



Financial Statements and Notes for the year ended December 31, 2017

The
WAREHOUSE
Project & Gallery

Financial Statements

Statement of Financial Position					
December 31					
	2017	2016	2015	2014	2013
Assets					
Current Assets	\$ 13,864	\$ 11,860	\$ 5,560	\$ 6,013	\$ 1,441
Total Assets	\$ 13,864	\$ 11,860	\$ 5,560	\$ 6,013	\$ 1,441
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Net Assets					
Unrestricted Net Assets	\$ 13,864	\$ 11,860	\$ 5,560	\$ 6,013	\$ 1,441
Total Net Assets	\$ 13,864	\$ 11,860	\$ 5,560	\$ 6,013	\$ 1,441
Total Liabilities and Net Assets	\$ 13,864	\$ 11,860	\$ 5,560	\$ 6,013	\$ 1,441

Statement of Financial Activity					
Years ended December 31					
	2017	2016	2015	2014	2013
Total Gross Receipts	\$ 45,970	\$ 39,669	\$ 33,481	\$ 28,764	\$ 20,524
Expenditures:					
Operating Expenses	\$ 15,855	\$ 11,930	\$ 10,574	\$ 11,526	\$ 1,042
General Agency Expenses	\$ 12,295	\$ 15,610	\$ 16,175	\$ 8,575	\$ 14,522
Living out Loud Program Expenses	\$ 14,505	\$ 3,935	\$ 6,297	\$ 3,333	\$ 2,838
SLAM Program Expenses	\$ 1,311	\$ 1,894	\$ 888	\$ 758	\$ 681
Total Expenditures	\$ 43,966	\$ 33,369	\$ 33,934	\$ 24,192	\$ 19,083
Change in Net Assets	\$ 2,004	\$ 6,300	\$ (453)	\$ 4,572	\$ 1,441



Notes to the 2017 Financial Statements

Note 1. Organization Information and Accounting Policies

Organization Information

The Warehouse Project & Gallery (TWPG) is an Illinois nonprofit organization that delivers positive social change through the arts. TWPG was incorporated on December 31, 2012.

Fiscal Year

The Warehouse Project & Gallery utilizes a calendar year as its fiscal year beginning on January 1 and ending on December 31.

Accounting Method

The Warehouse Project & Gallery has adopted the modified cash basis method of accounting. This method is consistent with other small nonprofit organizations. Contributions are recorded when received and expenditures are recorded when paid.

Revenue Recognition

The Warehouse Project & Gallery recognizes revenue, or "Gross Receipts", when cash is received or when goods or professional services are received as in-kind contributions. This method is consistent with how revenue is reported for federal IRS filing purposes. For in-kind contributions the organization estimates the fair market value of goods upon receipt and relies upon external billing records to record the value of professional services received.

Capitalization Policy

The Warehouse Project & Gallery capitalizes and depreciates any assets with a purchase price exceeding \$1,000. For assets acquired as in-kind donations of any value or assets purchased with a value of \$1,000 or less, the costs are recorded as expenditures in the Statement of Activity. During 2017, 2016, 2015, 2014 and 2013 the organization did not purchase any individual assets valued at greater than \$1,000.



Notes to the 2017 Financial Statements

Note 2. In Kind Contributions

TWPG did not receive any in-kind contributions in 2017 or 2016. TWPG received in-kind contributions during 2015 in the form of used musical equipment with a total estimated fair value of \$1,200. TWPG received in-kind contributions during 2014 in the form of physical goods, mostly musical equipment, with a total estimated fair value of \$1,270. The total amount of professional services received in-kind in 2013 was \$9,763 in legal fees pertaining to the creation of the organization. TWPG received in-kind contributions of goods in 2013 with a combined fair value of \$750. All in kind contributions to TWPG have been recorded as contributions under Total Gross Receipts and as expenses under the General Agency Expenses in the Statement of Financial Activity.

Note 3. Compliance Requirements

The Warehouse Project & Gallery is an Illinois non-profit organization and is required to submit annual filings required by the Internal Revenue Service and the Illinois Attorney General.

The federal form 990N e-postcard is an eight part questionnaire to be filed electronically with the Internal Revenue Service for non-profit organizations with annual receipts of \$50,000 or less. The contribution revenue reported in the 2017 Statement of Activity does not exceed this \$50,000 threshold. There are no fees charged for submitting form 990N e-postcard. If an organization fails to file the 990N for three consecutive years, the organization's tax exempt status will be revoked. There are no other fees or penalties for late filing. For the year ending 2017 TWPG has properly filed this questionnaire.

The Illinois Charitable Organization Annual Report, also known as form AG990-IL is required to be filed annually with the Illinois Attorney General. There is an annual filing fee of \$15. There is a \$100 late report filing fee if the report is not submitted within six months of the organization's fiscal year end. For the year ending 2017 TWPG has properly filed this report.



Notes to the 2017 Financial Statements

Note 4. Expense Categories

Operating expenses include the costs that the organization incurs unrelated to programs and are consistent in nature such as facility and utility costs. General agency expenses include costs to the organization not related to programs and not related to operations. Costs related specifically to programs such as SLAM and Living Out Loud (LOL) are recorded and presented separately. SLAM is a spoken word poetry program in which students learn, create and compete in a variety of activities. Living Out Loud is the traveling performance group that uses current issues to engage audiences in conversations about change. They travel locally and nationally talking to audiences of all ages.

Note 5. Discussion and Analysis

TWPG has received the majority of its funding from fee for service, individual donors, and special events. All funding used goes to pay operating expenses and program expenses. TWPG does not have paid employees, however stipends are given to program leaders. In 2017 a total of \$2,822 was given to six different program leaders. These amounts were properly disclosed in the 2017 IL AG-990. In 2018, the organization anticipates funding to continue to come from fee for service, individual contributions, special events and grant funding; the organization does not anticipate having a budget shortage in 2018. TWPG anticipates that program expense lines will have an increase in both revenue and expense; operating costs should remain similar to that of prior years.