



Baton Rouge, Louisiana

FINANCIAL REPORT

June 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

FEB 15 2012

Release Date _____

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Arts Council of Greater Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the accompanying statement of financial position of the **ARTS COUNCIL OF GREATER BATON ROUGE, INC.** (a non-profit corporation) (the Council) as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Council's 2010 financial statements and, in our report dated October 22, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **ARTS COUNCIL OF GREATER BATON ROUGE, INC.** as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 24, 2011, on our consideration of the **ARTS COUNCIL OF GREATER BATON ROUGE, INC.**'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
October 24, 2011

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION

June 30, 2011

(with comparative amounts for 2010)

	2011	2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,061,764	\$ 643,529
Certificates of deposit	380,750	548,183
Receivables:		
CFA Campaign, net	225,813	178,666
Grants and other	176,761	234,944
Prepaid expenses	10,622	3,467
Total current assets	1,855,710	1,608,789
EQUIPMENT, net	24,389	-
Total assets	\$ 1,880,099	\$ 1,608,789
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 53,525	\$ 26,135
Due to grant recipients	310,459	312,581
Accrued expenses and other liabilities	21,966	16,378
Deferred revenues	190,335	266,936
Total current liabilities	576,285	622,030
NET ASSETS		
Unrestricted	1,080,433	866,096
Temporarily restricted	223,381	120,663
Total net assets	1,303,814	986,759
Total liabilities and net assets	\$ 1,880,099	\$ 1,608,789

The accompanying notes to financial statements
are an integral part of this statement.

ARTS COUNCIL OF GREATER BATON ROUGE, INC.

Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES

For the year ended June 30, 2011

(with comparative amounts for 2010)

	Unrestricted	Temporarily Restricted	Totals	
			2011	2010
SUPPORT, REVENUES, AND RECLASSIFICATIONS				
Contributions				
CFA Campaign and Workplace Giving	\$ -	\$ 398,879	\$ 398,879	\$ 365,834
Fund Raisers/Gifts	149,368	189,206	338,574	231,037
In-kind facility use	85,000	-	85,000	85,000
Membership	68,342	-	68,342	78,804
	<u>302,710</u>	<u>588,085</u>	<u>890,795</u>	<u>760,675</u>
Grants and Contractual Services				
Municipal/parish	221,889	-	221,889	290,898
State of Louisiana	555,316	-	555,316	652,832
Community Fund for the Arts	80,970	-	80,970	63,160
School System and other	63,850	-	63,850	60,260
	<u>922,025</u>	<u>-</u>	<u>922,025</u>	<u>1,067,150</u>
Other				
Interest	9,867	-	9,867	13,644
Special events, net of expenses	275,140	-	275,140	140,727
Community School	57,013	-	57,013	70,525
Miscellaneous	55,855	-	55,855	53,485
Net assets released from restrictions	485,367	(485,367)	-	-
	<u>883,242</u>	<u>(485,367)</u>	<u>397,875</u>	<u>278,381</u>
Total support, revenues and reclassifications	<u>2,107,977</u>	<u>102,718</u>	<u>2,210,695</u>	<u>2,106,206</u>
EXPENSES				
Programs and development	1,050,519	-	1,050,519	1,149,412
Grants to CFA - recipient organizations	288,737	-	288,737	278,268
General and administrative	554,384	-	554,384	566,661
	<u>1,893,640</u>	<u>-</u>	<u>1,893,640</u>	<u>1,994,341</u>
Total expenses	<u>1,893,640</u>	<u>-</u>	<u>1,893,640</u>	<u>1,994,341</u>
Increase in net assets	214,337	102,718	317,055	111,865
NET ASSETS				
Beginning of period	866,096	120,663	986,759	874,894
End of period	<u>\$ 1,080,433</u>	<u>\$ 223,381</u>	<u>\$ 1,303,814</u>	<u>\$ 986,759</u>

The accompanying notes to financial statements
are an integral part of this statement.

ARTS COUNCIL OF GREATER BATON ROUGE, INC.

Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS

For the year ended June 30, 2011

(with comparative amounts for 2010)

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 317,055	\$ 111,865
Adjustments for non-cash items:		
Depreciation	727	246
Change in allowance for uncollectible pledges	-	(1,089)
Changes in operating assets and liabilities:		
Receivables, prepaid expenses, and other assets	3,881	158,772
Accounts payable and other liabilities	<u>(45,745)</u>	<u>(84,529)</u>
Net cash provided by operating activities	<u>275,918</u>	<u>185,265</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(25,116)	-
Proceeds from sale of fixed assets	-	7,000
Purchases/sales of certificates of deposit	<u>167,433</u>	<u>(150,464)</u>
Net cash provided (used) by investing activities	<u>142,317</u>	<u>(143,464)</u>
Net increase in cash	418,235	41,801
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>643,529</u>	<u>601,728</u>
End of year	<u>\$ 1,061,764</u>	<u>\$ 643,529</u>

The accompanying notes to financial statements
are an integral part of this statement

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Arts Council of Greater Baton Rouge, Inc. (the Council) was founded in 1973 to serve the City of Baton Rouge, East Baton Rouge Parish and surrounding parishes. The mission of the Council is to enhance the quality of life of the community through the arts. In addition, the Council conducts an annual united fund drive for participating arts organizations and receives significant funding from government agencies.

Basis of presentation

The financial statements of the Council have been prepared on the accrual basis. The significant accounting policies are described below to enhance the usefulness of the financial statements.

The Council reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Council does not have permanently restricted net assets.

The statement of activities presents expenses of the Council's operations functionally by program services, grants, sponsorships and general and administrative.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2010, from which the summarized information was derived.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used primarily when accounting for the allowance for uncollectible pledges, prepaid assets, depreciation, deferred revenues and in-kind revenue. Actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

The Council considers all highly liquid investments, money market funds and certificates of deposit with a maturity of three months or less at the date of acquisition to be cash equivalents. There were no cash equivalents at June 30, 2011.

Certificates of deposit

Financial Accounting Standards Board (FASB) Accounting Standards Codification, (ASC 820), establishes a framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs (sources of pricing information) to valuation techniques used to measure fair value. The highest priority is given to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable and significant to the fair value measurement.

Certificates of deposit are recorded at cost, which approximates fair market value using level 2 inputs.

Promises to give

The Council reports contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily restricted net assets and when a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for uncollectible pledges

An allowance for uncollectible pledges is recorded based on prior years' experience and management's analysis of specific pledges. At June 30, 2011, the allowance for uncollectible pledges was \$14,996. To the extent that amounts reserved are collected, the subsequent year's commitment to participating arts organizations is increased.

The Council does not require collateral on its receivables. At June 30, 2011, receivables outstanding for longer than 90 days totaled \$75,974. The majority of these receivables relate to government grant funding.

Grant recognition

Grants that represent exchange transactions are recorded as a receivable when the grant is formally committed. Grants committed at year end which are applicable to the subsequent fiscal period are included in grants receivable and deferred income. Furthermore, the Council is advanced funds from governmental agencies. Such advances are recorded as *deferred income until earned*.

The Council receives grants which apply to programs whose duration extends into the subsequent year. Revenue is recognized on these grants each fiscal year based on a ratio of expenses incurred during the year to the total projected expenses of the program. At June 30, the unexpended portion of the grant is deferred. In the case of grants received for general operations that apply to a designated time period, income is recognized on a pro-rata basis. Grants that represent contributed support are recognized in the same manner as promises to give.

Equipment and leasehold improvements

Equipment and leasehold improvements are recorded at cost. Depreciation of equipment and leasehold improvements is computed using the straight-line method over the estimated useful lives of the assets.

(continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Temporarily restricted net assets

During 2011, changes in temporarily restricted net assets were as follows:

	Beginning of Year	2011		Remaining Net Assets
		Increases	Decreases	
CFA Campaign	\$ 47,330	\$ 398,879	\$ (368,034)	\$ 78,175
Contributed support grants:				
East Baton Rouge City Parish	25,000	25,000	(25,000)	25,000
River City Jazz	10,000	34,540	(10,000)	34,540
Sounds of Summer	10,000	-	(10,000)	-
Old South Baton Rouge	-	90,000	(44,000)	46,000
Spanish Town - Arts	-	5,500	-	5,500
Sunday in the Park	20,000	30,000	(20,000)	30,000
Pennington Foundation	8,333	4,166	(8,333)	4,166
	<u>73,333</u>	<u>189,206</u>	<u>(117,333)</u>	<u>145,206</u>
	<u>\$ 120,663</u>	<u>\$ 588,085</u>	<u>\$ (485,367)</u>	<u>\$ 223,381</u>

The contributions generated above are designated to fund operations of participating arts organizations or have other purpose restrictions as stipulated in the grant agreement. When the related purpose restriction is satisfied, these temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Vacation leave

Vacation leave is earned at varying rates for two to three weeks per year depending on length of service. A maximum of ten days of unused vacation leave can be carried over at December 31. Accordingly, amounts related to such vacation leave have been accrued.

Tax-exempt status

The Council is a non-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Council follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes it has no material uncertain tax positions and, accordingly has not recognized a liability for any unrecognized tax benefits. The Council's open audit periods are 2008 through 2011.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contractual services

The Council contracts with local municipalities and school systems to provide educational services and cultural development to residents and school children, organizations and the community. The Council records contractual services as receivables at the time the services are provided to the recipients.

Fair value of financial instruments

The carrying value of receivables, accounts payable, accrued expenses, and deferred revenue approximates fair value due to the short-term maturity of these instruments. None of the financial instruments are held for trading purposes.

Donated facilities and furniture

The Council utilizes, without charge, certain premises owned by the City-Parish government. The annual fair rental value of the premises and the furniture, and utilities, is estimated to be \$85,000 which is reflected in the financial statements as in-kind facility use.

In-kind services

Material in-kind items used in the Council's special events are recorded as revenue and expense at the time the items are received, which is normally also at the time they are placed into service. For the year ended June 30, 2011, the Council recognized approximately \$153,969 from donated services, which has been included in special events and gifts.

A substantial number of unpaid volunteers have made a significant contribution of their time to develop the Council's programs, principally in fund raising activities, educational projects, operations, and board participation. The value of this donated time is not reflected in these statements since such services do not meet the requirements for recognition under generally accepted accounting principles.

NOTE 2 - CERTIFICATES OF DEPOSIT

At June 30, 2011, the Council held certificates of deposits (CD's) with a market value of \$380,750. Interest earnings are reinvested into the CD and therefore fair market value equals the cost of the investment. The Council's investment was considered a Level 2 input in the fair value hierarchy as of June 30, 2011.

NOTE 3 - EQUIPMENT

Equipment of \$168,750 has an estimated service life of three to five years with accumulated depreciation of \$143,634 and a net value of \$25,116 at June 30, 2011. Depreciation expense was \$727 for the year ended June 30, 2011.

NOTE 4 - RETIREMENT PLAN

The Council offers retirement benefits through simple individual retirement accounts for eligible employees electing to establish the account. The Council provides matching contributions of 3% of eligible compensation. Participants are fully vested in contributions made to their individual retirement account. During the year ended June 30, 2011, the Council contributed \$10,053.

NOTE 5 - GRANTS TO PARTICIPATING AGENCIES

Certain donors designate contributions for specific arts organizations, which are accounted for as agency funds, and accordingly are not recognized as income or expenses. The remaining contributions are allocated to arts organizations based on a formula determined by the board. For the year ended June 30, 2011, grant allocations were designated to the following participating arts organizations:

	<u>Donor</u> <u>Designated</u>	<u>Board</u> <u>Allocated</u>	<u>Total</u>
Arts Council of Greater Baton Rouge - Arts Education	\$ -	\$ 89,382	\$ 89,382
Baton Rouge Symphony	12,680	39,674	52,354
Louisiana Arts and Science Museum	7,540	39,674	47,214
Baton Rouge Ballet Theater	275	21,822	22,097
Baton Rouge Little Theater	154	21,821	21,975
Foundaton for Historical Louisiana	116	21,822	21,938
Playmakers of Baton Rouge	381	11,902	12,283
Swine Palace	100	11,902	12,002
WRKF Public Radio	150	7,936	8,086
Of Moving Colors	25	6,934	6,959
Magnolia Mound	117	3,967	4,084
Baton Rouge Gallery	96	3,967	4,063
Tourgee DeBose National Piano Competition	45	3,967	4,012
Louisiana Sinfonietta	43	3,967	4,010
	<u>\$ 21,722</u>	<u>\$ 288,737</u>	<u>\$ 310,459</u>

NOTE 6 - CONCENTRATIONS OF CREDIT RISK

Financial instruments which subject the Council to concentrations of credit risk consist primarily of cash, cash equivalents, and certificates of deposit. The Council typically maintains these balances in local banks that may, at times, exceed the FDIC limits. Concentrations of credit risk for receivables are generally diversified due to the large number of entities and individuals composing the Council's programs and donor base.

The Council solicits a majority of funds from individual and corporate contributors in the Baton Rouge area. The Council also receives grants from the City of Baton Rouge and the State of Louisiana, which are significant.

NOTE 7 - SUBSEQUENT EVENTS

In preparing the financial statements, the Council has evaluated events and transactions for potential recognition or disclosure through October 24, 2011, the date the financial statements were available to be issued.

Special Independent Auditors' Reports
ARTS COUNCIL OF GREATER BATON ROUGE, INC.

Baton Rouge, Louisiana

June 30, 2011



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Arts Council of Greater Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of **ARTS COUNCIL OF GREATER BATON ROUGE, INC.** (a non-profit organization) (the Council) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 24, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. Therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a significant deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency reported as Item 2011-2 in the accompanying Schedule of Findings and Responses to be a material weakness, as described above.

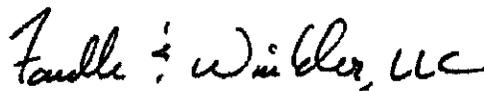
A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency reported as Item 2011-1 in the accompanying Schedule of Findings and Responses to be a significant deficiency, as described above.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

The Council's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. We did not audit the Council's responses and, accordingly, we express no opinion on them.

This report is intended for the information of the Board of Directors, management, state and federal granting agencies, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Certified Public Accountants

Baton Rouge, Louisiana
October 24, 2011

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES

For the year ended June 30, 2011

A) SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Arts Council of Greater Baton Rouge, Inc.
2. There are two internal control findings that are described in Item 2011-1 and Item 2011-2.

B) FINDING - FINANCIAL STATEMENT AUDIT

2011-1 PREPARATION OF FINANCIAL STATEMENTS

Observation: The Council relies on its auditors to assist in adjusting the books and in the preparation of external financial statements and related disclosures. Under U.S. generally accepted auditing standards, we cannot be considered part of the Council's internal control structure. The design of the internal control structure does not otherwise include procedures to prevent or detect a material misstatement in the external financial statements.

Recommendation: Since management is satisfied with using its auditing firm to prepare external financial statements, no change is recommended. However, this matter will continue to be reported.

Management's corrective action plan: Management intends to continue using the auditing firm to prepare the external financial statements and related footnote disclosures.

2011-2 FINANCIAL REPORTING

Observation: During our audit, an adjustment was required to recognize temporarily restricted contributions of \$66,000 which were recorded as deferred revenues.

Recommendation: Temporarily restricted contributions should be recognized as support in the statement of activities when such contributions are made.

Management's corrective action plan: Management agrees with the recommendation.

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

For the year ended June 30, 2011

2010-1 PREPARATION OF FINANCIAL STATEMENTS

This finding has been reclassified as 2011-1.



**INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTARY INFORMATION**

Board of Directors
Arts Council of Greater Baton Rouge, Inc.
Baton Rouge, Louisiana

Our report on our audit of the basic financial statements of the **ARTS COUNCIL OF GREATER BATON ROUGE, INC.** (a non-profit corporation) appears on page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedules 1 and 2 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
October 24, 2011

ARTS COUNCIL OF GREATER BATON ROUGE, INC.
Baton Rouge, Louisiana

COMBINING SCHEDULE OF FINANCIAL POSITION

June 30, 2011

ASSETS

	<u>Arts Council</u>	<u>Community Funds for the Arts</u>	<u>Total</u>
CURRENT ASSETS			
Cash and cash equivalents	\$ 902,457	\$ 159,307	\$ 1,061,764
Certificates of deposit	380,750	-	380,750
Receivables:			
CFA Campaign, net	-	225,813	225,813
Grants and other	176,761	-	176,761
Prepaid expenses	<u>10,622</u>	<u>-</u>	<u>10,622</u>
Total current assets	1,470,590	385,120	1,855,710
EQUIPMENT, net	<u>24,389</u>	<u>-</u>	<u>24,389</u>
Total assets	<u>\$ 1,494,979</u>	<u>\$ 385,120</u>	<u>\$ 1,880,099</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Accounts payable	\$ 53,284	\$ 241	\$ 53,525
Due to grant recipients	-	310,459	310,459
Accrued expenses and other liabilities	21,966	-	21,966
Deferred revenues	<u>190,335</u>	<u>-</u>	<u>190,335</u>
Total current liabilities	<u>265,585</u>	<u>310,700</u>	<u>576,285</u>
INTERCOMPANY	<u>3,755</u>	<u>(3,755)</u>	<u>-</u>
Total liabilities	<u>269,340</u>	<u>306,945</u>	<u>576,285</u>
NET ASSETS			
Unrestricted	1,080,433	-	1,080,433
Temporarily restricted	<u>145,206</u>	<u>78,175</u>	<u>223,381</u>
Total net assets	<u>1,225,639</u>	<u>78,175</u>	<u>1,303,814</u>
Total liabilities and net assets	<u>\$ 1,494,979</u>	<u>\$ 385,120</u>	<u>\$ 1,880,099</u>

See Independent Auditors' Report on Supplementary Information

ARTS COUNCIL OF GREATER BATON ROUGE, INC.

Baton Rouge, Louisiana

COMBINING SCHEDULE OF ACTIVITIES

For the year ended June 30, 2011

	<u>Arts Council</u>	<u>Community Funds for the Arts</u>	<u>Total</u>
SUPPORT AND REVENUES			
Contributions			
CFA Campaign and Workplace Giving	\$ -	\$ 398,879	\$ 398,879
Fund Raisers/Gifts	328,454	10,120	338,574
In-kind facility use	85,000	-	85,000
Membership	68,342	-	68,342
	<u>481,796</u>	<u>408,999</u>	<u>890,795</u>
Grants and Contractual Services			
Municipal/parish	221,889	-	221,889
State of Louisiana	555,316	-	555,316
Community Fund for the Arts	80,970	-	80,970
School System and other	63,850	-	63,850
	<u>922,025</u>	<u>-</u>	<u>922,025</u>
Other			
Interest	9,867	-	9,867
Special events, net of expenses	275,140	-	275,140
Community School	57,013	-	57,013
Miscellaneous	55,855	-	55,855
	<u>397,875</u>	<u>-</u>	<u>397,875</u>
Total support and revenues	<u>1,801,696</u>	<u>408,999</u>	<u>2,210,695</u>
EXPENSES			
Programs and development	1,050,519	-	1,050,519
Grants to CFA - recipient organizations	-	288,737	288,737
General and administrative	464,967	89,417	554,384
Total expenses	<u>1,515,486</u>	<u>378,154</u>	<u>1,893,640</u>
Change in net assets	286,210	30,845	317,055
NET ASSETS			
Beginning of period	<u>939,429</u>	<u>47,330</u>	<u>986,759</u>
End of period	<u>\$ 1,225,639</u>	<u>\$ 78,175</u>	<u>\$ 1,303,814</u>

See Independent Auditors' Report on Supplementary Information