



OWEN/COX DANCE GROUP

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED AUGUST 31, 2017 and 2016

Accounting Solutions Group, LLC
816-646-9502

8320 N. Oak Trafficway, Suite 223B
Kansas City, MO 64118

OWEN/COX DANCE GROUP

Table of Contents

Independent Auditor's Report	1 – 2
Statements of Financial Position	3
Statement of Activities - August 31, 2017	4
Statement of Activities - August 31, 2016	5
Statement of Functional Expenses - August 31, 2017.....	6
Statement of Functional Expenses - August 31, 2016.....	7
Statements of Cash Flows	8
Notes to Financial Statements	9 – 12



Independent Auditor's Report

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

We have audited the accompanying financial statements of Owen/Cox Dance Group (a nonprofit organization), which comprise the statement of financial position as of August 31, 2017 and 2016, and the related statements of activities, 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.

Auditor's 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 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, 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 Owen/Cox Dance Group as of August 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.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Statements of Functional Expenses on pages 6 and 7 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Accounting Solutions Group, LLC

Accounting Solutions Group, LLC

July 13, 2018
Kansas City, Missouri

OWEN/COX DANCE GROUP
STATEMENTS OF FINANCIAL POSITION
August 31, 2017 and 2016

	2017	2016
Assets		
Cash and Cash Equivalents	\$ 25,836	\$ 38,123
Accounts Receivable	375	-
Prepaid Expenses	2,016	-
Total Assets	\$ 28,227	\$ 38,123
 Current Liabilities		
Accounts Payable	\$ 253	\$ 1,672
Accrued Wages Payable	29,550	16,250
Payroll Taxes Payable	1,452	1,559
Total Current Liabilities	31,255	19,481
 Net Assets		
Temporarily Restricted	\$ 15,573	\$ 20,350
Unrestricted	(18,601)	(1,708)
Total Net Assets	(3,028)	18,642
Total Liabilities and Net Assets	\$ 28,227	\$ 38,123

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

OWEN/COX DANCE GROUP
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2017

	Owen Cox Unrestricted	KCDF Temporarily Restricted	Other Temporarily Restricted	Total
REVENUE AND SUPPORT				
Contributions and Grants				
Foundations	\$ 68,250	\$ 26,000	\$ 9,500	\$ 103,750
Individuals	32,565	11,932	5,000	49,497
Government	178	5,000	21,014	26,192
Corporations	32	20,000	-	20,032
Special Events - Schools	-	-	50,413	50,413
Fundraising Events	11,105	-	-	11,105
Ticket Sales	23,026	8,303	-	31,329
Touring - Performance	5,500	-	-	5,500
Other Earned Income	201	-	-	201
Advertising	200	-	-	200
Other Income	192	-	-	192
In- Kind	8,975	-	13,550	22,525
	<u>150,224</u>	<u>71,235</u>	<u>99,477</u>	<u>320,936</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
Restrictions Satisfied by Payments	<u>175,489</u>	<u>(72,112)</u>	<u>(103,377)</u>	<u>-</u>
Total Revenues	325,713	(877)	(3,900)	320,936
EXPENSES				
Program Service				
Artistic, Education and Production	297,280	-	-	297,280
Supporting Services				
Administrative and General	39,619	-	-	39,619
Fundraising	5,707	-	-	5,707
Total Expenses	<u>342,606</u>	<u>-</u>	<u>-</u>	<u>342,606</u>
Increase in Net Assets	(16,893)	(877)	(3,900)	(21,670)
Net Assets, Beginning of Year	<u>(1,708)</u>	<u>12,350</u>	<u>8,000</u>	<u>18,642</u>
Net Assets, End of Year	<u>\$ (18,601)</u>	<u>\$ 11,473</u>	<u>\$ 4,100</u>	<u>\$ (3,028)</u>

