



**OWEN/COX DANCE GROUP**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED AUGUST 31, 2018 and 2017**

Accounting Solutions Group, LLC  
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**OWEN/COX DANCE GROUP**

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## 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, 2018 and 2017, 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, 2018 and 2017, 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.

Accounting Solutions Group, LLC

September 3, 2019  
Gladstone, Missouri

**OWEN/COX DANCE GROUP**  
**STATEMENTS OF FINANCIAL POSITION**  
**August 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and Cash Equivalents	\$ 45,869	\$ 25,836
Accounts Receivable	-	375
Prepaid Expenses	<u>3,362</u>	<u>2,016</u>
Total Assets	<u>\$ 49,231</u>	<u>\$ 28,227</u>
Current Liabilities		
Accounts Payable	\$ 950	\$ 253
Accrued Wages Payable	17,633	29,550
Payroll Taxes Payable	<u>1,736</u>	<u>1,452</u>
Total Current Liabilities	20,319	31,255
Net Assets		
With Donor Restrictions - KCDF	\$ 5,837	\$ 11,473
With Donor Restrictions - Other	27,799	4,100
Without Donor Restrictions	<u>(4,724)</u>	<u>(18,601)</u>
Total Net Assets	<u>28,912</u>	<u>(3,028)</u>
Total Liabilities and Net Assets	<u>\$ 49,231</u>	<u>\$ 28,227</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, 2018**

	Owen Cox Without Donor Restrictions	KCDF With Donor Restrictions	Other With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>				
Contributions and Grants				
Foundations	\$ 98,000	\$ 40,450	\$ 7,000	\$ 145,450
Individuals	34,911	30,503	12,500	77,914
Government	10,985	-	4,667	15,652
Corporations	618	-	-	618
Special Events - Schools	-	-	64,347	64,347
Fundraising Events	23,640	-	-	23,640
Ticket Sales	9,825	6,071	-	15,896
Touring - Performance	13,752	-	-	13,752
Other Earned Income	200	-	-	200
Advertising	-	-	-	-
Other Income	157	-	-	157
In- Kind	-	-	420	420
	<u>192,088</u>	<u>77,024</u>	<u>88,934</u>	<u>358,046</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Restrictions Satisfied by Payments	<u>147,895</u>	<u>(82,660)</u>	<u>(65,235)</u>	<u>-</u>
Total Revenues	339,983	(5,636)	23,699	358,046
<b>EXPENSES</b>				
Program Service				
Artistic, Education and Production	278,237	-	-	278,237
Supporting Services				
Administrative and General	34,846	-	-	34,846
Fundraising	<u>13,023</u>	<u>-</u>	<u>-</u>	<u>13,023</u>
Total Expenses	<u>326,106</u>	<u>-</u>	<u>-</u>	<u>326,106</u>
Increase in Net Assets	13,877	(5,636)	23,699	31,940
Net Assets, Beginning of Year	<u>(18,601)</u>	<u>11,473</u>	<u>4,100</u>	<u>(3,028)</u>
Net Assets, End of Year	<u>\$ (4,724)</u>	<u>\$ 5,837</u>	<u>\$ 27,799</u>	<u>\$ 28,912</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, 2017**

	Owen Cox Without Donor Restrictions	KCDF With Donor Restrictions	Other With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>				
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>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
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
<b>EXPENSES</b>				
Program Service				
Artistic, Education and Production	297,280	-	-	297,280
Supporting Services				
Administrative and General	39,619	-	-	39,619
Fundraising	<u>5,707</u>	<u>-</u>	<u>-</u>	<u>5,707</u>
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 FUNCTIONAL EXPENSES**  
**For The Year Ended August 31, 2018**

