

**The Artist Outreach, Inc.**

**Financial Statements**

**December 31, 2016**

***Lynette W. MacDonald***  
***Certified Public Accountant***

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To the Board of Directors  
The Artist Outreach, Inc.  
Dallas, TX

Management is responsible for the accompanying financial statements of The Artist Outreach, Inc.(a nonprofit organization),which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

### **Supplementary Information**

The supplementary information contains the statement of functional expenses and is presented for purpose of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

  
Lynette MacDonald CPA  
Galveston TX  
March 1, 2017

**THE ARTIST OUTREACH, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2016**

**ASSETS**

**CURRENT ASSETS**

Cash	\$43,420
Accounts receivable	\$1,125
<b>TOTAL CURRENT ASSETS/ TOTAL ASSETS</b>	<u>44,545</u>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$3,737
<b>TOTAL CURRENT LIABILITIES/ TOTAL LIABILITIES</b>	<u>3,737</u>

**NET ASSETS**

Net assets Temporarily Restricted	8,000
Net assets Unrestricted	32,808
<b>TOTAL NET ASSETS</b>	<u>40,808</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$44,545</u>
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**THE ARTIST OUTREACH, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

**CHANGES IN UNRESTRICTED NET ASSETS**

**REVENUE AND SUPPORT**

Program and workshop fees	\$82,025
Donations	2,400
Donated services	6,550
Fundraing events	16,207
<b>TOTAL UNRESTRICTED REVENUE</b>	<b><u>107,182</u></b>

Net assets released from restrictions satisfied by payments	<u>69,701</u>
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<b>TOTAL UNRESTRICTED REVENUE AND OTHER SUPPORT</b>	<b><u>176,883</u></b>
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**EXPENSES**

Program service expense	130,301
Management and general expense	25,155
Fundraising expense	7,496
<b>TOTAL EXPENSES</b>	<b><u>162,952</u></b>

<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b><u>13,931</u></b>
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**CHANGES IN TEMPORARILY RESTRICTED NET ASSETS**

**REVENUE AND SUPPORT**

Grants	77,701
Net assets released from restriction	(69,701)

<b>INCREASE IN TEMPORARILY RESTRICTED ASSETS</b>	<b><u>8,000</u></b>
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<b>INCREASE IN NET ASSETS</b>	<b>21,931</b>
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<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b><u>18,877</u></b>
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<b>NET ASSETS AT END OF YEAR</b>	<b><u><u>\$40,808</u></u></b>
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**THE ARTIST OUTREACH, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Decrease in net assets	\$21,931
Adjustments to reconcile net assets to cash provided by operating activities:	
(Increase) decrease in :	
Accounts receivable	2,225
Increase (decrease) in:	
Accounts payable	<u>2,516</u>
<b>Net Cash Provided by Operating Activities/Net Increase in Cash</b>	<u>26,672</u>
 <b>Cash at Beginning of Year</b>	 <u>16,748</u>
 <b>Cash at End of Year</b>	 <u><u>\$43,420</u></u>

**SUPPLEMENTAL DISCLOSURES**

Cash paid during year for:

Income taxes	<u>\$0</u>
Interest	<u><u>\$0</u></u>

**See Accountant's Compilation Report**

## **SUPPLEMENTARY INFORMATION**

**THE ARTIST OUTREACH, INC**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2016**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising Expense</b>	<b>Total Expenses</b>
Salaries	\$45,950	\$13,250	\$0	\$59,200
Payroll taxes	3,566	1,030	0	4,596
Contract labor	43,399	0	0	43,399
Conference and workshop	19,812	0	0	19,812
Travel/meals	7,494	1,757	0	9,251
Insurance	787	900	0	1,687
Marketing	0	0	35	35
Telephone & website	1,002	1,087	0	2,089
Supplies	632	1,794	0	2,426
Professional fees	1,775	3,375	270	5,420
Grant writing	0	0	3,331	3,331
Rent	5,884	1,962	0	7,846
Fundraising expense	0	0	3,860	3,860
<b>Total Expenses</b>	<b>\$130,301</b>	<b>\$25,155</b>	<b>\$7,496</b>	<b>\$162,952</b>

**See Accountant's Compilation Report**  
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