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

OWEN/COX DANCE GROUP
STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2016

	Owen Cox <u>Unrestricted</u>	KCDF Temporarily <u>Restricted</u>	Other Temporarily <u>Restricted</u>	<u>Total</u>
REVENUE AND SUPPORT				
Contributions and Grants				
Foundations	\$ 64,500	\$ 47,598	\$ 8,800	\$ 120,898
Individuals	71,049	-	-	71,049
Government	-	3,321	18,388	21,709
Corporations	6,300	-	-	6,300
Special Events - Schools	49,088	-	20,500	69,588
Fundraising Events	10,238	-	-	10,238
Ticket Sales	26,861	-	-	26,861
Touring - Performance	6,438	-	-	6,438
Other Earned Income	2,640	-	-	2,640
Advertising	715	-	-	715
Other Income	964	-	-	964
In- Kind	<u>14,180</u>	<u>-</u>	<u>-</u>	<u>14,180</u>
Total Revenue and Support	252,973	50,919	47,688	351,580
NET ASSETS RELEASED FROM RESTRICTIONS				
Restrictions Satisfied by Payments	<u>98,796</u>	<u>(59,108)</u>	<u>(39,688)</u>	<u>-</u>
Total Revenues	351,769	(8,189)	8,000	351,580
EXPENSES				
Program Service				
Artistic, Education and Production	301,862	-	-	301,862
Supporting Services				
Administrative and General	29,422	-	-	29,422
Fundraising	<u>18,101</u>	<u>-</u>	<u>-</u>	<u>18,101</u>
Total Expenses	<u>349,385</u>	<u>-</u>	<u>-</u>	<u>349,385</u>
Increase in Net Assets	2,384	(8,189)	8,000	2,195
Net Assets, Beginning of Year	<u>(4,092)</u>	<u>20,539</u>	<u>-</u>	<u>16,447</u>
Net Assets, End of Year	<u><u>\$ (1,708)</u></u>	<u><u>\$ 12,350</u></u>	<u><u>\$ 8,000</u></u>	<u><u>\$ 18,642</u></u>

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

OWEN/COX DANCE GROUP
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended August 31, 2017

	Program Service	Administrative and General	Fundraising	Total Expenses
Salaries	\$ -	\$ 11,948	\$ -	\$ 11,948
Payroll Taxes	-	2,865	-	2,865
Advertising and Marketing	16,539	1,393	27	17,959
Workers Compensation	2,368	2,295	-	4,663
Production Expense				
Box Office Fees	2,876	-	-	2,876
Choreographer	11,500	-	-	11,500
Costumes	2,580	-	-	2,580
Dancer Housing	1,406	-	-	1,406
Equipment Rental	274	-	-	274
Other Production Expenses	2,750	-	-	2,750
Rent	20,047	-	-	20,047
Sound Technician	1,425	-	-	1,425
Stage/House Manager	4,380	-	-	4,380
Technical Crew/Services	8,777	-	-	8,777
Transport and Trucking	275	-	-	275
Travel	7,584	-	-	7,584
Artistic Expenses				
Artistic Director	33,000	-	-	33,000
Composer	650	-	-	650
Dancers	85,674	-	-	85,674
Lighting Design	4,900	-	-	4,900
Musicians	13,250	-	-	13,250
Rehearsal Assistance	1,900	-	-	1,900
Set Design	-	-	-	-
Youth Education Program Expense	64,531	-	-	64,531
Fundraising Expenses	-	-	5,667	5,667
In-Kind Expense	8,550	8,975	-	17,525
Liability Insurance	475	-	-	475
Miscellaneous	-	-	-	-
Occupancy	772	2,836	-	3,608
Office Expenses	797	1,462	13	2,272
Professional Fees	-	7,845	-	7,845
	<u>-</u>	<u>7,845</u>	<u>-</u>	<u>7,845</u>
Total Expenses	<u>\$ 297,280</u>	<u>\$ 39,619</u>	<u>\$ 5,707</u>	<u>\$ 342,606</u>

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

OWEN/COX DANCE GROUP
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended August 31, 2016

	Program Service	Administrative and General	Fundraising	Total Expenses
Salaries	\$ -	\$ 13,344	\$ -	\$ 13,344
Payroll Taxes	1,985	1,308	-	3,293
Advertising and Marketing	10,388	258	9	10,655
Workers Compensation	1,331	2,337	-	3,668
Production Expense				
Box Office Fees	3,248	-	-	3,248
Choreographer	12,900	-	-	12,900
Costumes	5,546	-	-	5,546
Dancer Housing	3,354	-	-	3,354
Equipment Rental	318	-	-	318
Other Production Expenses	3,146	-	-	3,146
Rent	4,848	-	-	4,848
Sound Technician	1,000	-	-	1,000
Stage/House Manager	2,600	-	-	2,600
Technical Crew/Services	5,070	-	-	5,070
Transport and Trucking	117	-	-	117
Travel	25,687	-	-	25,687
Artistic Expenses				
Artistic Director	34,500	-	-	34,500
Composer	4,085	-	-	4,085
Dancers	87,000	-	-	87,000
Lighting Design	4,450	-	-	4,450
Musicians	8,340	-	-	8,340
Rehearsal Assistance	2,020	-	64	2,084
Set Design	820	-	-	820
Youth Education Program Expense	68,528	-	-	68,528
Fundraising Expenses	1,787	385	5,057	7,229
In-Kind Expense	1,773	174	12,587	14,534
Liability Insurance	1,278	-	-	1,278
Miscellaneous	30	-	-	30
Occupancy	256	3,250	-	3,506
Office Expenses	1,907	889	384	3,180
Professional Fees	3,550	7,477	-	11,027
	<u>301,862</u>	<u>29,422</u>	<u>18,101</u>	<u>349,385</u>
Total Expenses	\$ 301,862	\$ 29,422	\$ 18,101	\$ 349,385