	Program Service	Administrative and General	Fundraising	Total Expenses
Salaries	\$ -	\$ 11,141	\$ -	\$ 11,141
Payroll Taxes	-	4,079	-	4,079
Advertising and Marketing	15,533	1,709	38	17,280
Workers Compensation	1,062	755	-	1,817
Production Expense				
Box Office Fees	3,200	-	-	3,200
Choreographer	3,255	-	-	3,255
Costumes	5,111	-	-	5,111
Dancer Housing	500	-	-	500
Equipment Rental	3,425	-	-	3,425
Other Production Expenses	5,367	-	-	5,367
Rent	16,859	-	-	16,859
Sound Technician	1,400	-	-	1,400
Stage/House Manager	3,405	-	-	3,405
Transport and Trucking	124	-	-	124
Travel	10,602	-	-	10,602
Artistic Expenses				
Artistic Director	47,483	-	-	47,483
Composer	150	-	-	150
Dancers	87,694	-	-	87,694
Lighting Design	5,670	-	-	5,670
Musicians	11,600	-	-	11,600
Rehearsal Assistance	3,136	-	-	3,136
Youth Education Program Expense	51,858	-	-	51,858
Fundraising Expenses	-	-	12,926	12,926
In-Kind Expense	-	-	-	-
Miscellaneous	-	819	-	819
Occupancy	-	4,214	-	4,214
Office Expenses	803	2,062	59	2,924
Professional Fees	-	10,067	-	10,067
	<u>-</u>	<u>10,067</u>	<u>-</u>	<u>10,067</u>
 Total Expenses	 <u>\$ 278,237</u>	 <u>\$ 34,846</u>	 <u>\$ 13,023</u>	 <u>\$ 326,106</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
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
Occupancy	772	2,836	-	3,608
Office Expenses	797	1,462	13	2,272
Professional Fees	-	7,845	-	7,845
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </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**  
**STATEMENTS OF CASH FLOWS**  
**For The Years Ended August 31, 2018 and 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ 31,940	\$ (21,670)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities		
Current Assets (Increase) Decrease		
Accounts Receivable	375	(375)
Prepaid Expenses	(1,346)	(2,016)
Current Liabilities Increase (Decrease)		
Accounts Payable	697	(1,419)
Accrued Wages Payable	(11,917)	13,300
Payroll Taxes Payable	284	(107)
Net Cash Provided (Used) by Operating Activities	20,033	(12,287)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	20,033	(12,287)
Cash and Cash Equivalents, Beginning of Year	25,836	38,123
Cash and Cash Equivalents, End of Year	\$ 45,869	\$ 25,836

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

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2018**

**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:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations.

*Net Assets With Donor Restrictions* – Net assets subject to either temporary or permanent donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. Net assets subject to permanent donor-imposed stipulations require 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 net assets with permanent donor-imposed stipulations.

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**August 31, 2018**

**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, 2018, no amounts have been recognized for uncertain income tax positions. The Organization's returns for the 2015 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, 2018, the Organization had no cash equivalents.

*Contributions*

Contributions received are recorded as with donor restrictions or without donor restrictions 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), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

*Donor Imposed Restrictions*

All contributions are considered to be available for any 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 net assets with donor restrictions support that increases that net asset class.

*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, 2018**

**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 September 3, 2019, 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 2018 and 2017. The revenue and expenses for the event are reflected as net assets with donor restrictions at August 31, 2018 and 2017. An event is planned in fiscal 2019 for which the funds will be used.

**OWEN/COX DANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**August 31, 2018**

**NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS**

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, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Kansas City Dance Festival	\$ 82,660	\$ 72,112
Take The Stage	62,735	67,863
MAC Grant	-	11,514
Celebration Concert	-	3,500
Inland Roads	-	14,500
Goldberg Variations	-	6,000
Rompus Room	<u>2,500</u>	<u>-</u>
Total	<u>\$147,895</u>	<u>\$175,489</u>

At the years ended August 31, 2018 and 2017 the following amounts were net assets with donor restrictions:

	<u>2018</u>	<u>2017</u>
Kansas City Dance Festival	\$ 5,837	\$ 11,473
Take The Stage	6,132	4,100
Business Development Video	5,000	-
Morena	7,500	-
Ludus Tonalis	4,667	-
Charlotte Street Foundation Space	1,000	-
Marketing & Management Software	<u>3,500</u>	<u>-</u>
Total	<u>\$ 33,636</u>	<u>\$ 15,573</u>