

**BRUCE D. CULLEY, C.P.A., P.C.**  
3000 BROOKTREE LANE, SUITE 210  
GLADSTONE, MISSOURI 64119  
816-453-1040 FAX: 816-453-0721  
bruceculley@sbcglobal.net

Member American Institute of  
Certified Public Accountants

Member Missouri Society of  
Certified Public Accountants

**OWEN/COX DANCE GROUP**

**AUDITED FINANCIAL STATEMENTS**

**AUGUST 31, 2013**

**OWEN/COX DANCE GROUP**

*Table of Contents*

Independent Auditor's Report .....	1 – 2
Statements of Assets, Liabilities and Net Assets – Cash Basis, August 31, 2013.....	3
Statement of Revenue, Support and Expenses – Cash Basis, August 31, 2013.....	4
Statement of Functional Expenses – Cash Basis, August 31, 2013.....	5
Notes to Financial Statements .....	6 – 8

**BRUCE D. CULLEY, C.P.A., P.C.**  
3000 BROOKTREE LANE, SUITE 210  
GLADSTONE, MISSOURI 64119  
816-453-1040 FAX: 816-453-0721  
bruceculley@sbcglobal.net

Member American Institute of  
Certified Public Accountants

Member Missouri Society of  
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors  
Owen/Cox Dance Group  
Kansas City, Missouri

I have audited the accompanying financial statements of Owen/Cox Dance Group (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – cash basis as of August 31, 2013, and the related statements of support, revenue, and expenses – cash basis, and functional expenses – cash basis 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 the cash basis of accounting as described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 an opinion on these financial statements based on my audit. I conducted my 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 from 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.

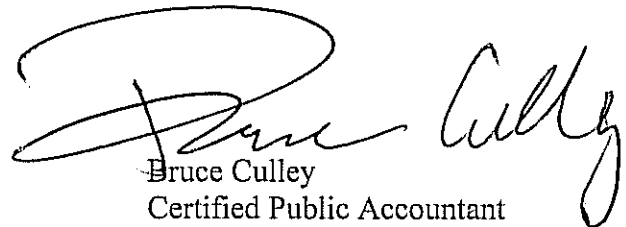
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Owen/Cox Dance Group as of August 31, 2013, and its support, revenue, and expenses for the years then ended in accordance with the cash basis of accounting as described in Note 2.

**Basis of Accounting**

I draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinion is not modified with respect to that matter.



Bruce Culley  
Certified Public Accountant

Gladstone, Missouri  
October 10, 2013

**OWEN/COX DANCE GROUP  
STATEMENTS OF ASSETS, LIABILITIES  
AND NET ASSETS - CASH BASIS  
AUGUST 31, 2013**

<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 46,823
Total Current Assets	<u>46,823</u>
Total Assets	<u>\$ 46,823</u>
<b>Net Assets</b>	
Temporarily Restricted	\$ 31,523
Unrestricted	<u>15,300</u>
Total Net Assets	<u>46,823</u>
Total Liabilities and Net Assets	<u>\$ 46,823</u>

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

**OWEN/COX DANCE GROUP**  
**STATEMENT OF REVENUE, SUPPORT AND EXPENSES - CASH BASIS**  
**FOR THE YEAR ENDED AUGUST 31, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Contributions and Grants			
Foundations	\$ 81,500	\$ 14,000	\$ 95,500
Individuals	29,112	61,915	91,027
Government	32,048	-	32,048
Corporations	100	-	100
Special Events	9,710	-	9,710
Ticket Sales	27,389	14,200	41,589
Touring	13,700	-	13,700
Advertising	583	-	583
Other Income	-	2,979	2,979
Total Revenue and Support	<u>194,142</u>	<u>93,094</u>	<u>287,236</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>			
Restrictions Satisfied by Payments	<u>61,571</u>	<u>(61,571)</u>	<u>-</u>
Total Revenues	255,713	31,523	287,236
<b>EXPENSES</b>			
Program Service			
Artistic	159,661	-	159,661
Education	5,790	-	5,790
Production	62,116	-	62,116
Supporting Services			
Administrative and General	<u>37,069</u>	<u>-</u>	<u>37,069</u>
Total Expenses	<u>264,636</u>	<u>-</u>	<u>264,636</u>
Increase in Net Assets	(8,923)	31,523	22,600
Net Assets, Beginning of Year	<u>24,223</u>	<u>-</u>	<u>24,223</u>
Net Assets, End of Year	<u>\$ 15,300</u>	<u>\$ 31,523</u>	<u>\$ 46,823</u>

