



2018 Annual Report

Directions

Please complete this form, answer the questions below in two pages or less, not including financials, and submit as one PDF with your invoice to RLassoff@bainbridgewa.gov **by January 18, 2019**. Be candid and specific in your answers. This information helps us understand and account for the impact of our funding on both your organization and the City of Bainbridge Island.

Organization Information

Organization Name: Bainbridge Arts & Crafts, DBA The Art Project _____
Contact Person: Cheryl Besser _____ Position/Title: Interim Executive Director _____
Email Address: Cheryl@theartproject.org _____
Mailing Address: 151 Winslow Way E _____
Address Line 2: _____
City: Bainbridge Island _____ State: WA _____ Zip Code: 98110 _____
Phone (work or daytime): (206) 842-3132 _____

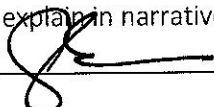
Award Information

Award Title: 2018-2019 Cultural Funding _____
Brief Description of Award Purpose: *To support funding for human resources needed to carry out our mission.* _____

Total Amount Awarded: \$15,000 for 2018 _____

Have there been any changes to the scope of service since you received this award?

No Yes (If yes, please explain in narrative section.)

Authorized Signature:  _____ Date: **2.22.19** _____

Print Name: Cheryl Besser _____

2018 Annual Report Questions

Dates Covered by Report

From: January 2018 _____ To: December 2018 _____

1) Progress

- a) Describe the project or work your organization has completed with Cultural Funding to-date. How is it going? *From January to March 2018 we renovated our entire space and rebranded our organization hoping to have a broader reach beyond our island community. We needed human resources to reinstall art, reformat and reorganize the floor plan for daily organizational function as well as supporting operations.*
- b) Briefly describe progress made during the first year of funding against each of the indicators of success and/or metrics you identified in your proposal. *We met all of our renovation goals and timetable for reopening the art gallery.*
- c) What were the broader goals and objectives for your project or organization for 2018 and have they been achieved? If so, how? If not, why not? Are you on track to meet your goals for 2019? If not, are there any changes needed in evaluation or scope of work? *As we enter 2019, we are currently re-evaluating the rebranding of our organization, with our physical space renovation meeting our goals and timetable.*

2) Financials and Financial Narrative

Complete the financial information appropriate to the type of award received:

- a) For general operating support, provide an actual income and expense statement relative to the organizational budget for the first year of funding. Please explain any significant changes to your organization's financial position.
- b) For a project award, provide an actual income and expense statement relative to the project budget for the first year of funding. Please explain any changes and variances.

Bainbridge Arts & Crafts dba 'The Art Project'
Income over Expenses for the Period Ended June 30, 2018

	Actual Monthly	Budget Monthly	Variance	Actual YTD	Budget YTD	Variance	% Budget Remaining
Fundraising Income							
TAP Funding	-	-	-	18,000	-	18,000	0%
Almost Perfect Sales	-	-	-	-	40,000	(40,000)	0%
Arts Auction	-	-	-	103,528	100,000	3,528	0%
Semi-Annual Fund Drives	1,228	7,500	(6,272)	24,612	30,000	(5,388)	0%
General Contributions	1,190	2,000	(810)	10,244	20,000	(9,756)	0%
Grant Revenue	6,500	5,000	1,500	25,900	17,600	8,300	0%
Membership	1,850	2,000	(150)	17,310	25,000	(7,690)	0%
Total Fundraising Income	10,768	16,500	(5,732)	199,593	232,600	(33,007)	0%
Program Income							
Art Lending Income	2,479	2,650	(171)	29,417	32,500	(3,083)	0%
Exhibition Sales	8,730	20,000	(11,270)	109,086	200,000	(90,914)	0%
Total Program Income	11,209	22,650	(11,441)	138,503	232,500	(93,997)	0%
Gallery Store Income							
Owned Inventory Sales	871	1,000	(129)	14,396	12,500	1,896	0%
Retail Consignment Sales	21,412	25,000	(3,588)	298,448	305,000	(6,552)	0%
Shipping & Handling	714	553	161	8,034	6,210	1,824	0%
Less: Discounts	(1,563)	(1,840)	277	(21,959)	(20,700)	(1,259)	0%
Total Gallery Store Income	21,434	24,713	(3,279)	298,919	303,010	(4,091)	0%
Total Income	43,411	63,863	(20,452)	637,015	768,110	(131,095)	0%
Cost of Good Sold							
Consignment Payments	16,287	23,825	(7,538)	219,442	294,750	(75,308)	0%
Cost of Goods - Owned Inventory	400	400	(0)	3,245	5,000	(1,755)	0%
Sales Expense	2,412	2,328	84	24,861	27,660	(2,799)	0%
Total Cost of Goods Sold	19,099	26,553	(7,454)	247,548	327,410	(79,862)	0%
Gross Profit	24,312	37,310	(12,998)	389,467	440,700	(51,233)	0%
Operating Expenses							
Administrative Expense	713	590	123	7,960	7,550	410	-1%
Advertising	1,576	900	676	11,044	10,000	1,044	0%
Event Expense	304	700	(396)	7,813	8,000	(187)	0%
Printing & Design	877	750	127	14,156	9,000	5,156	0%
Auction Expense	-	-	-	28,161	20,000	8,161	0%
Depreciation Expense	446	300	146	4,214	3,600	614	0%
Independent Contractors	1,812	350	1,462	11,547	11,150	397	0%
Insurance & Taxes	152	184	(32)	9,282	9,320	(38)	0%
Interest Expense	312	125	187	3,685	2,000	1,685	0%
Licenses & Dues	-	-	-	1,285	1,450	(165)	3%
Office Expense	1,189	1,315	(126)	15,384	16,000	(616)	0%
Payroll & Health Insurance	30,467	32,555	(2,088)	358,623	392,000	(33,377)	0%
Gifts/Donations/Prizes/Scholarships	-	-	-	9,735	10,750	(1,015)	0%
Rent	6,200	6,200	-	77,400	74,400	3,000	0%
Technology	1,164	600	564	8,241	7,000	1,241	0%
Marketing/PR Consulting	300	-	300	54,959	-	54,959	0%
Total Operating Expense	45,513	44,569	944	623,489	582,220	41,269	0%
Net Income Before Endowment	(21,201)	(7,259)	(13,942)	(234,023)	(141,520)	(92,503)	0%
Endowment Withdrawal	-	-	-	339,000	130,000	209,000	0%
Net Income After Endowment	(21,201)	(7,259)	(13,942)	104,977	(11,520)	116,497	0%

