

**VOICES OF KENTUCKIANA, INC.  
LOUISVILLE, KENTUCKY**

**FINANCIAL STATEMENTS  
AS OF JULY 31, 2022**

**VOICES OF KENTUCKIANA, INC.**  
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# COBB & ASSOCIATES, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors  
Voices of Kentuckiana, Inc.  
Louisville, Kentucky

We have reviewed the accompanying statement of assets, liabilities, and net assets- modified cash basis of Voices of Kentuckiana, Inc.(a non-profit organization) as of July 31, 2022, and the related statement of support, revenue, and expenses- modified cash basis, and statement of cash flows- modified cash basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

### **Accountant's Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements for them to be in conformity with the modified cash basis of accounting described in Note 1. We believe that the results of our procedures provide a reasonable basis for our conclusion. We believe that the results of or procedures provide a reasonable basis for our report.

We are required to be independent of Voices of Kentuckiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related our review.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting described in Note 1.

## **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the modified cash basis referred to above. Our conclusion is not modified with respect to this matter.

*Cobb & Associates PLLC*

COBB & ASSOCIATES PLLC  
Louisville, Kentucky

November 9, 2022

**VOICES OF KENTUCKIANA, INC.**  
**STATEMENT OF ASSETS, LIABILITIES, AND NET ASSET**  
**- MODIFIED CASH BASIS**  
**JULY 31, 2022**

	2022
<u>ASSETS</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 57,271
Prepaid Expenses	3,293
Total Current Assets	60,564
Property and Equipment	
Equipment	18,019
Attire	-
Less Accumulated Depreciation	(17,692)
Total Property and Equipment	327
Other Assets	
Music Library and Promotional Video	58,366
Less Accumulated Amortization	(57,371)
Total Other Assets	995
Total Assets	\$ 61,886
<u>LIABILITIES AND NET ASSETS</u>	
Liabilities	
Deferred Revenue	\$ -
Total Liabilities	-
Net Assets	
Unrestricted	61,886
Total Net Assets	61,886
Total Liabilities and Net Assets	\$ 61,886

See independent accountant's review report and note to financial statements

**VOICES OF KENTUCKIANA, INC.**  
**STATEMENT OF SUPPORT, REVENUES AND EXPENSES**  
**- MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JULY 31, 2022**

	2022
Operating Revenues:	
Fundraising	\$ 39,214
Donations and Grants	34,587
Ticket Sales	26,702
Membership Dues	4,627
Advertising	500
Merchandise	184
Total Operating Revenues	105,814
Operating Expenses:	
Salaries	35,375
Marketing and Public Relations	15,275
Production Cost	16,698
Administrative Expense- Other	11,069
Depreciation and Amortization	1,513
Fundraising Expense	25,465
Donations	500
Membership Expense	741
Total Operating Expenses	106,636
Total Operating Income (Loss)	(822)
Non-Operating Revenues and Expenses	
Interest Income	14
Total Non-Operating Income (Loss)	14
Increase (Decrease) in Net Assets	(808)
Net Assets, Beginning of Period	62,694
Net Assets, End of Period	\$ 61,886

See independent accountant's review report and note to financial statements

**VOICES OF KENTUCKIANA, INC.**  
**STATEMENT OF CHANGES IN CASH FLOWS**  
**- MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JULY 31, 2022**

	2022
Cash Flows from Operating Activities:	
Net income (loss)	\$ (808)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation and Amortization	1,513
Changes in Assets and Liabilities:	
Decrease (Increase) in Prepaid Expenses	(2,079)
Net Cash Provided (Used) By Operating Activities	(1,374)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,374)
Cash & Cash Equivalents at Beginning of Year	58,645
Cash & Cash Equivalents at End of Year	\$ 57,271
Supplement Disclosures of Cash Flow Information:	
Interest paid during the year	\$ -
Income taxes paid during the year	\$ -

Note: For purposes of the statement of cash flows, the entity considers all highly liquid investments with a maturity date of 90 days or less to be cash and cash equivalents.