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

**OWEN/COX DANCE GROUP**  
**STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS**  
**FOR THE YEAR ENDED AUGUST 31, 2013**

	<u>Program Service</u>	<u>Administrative</u>	<u>Total Expenses</u>
Salaries	\$ 43,222	\$ 683	\$ 43,905
Development	-	4,859	4,859
Marketing	-	16,641	16,641
Other General Operating	-	1,646	1,646
Workers' Compensation	-	9,071	9,071
Payroll Taxes	-	4,168	4,168
Dancers/Musicians	99,960	-	99,960
Rehearsal Assistant	2,780	-	2,780
Lighting Designer	8,150	-	8,150
Choreographer Fees	4,000	-	4,000
Set Design	1,550	-	1,550
Education	5,790	-	5,790
Costumes	7,985	-	7,985
Production Stage	13,921	-	13,921
Equipment Rental	4,402	-	4,402
Theater Rental	16,705	-	16,705
Photographer	2,274	-	2,274
Travel	11,259	-	11,259
Transportation	1,016	-	1,016
Miscellaneous	4,553	-	4,553
	<u>\$ 227,567</u>	<u>\$ 37,069</u>	<u>\$ 264,636</u>
Total Expenses			

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

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2013**

**NOTE 1 – ORGANIZATION**

The Owen/Cox Dance Group is an ensemble of professional dancers and musicians dedicated to performing collaborative new works. The group's mission is to create new music and dance collaborations, to present high-quality contemporary dance performances with live music, and to engage as wide an audience as possible through affordable live performances and education and outreach programs. With diverse backgrounds ranging from the Bolshoi ballet and the Leningrad Chamber Orchestra, to Alvin Ailey and Dave Brubeck, these dancers and musicians form a highly skilled and multi-faceted corps.

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

***Basis of Accounting***

The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States. Under the cash basis of accounting, certain revenues and support are recognized when received rather than when earned and certain expenses and purchases of assets are recognized when the cash is disbursed rather than when the obligation to make the expenditure is incurred.

***Cash Equivalents***

Owen/Cox Dance Groups considers all liquid investments with original maturities of three months or less to be cash equivalents. At August 31, 2013, there were no cash equivalents.

***Donor Imposed Restrictions***

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**AUGUST 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

*Contributed Services*

Owen/Cox Dance Group recognizes as contributions those donated services that create or enhance non-financial assets and those that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Unpaid volunteers have made significant contributions of their time to Owen/Cox Dance Group's program, administrative and fundraising efforts. The value of this time is not reflected in these statements since it does not meet the above criteria. However, because recognition of contributed services, as revenue would also involve recognition of corresponding expenses, there would be no effect on net assets.

*Income Taxes*

Owen/Cox Dance Group is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, Owen/Cox Dance Group is subject to federal income tax on any unrelated business taxable income.

Owen/Cox Dance Group files tax returns in the U.S. federal jurisdiction. With a few exceptions, Owen/Cox Dance Group is no longer subject to U.S. federal examinations by tax authorities for years before 2009.

*Use of Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Subsequent Events*

Subsequent events have been evaluated through October 10, 2013, which is the date the financial statements were issued.

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**AUGUST 31, 2013**

**NOTE 3 – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

Education and Awareness Programs	\$ 2,398
Kansas City Dance Festival	<u>29,125</u>
Total	<u>\$ 31,523</u>

Net assets of \$61,571 were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donors.

Purpose restrictions satisfied:

Education and Awareness Programs	\$ 1,580
Kansas City Dance Festival	<u>59,991</u>
Total	<u>\$ 61,571</u>

**NOTE 4 – SPECIAL EVENT – KANSAS CITY DANCE FESTIVAL**

The Owen/Cox Dance Group sponsored a special event for an organization known as the Kansas City Dance Festival during 2013. The revenue and expenses for the event are reflected as temporarily restricted funds at August 31, 2013. An event is planned in fiscal 2014 for which the funds will be used.