Bainbridge Arts and Crafts dba 'The Art Project'

Balance Sheet

June 30, 2018

	<u>Jun 30, 18</u>	<u>Jun 30, 17</u>
ASSETS		
Current Assets		
Checking/Savings		
Cash Accounts		
Cash Drawer	200.00	200.00
HomeStreet Bank	6,775.33	13,955.82
Petty Cash	245.00	245.00
Restricted Net Asets		
Charles Schwab - Endowment	<u>979,137.13</u>	<u>979,137.13</u>
Total Restricted Net Asets	979,137.13	979,137.13
Temp Restricted Savings		
Endowment Income	<u>-104,198.83</u>	<u>174,512.99</u>
Total Temp Restricted Savings	<u>-104,198.83</u>	<u>174,512.99</u>
Total Cash Accounts	<u>882,158.63</u>	<u>1,168,050.94</u>
Total Checking/Savings	882,158.63	1,168,050.94
Accounts Receivable		
Accounts Receivable	<u>4,239.50</u>	<u>6,725.67</u>
Total Accounts Receivable	4,239.50	6,725.67
Other Current Assets		
Inventory	<u>7,576.95</u>	<u>10,445.47</u>
Total Other Current Assets	<u>7,576.95</u>	<u>10,445.47</u>
Total Current Assets	893,975.08	1,185,222.08
Fixed Assets		
Equipment & Fixtures		
Accumulated Depreciation	-78,043.73	-76,705.00
Equipment & Fixtures (Cost)	<u>78,043.73</u>	<u>78,043.73</u>
Total Equipment & Fixtures	0.00	1,338.73
Leasehold Improvements		
Accumulated Depreciation	-50,573.00	-47,698.00
Leasehold Improvements (Cost)	<u>205,822.38</u>	<u>84,465.74</u>
Total Leasehold Improvements	<u>155,249.38</u>	<u>36,767.74</u>
Total Fixed Assets	<u>155,249.38</u>	<u>38,106.47</u>
TOTAL ASSETS	<u><u>1,049,224.46</u></u>	<u><u>1,223,328.55</u></u>

Bainbridge Arts and Crafts dba 'The Art Project'

Balance Sheet

June 30, 2018

	<u>Jun 30, 18</u>	<u>Jun 30, 17</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	25,885.84	31,791.15
Total Accounts Payable	<u>25,885.84</u>	<u>31,791.15</u>
Other Current Liabilities		
Book Fund Payable	756.29	598.00
Payroll Liabilities		
Federal Withholding	2,032.00	0.00
Medicare, Company share	408.70	0.00
Medicare, Employee share	408.70	0.00
Social Security, Company share	1,747.62	0.00
Social Security, Employee share	1,747.62	0.00
Payroll Liabilities - Other	660.50	0.00
Total Payroll Liabilities	<u>7,005.14</u>	<u>0.00</u>
Sales Tax Payable	2,307.45	2,620.27
Unearned Revenue		
Gift Certificate Sales/Store Cr	1,931.11	3,246.03
Total Unearned Revenue	<u>1,931.11</u>	<u>3,246.03</u>
Viking Bank Line of Credit	50,000.00	50,000.00
Total Other Current Liabilities	<u>61,999.99</u>	<u>56,464.30</u>
Total Current Liabilities	<u>87,885.83</u>	<u>88,255.45</u>
Total Liabilities	87,885.83	88,255.45
Equity		
Unrestricted Net Assets (RE)	-18,577.02	9,241.17
Temp-Restricted Net Assets		
Endowment Income	-104,198.83	174,512.99
Total Temp-Restricted Net Assets	<u>-104,198.83</u>	<u>174,512.99</u>
Restricted Net Assets		
Endowment	979,137.13	979,137.13
Total Restricted Net Assets	<u>979,137.13</u>	<u>979,137.13</u>
Net Income	104,977.35	-27,818.19
Total Equity	<u>961,338.63</u>	<u>1,135,073.10</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,049,224.46</u></u>	<u><u>1,223,328.55</u></u>