**VOICES OF KENTUCKIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JULY 31, 2022**

Note 1 - Background and Summary of Significant Accounting Policies

- A. Voices of Kentuckiana, Inc. was incorporated March 18, 1994. Its purpose is a voluntary, not-for-profit chorus that is fully inclusive and self-affirming. The membership is inclusive of lesbian, gay, bisexual, transgendered and heterosexual friends providing the opportunity for gay, lesbian and supportive others to sing together. Its primary sources of revenues are one large fundraiser and performance ticket sales.
- B. The Association is a nonprofit organization operating in compliance with the Internal Revenue Code, under Code 501(c)3. The tax returns of the Organization for 2021, 2020, and 2019 are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.
- C. Basis of Accounting  
The accompanying financial statements are prepared on the modified cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting does not recognize accounts receivable and related revenues or accounts payable and related expenses.
- D. Cash and Cash Equivalents  
For purposes of the Statement of Cash Flows, the Association considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.
- E. Use of Estimates  
The preparation of financial requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- F. Inventory  
Inventory is valued at the lower of cost or market using the specific identification method.
- G. Fixed Assets  
Purchased property and equipment is capitalized at historical cost. Generally it is the organization's policy to capitalize expenditures for these items in excess of \$500. Donated fixed assets are recorded at their estimated fair market value on the date donated. Depreciation is computed on a straight line basis over the estimated useful life of 5-7 years.

See independent accountant's review report



**VOICES OF KENTUCKIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JULY 31, 2022**

Note 1 - Background and Summary of Significant Accounting Policies (Continued)

H. Public Support and Revenue

Contributions are recognized when received by the Organization that are, in substance, unconditional. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. All contributions are assumed to be available for unrestricted use unless specifically restricted by the donor. At July 31, 2022, no restrictions existed on net assets.

The Organization also receives in-kind contributions in the form of donated goods and services. However, the Organization did not receive any donated goods and services of this type for the year ending July 31, 2022.

I. Advertising

The Organization's policy is to expense advertising cost as incurred.

Note 2- Fixed Assets

All fixed assets purchased are recorded at historical cost. Donated fixed assets are recorded at their estimated fair market value on the date donated. Depreciation is computed on a straight line basis over the estimated useful life of 5-7 years. Depreciation expense for the year ended July 31, 2022 was \$154.

<u>Assets</u>	<u>End of Year 7/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year 7/31/2022</u>
Equipment	\$ 18,019	\$ -	\$ -	\$ 18,019
Total Equipment	\$ 18,019	\$ -	\$ -	\$ 18,019
	<u>End of Year 7/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year 7/31/2022</u>
<u>Accumulated Depreciation</u>				
Equipment	\$ 17,538	154	-	17,692
Total Accumulated Depreciation	\$ 17,538	\$ 154	\$ -	\$ 17,692

See independent accountant's review report

**VOICES OF KENTUCKIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JULY 31, 2022**

Note 3- Music Library

The association has intangible assets consisting of a music library. It consists of custom written arrangements specifically for Voices of Kentuckiana, Inc. as well as copies of sheet music for all members' use. The copies have been used in later rehearsals and performances.

<u>Assets</u>	<u>End of Year 7/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year 7/31/2022</u>
Music Library	\$ 58,366	\$ -	\$ -	\$ 58,366
Total Music Library	\$ 58,366	\$ -	\$ -	\$ 58,366
	<u>End of</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of</u>
<u>Accumulated Amortization</u>	<u>Year 7/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Year 7/31/2022</u>
Music Library	\$ 56,014	\$ 1,359	\$ -	\$ 57,373
Total Accumulated Amortization	\$ 56,014	\$ 1,359	\$ -	\$ 57,373

The library is amortized over a 5-year useful life. Amortization expense for the years ended July 31, 2022 was \$1,359.

Note 4- Administrative Expenses- Other

Administrative Expenses- Other consist of the following:

	<u>2022</u>
Rent	\$ 2,873
Insurance	2,358
Professional Fees	1,900
Bank Service Charges	1,461
Office Expense	1,338
Charitable Donations	500
Professional Dues	442
Office Supplies	297
Postage and Mailing	250
Website Expenses	122
Organization Filing Fees	15
Payroll Expenses	13
sales tax	11
Total Management and General	\$ <u>11,580</u>

See independent accountant's review report

**VOICES OF KENTUCKIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JULY 31, 2022**

Note 5- Fair Value of Financial Instruments

The carrying amount of financial instruments, including cash and certificates of deposit approximate fair value due to short term maturity of these instruments.

Note 6- Evaluation of Subsequent Events

The organization has evaluated subsequent events through October 9, 2022, the date of which the financial statements were available to be issued.

Note 7- Covid 19 Impact

During March 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak to be a pandemic. COVID-19 continues to spread across the globe and is impacting worldwide economic activity and financial markets. The Organization is closely monitoring the impact of the COVID-19 pandemic on all aspects of its operations. As of July 31, 2022, and as of the date that the financial statements were issued, the Organization has experienced significant disruption in its operations. Since the situation surrounding the COVID-19 pandemic remains fluid, the long-term duration, nature, and extent of the effects on the Organization cannot be reasonably estimated at this time.