



**WAYNE COUNTY ARTS ALLIANCE**

**Financial Statements  
Prepared By the Treasurer**

**For the Year Ended December 31, 2007**

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**- Wayne County Arts Alliance -**

742 Main Street • Suite 201 • Honesdale, PA 18431  
waynecountyartsalliance.org • 570-253-6850

**Statement of Revenues, Expenses, and Changes in Net Assets**  
For The Year Ended December 31, 2007

<b>Revenue</b>	
Public Support and Donations	10,548
Grants	8,600
Program Service Revenue	37,676
Memberships	7,266
<b>Total Revenue</b>	<b>64,090</b>
<b>Expenses</b>	
Program Expenses	
Management and General	
Fundraising	
<b>Total Expenses</b>	<b>72,809</b>
<b>Increase (Decrease) in Net Assets from Operations</b>	<b>(8,719)</b>
Net Assets – January 1, 2007	31,249
Net Assets – December 31, 2007	\$22,530

**Statement of Assets and Liabilities**  
As Of December 31, 2007

<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	20,264	
Security Deposit	160	
<b>Total Current Assets</b>		<b>20,424</b>
<b>Property and Equipment</b>		
Office Equipment	3,483	
Less: Accumulated Depreciation	1,222	
<b>Net Property and Equipment</b>		<b>2,261</b>
<b>TOTAL ASSETS</b>		<b>22,685</b>
<b>Liabilities and Net Assets</b>		
<b>Total Liabilities</b>		<b>0</b>
<b>Net Assets</b>		
Unrestricted		22,685
Restricted		0
<b>Total Net Assets</b>		<b>22,685</b>
<b>Total Liabilities and Net Assets</b>		<b>22,685</b>

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## Notes to the Financial Statements For The Year Ended December 31, 2007

### Note 1: Summary of Significant Policies and Practices

- Business Activity

The Wayne County Arts Alliance (WCAA) was incorporated as a nonprofit entity on October 29, 2003. As a publicly supported charity, WCAA is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributors may rely on the letter from the Internal Revenue Service, dated May 28, 2008, to deduct their contributions for tax purposes.

- Basis of Accounting

The WCAA prepares its financial statements using the modified cash basis method of accounting, recognizing income when received and expenses when paid.

- Property and Equipment

Property and equipment purchased are stated at "cost." Donated assets are capitalized at the estimated fair market value at date of receipt. (See Note 2) Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

- Contributed Services and Materials

Contributed services are not reported in the financial statements. Donated property and equipment are recorded at their fair market value at the date of the gift.

- Expense Allocation

The cost of providing various programs and other activities has been summarized on a functional basis in the Schedule of Supplemental Information that makes up a part of this report. Accordingly, certain expenses are allocated among the programs and supporting services that benefited.

- Income Taxes

As a not-for-profit organization, the WCAA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except for net income derived from unrelated activities. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

### Note 2: Property and Equipment

- Property and equipment consists of the following, as of December 31, 2007:

Item	Value	Estimated Useful Life
Computer	\$ 1,126	3 years
Office Furniture	2,357	10 years
TOTAL	3,483	
Less: Accumulated Depreciation	1,222	
	<b>\$ 2,261</b>	

Depreciation expense was \$611.00 for the year ended December 31, 2007 (See Note 1)

### Note 3: Long-Term Debt

- The WCAA has no long-term debt.

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### Schedule of Supplemental Information Expenses for the Year Ended December 31, 2007

Expense by Category	Program Services	Management and General	Fundraising	Total
Art Escapes	2,218	-	-	2,218
Children's Clock Project	298	-	-	298
Communications (telephone & internet)	943	1,179	236	2,358
Copying and Printing	-	335	-	335
Creative Process Workshop	74	-	-	74
Drawing Class	540	-	-	540
Depreciation	-	611	-	611
Fine Arts Scholarships	1,426	-	-	1,426
Halloween Gala	3,378	-	-	3,378
Insurance	-	1,816	-	1,816
International Food Tasting	-	-	1,497	1,497
LibraryFest (Tea Party)	368	-	-	368
Living Treasures	4,248	-	-	4,248
Meetings	-	250	-	250
Memberships	-	125	-	125
Monday Night Cinema	3,858	-	-	3,858
Miscellaneous	-	1,809	-	1,809
Newsletter	-	1,313	-	1,313
Office supplies	-	987	-	987
Office equipment & repair	-	607	-	607
Open Studio Tour	4,289	-	-	4,289
Public Art Project (Hour Town)	-	-	6,576	6,576
Postage	-	1,510	-	1,510
Professional Services	10,886	8,709	2,177	21,772
Rent	-	1,650	-	1,650
Roots & Rhythm Festival (Craft Fair; Toons and Tales Tent)	792	-	-	792
Subscriptions	-	210	-	210
Taxes	-	2,233	-	2,233
Utilities	-	751	-	751
Writers' Conference	4,910	-	-	4,910
<b>TOTAL</b>	<b>\$38,228</b>	<b>\$24,095</b>	<b>\$10,486</b>	<b>\$72,809</b>