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

OWEN/COX DANCE GROUP
STATEMENT OF CASH FLOWS
For The Years Ended August 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ (21,670)	\$ 2,195
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities		
Current Assets (Increase) Decrease		
Accounts Receivable	(375)	25,819
Prepaid Expenses	(2,016)	2,793
Current Liabilities Increase (Decrease)		
Accounts Payable	(1,419)	(1,088)
Deferred Revenue	-	(32,309)
Accrued Wages Payable	13,300	6,250
Payroll Taxes Payable	(107)	388
Net Cash Provided (Used) by Operating Activities	(12,287)	4,048
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(12,287)	4,048
Cash and Cash Equivalents, Beginning of Year	38,123	34,075
Cash and Cash Equivalents, End of Year	\$ 25,836	\$ 38,123

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

OWEN/COX DANCE GROUP
NOTES TO FINANCIAL STATEMENTS
August 31, 2017

NOTE 1 – ORGANIZATION

The Owen/Cox Dance Group (the Organization) 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 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization uses the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred. Expenditures for property and equipment are reflected as increases in assets and then depreciated.

Under accounting standards for not-for-profit organizations, net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. The Organization has no permanently restricted net assets.

OWEN/COX DANCE GROUP
NOTES TO FINANCIAL STATEMENTS - CONTINUED
August 31, 2017

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization is exempt from State income tax under a similar provision of state law. As of August 31, 2017, no amounts have been recognized for uncertain income tax positions. The Organization's returns for the 2014 fiscal year and forward are subject to the usual review by the appropriate authorities.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. At August 31, 2017, the Organization had no cash equivalents.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted support depending on the existence or nature of any donor restrictions. 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.

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.

Deferred Revenue

Deferred revenue is for money received in advance for events to be performed in the future. The amounts will be recognized as revenue when the events are conducted.

OWEN/COX DANCE GROUP
NOTES TO FINANCIAL STATEMENTS - CONTINUED
August 31, 2017

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Accrual Wages Payable

The wages payable represent amounts due to one of the founders (also a board member) for services performed during the year. The amounts have not been paid in order to preserve the cash flow.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

Reclassifications

Certain items previously reported in the prior year consolidated statements of financial position and statement of activities have been reclassified to conform to the current financial statement presentation.

Subsequent Events

Subsequent events have been evaluated through July 13, 2018, which is the date the financial statements were issued.

Functional Allocation of Expenses

The costs of providing the various programs, fundraising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program, administrative and general and fundraising activities benefited.

NOTE 3 – 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 2017 and 2016. The revenue and expenses for the event are reflected as temporarily restricted funds at August 31, 2017 and 2016. An event is planned in fiscal 2018 for which the funds will be used.

OWEN/COX DANCE GROUP
NOTES TO FINANCIAL STATEMENTS - CONTINUED
August 31, 2017

NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. The following purpose restrictions were accomplished during the years ended August 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Kansas City Dance Festival	\$ 72,112	\$ 59,108
Take The Stage	67,863	12,500
MAC Grant	11,514	10,888
Kurt Weill	-	9,500
Great Friends	-	5,000
Soldiers Tale	-	1,800
Inland Roads	14,500	-
Goldberg Variations	6,000	-
Celebration Concert	<u>3,500</u>	<u>-</u>
Total	<u>\$ 175,489</u>	<u>\$ 98,796</u>

At the years ended August 31, 2017 and 2016 the following amounts were temporarily restricted:

	<u>2017</u>	<u>2016</u>
Kansas City Dance Festival	\$ 11,473	\$ 12,350
Take The Stage	<u>4,100</u>	<u>8,000</u>
Total	<u>\$ 15,573</u>	<u>\$ 20,350</u>