The Center has evaluated subsequent events from the date of the statement of financial position through the date of the audit report, which is the date the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.