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ArtFusion 19464

FINANCIAL STATEMENTS

Year Ended August 31, 2015

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ArtFusion19464

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To the Board of Directors of
ArtFusion 19464

Management is responsible for the accompanying financial statements of ArtFusion 19464 (a nonprofit organization), which comprise the statement of assets, liabilities and net assets – cash basis as of August 31, 2015, and the related statements of revenues, expenses and other changes in net assets – cash basis for the year then ended in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we 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 generally 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.

We draw attention to Note #2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Bechtelsville, Pennsylvania
June 13, 2016

ArtFusion 19464
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - CASH BASIS
August 31, 2015

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ASSETS

Current Assets	
Checking and Savings	$ 8,830
Total Assets	$ 8,830

LIABILITIES

Current Liabilities	
Payroll and Sales Tax Payable	$ 2,058
Total Liabilities	2,058

NET ASSETS

Unrestricted	4,582
Temporarily Restricted	2,190
Total Net Assets	6,772
Total Liabilities And Net Assets	$ 8,830

See Accountant's Compilation Report.

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ArtFusion19464

STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS - CASH BASIS

Year Ended August 31, 2015

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
PUBLIC SUPPORT AND OTHER REVENUES			
Public Support			
Contributions	$ 19,711	$ 0	$ 19,711
Donated Services	5,950	0	5,950
Grants	32,419	2,190	34,609
Special Events (Net of Direct Expense of $1,496)	10,925	0	10,925
Total Public Support	69,005	2,190	71,195
Other Revenues			
Class Tuition and Programs	37,025	0	37,025
Memberships	4,920	0	4,920
Sales - Gallery Art (Less: Artist Commissions $4,983)	4,785	0	4,785
Sales - Framing (Less: Cost of Sales $4,210)	(1,061)	0	(1,061)
Sales - Art Supplies	2,874	0	2,874
Studio Rental	260	0	260
Sales Tax Collected	679	0	679
Gift Certificates Sold	465	0	465
Miscellaneous	792	0	792
Total Other Revenues	50,739	0	50,739
Total Public Support And Other Revenues	119,744	2,190	121,934
EXPENSES			
Salaries and Wages	41,547	0	41,547
Payroll Taxes	4,718	0	4,718
Independent Contracted Services	16,203	0	16,203
Professional Fees	9,368	0	9,368
Occupancy	25,163	0	25,163
Insurance	3,703	0	3,703
Telephone and Internet	2,230	0	2,230
Supplies	5,596	0	5,596
Marketing	170	0	170
Postage	196	0	196
Membership Dues	308	0	308
Miscellaneous	1,175	0	1,175
Bank and PayPal Fees	1,429	0	1,429
Sales Tax Paid	623	0	623
Credit Card Payments	1,567	0	1,567
Grant to Other Organization	2,000	0	2,000
Total Expenses	115,996	0	115,996
Change In Net Assets	3,748	2,190	5,938
NET ASSETS, Beginning of Year- September 1, 2014	834	0	834
NET ASSETS, End of Year - August 31, 2015	$ 4,582	$ 2,190	$ 6,772

See Accountant's Compilation Report.

ArtFusion 19464
SELECTED INFORMATION – Substantially All Disclosures Required by Accounting Principles Generally Accepted in the United States of America Are Not Included
August 31, 2015

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Note #1 - Organization

ArtFusion 19464 is a nonprofit organization incorporated under the laws of Pennsylvania. The entity's primary exempt purpose is to enrich the lives of the residents in the greater Pottstown area through the visual arts, regardless of ethnicity and economic situations. The goal of the entity is to spark creativity, build self-confidence and develop community bonds through education, mentoring and community service. The entity's primary sources of revenue include contributions and grants.

Note #2 - Summary of Significant Accounting Policies

Method of Accounting

The financial statements of the entity have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Support and revenues are recognized when received. Expenses are recognized when paid.

Financial Statement Presentation

The entity reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted

Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted

Net assets whose use by the entity are subject to donor-imposed restrictions that can be fulfilled by actions of the entity pursuant to those restrictions or that expire by the passage of time. At August 31, 2015, temporarily restricted net assets include: $1,390 for Healing Arts; and $800 for Stretch, Read and Create.

Permanently Restricted

Net assets subject to donor-imposed restrictions that they be maintained permanently by the entity. Generally, the donors of these assets permit the entity to use all or part of the income on these assets.

Expenses are reported as decreases in unrestricted net assets. Expirations of donor-imposed restrictions that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets. Donor-restricted contributions are reported as unrestricted operating revenue when the restriction is satisfied.

Income Tax Status

The entity is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the entity qualifies for the charitable contributions deduction under Section 170(b)(1)(a).

Uncertain Tax Position

The entity has evaluated its tax position and determined that it does not have any uncertain tax position that meets the criteria under Accounting Standards Codification Topic 740, *Income Taxes.* The tax returns of the entity for 2014, 2013 and 2012 are subject to examination by the IRS, generally for three years after they were filed.

Date of Management's Review

Management has evaluated subsequent events through June 13, 2016, the date on which the financial statements were available to be issued.