

JOEL CHANDLER HARRIS ASSOCIATION
REVIEWED BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008
(WITH REVIEWER'S REPORT THEREON)

JOEL CHANDLER HARRIS ASSOCIATION
ATLANTA, GEORGIA
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INDEPENDENT REVIEWER'S REPORT

The Board of Directors
Joel Chandler Harris Association
d/b/a The Wren's Nest
Atlanta, Georgia

I have reviewed the accompanying statement of financial position of Joel Chandler Harris Association (a nonprofit organization) as of December 31, 2008 and the related Statements of Activities, Functional Expenses, Changes in Net Assets and Cash Flows, for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Joel Chandler Harris Association.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

July 22, 2009

Gregg S. Bossen, CPA, PC

JOEL CHANDLER HARRIS ASSOCIATION
BALANCE SHEET
DECEMBER 31, 2008

ASSETS

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 52,914	\$134,879	\$187,793
Grants Receivable		3,600	3,600
Inventory	3,356		3,356
	-----	-----	-----
Total Current Assets	56,270	138,479	194,749
	-----	-----	-----
FIXED ASSETS:			
Building Restoration	552,098		552,098
Furniture and Equipment	16,892		16,892
Land	30,000		30,000
Accumulated Depreciation	<412,980>		<412,980>
	-----	-----	-----
Total Fixed Assets	186,010		186,010
	-----	-----	-----
TOTAL ASSETS	\$242,280	\$138,479	\$380,759
	=====	=====	=====

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:			
Accrued Expenses	\$ 2,315	\$	\$ 2,315
Payroll Liabilities	774		774
Capitol City Loan	66,281		66,281
	-----	-----	-----
Total Current Liabilities	69,370		69,370
	-----	-----	-----
NET ASSETS:	172,910	138,479	311,389
	-----	-----	-----
TOTAL LIABILITIES AND NET ASSETS	\$242,280	\$138,479	\$380,759
	=====	=====	=====

See Accountant's Report and Notes to Financial Statements

JOEL CHANDLER HARRIS ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
REVENUE:			
Contributions	\$ 64,238	\$	\$ 64,238
Grants	6,000	146,000	152,000
Tours	14,270		14,270
Memberships	21,374		21,374
Book Sales	23,289		23,289
Rambler	3,632		3,632
Rental Income	1,100		1,100
Special Event, Net of Costs	1,739		1,739
Investment Income	134		134
Net Restrictions Met	7,521	<7,521>	
	-----	-----	-----
Total Public Support and Revenue	\$143,297	\$138,479	\$281,776
	-----	-----	-----
EXPENSES:			
Program	139,748		139,748
Management and General	23,360		23,360
Fundraising	13,795		13,795
	-----	-----	-----
Total Expenses	\$176,903	\$	\$176,903
	-----	-----	-----
<DEFICIENCY> EXCESS OF REVENUE			
<UNDER> OVER EXPENSES	\$<33,606>	\$138,479	\$104,873
	=====	=====	=====

See Accountant's Report and Notes to Financial Statements

JOEL CHANDLER HARRIS ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
BALANCE, DECEMBER 31, 2007	\$206,516	\$ -0-	\$206,516
<DEFICIENCY> EXCESS OF SUPPORT AND REVENUE <UNDER> OVER EXPENSES	<33,606>	138,479	104,873
	-----	-----	-----
BALANCE, DECEMBER 31, 2008	\$172,910	\$138,479	\$311,389
	=====	=====	=====

See Accountant's Report and Notes to Financial Statements

JOEL CHANDLER HARRIS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:	
Excess of Support and Revenue over Expenses	\$104,873
Adjustments to reconcile excess to net cash provided by operating activities:	
Depreciation	15,906
Decrease in Grants Receivable	1,400
<Increase> in Inventory	<2,283>
<Decrease> in Payables and Accrued Expenses	<1,460>

Net cash provided by operating activities	118,436

CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Capital Improvements and Fixed Assets	<7,521>

Net cash used in investing activities	<7,521>

CASH FLOWS FROM FINANCING ACTIVITIES:	
Capitol City Loan	11,876

Net cash used in financing activities	11,876

 NET CHANGE IN CASH	 122,791
CASH AT DECEMBER 31, 2007	65,002

CASH AT DECEMBER 31, 2008	\$187,793
	=====

See Accountant's Report and Notes to Financial Statements

JOEL CHANDLER HARRIS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Nature of organization and operations:

The Wren's Nest is the historic home of Joel Chandler Harris, the author and editor who penned the Uncle Remus stories, also known as the Brer Rabbit stories. The Wren's Nest is governed by the Joel Chandler Harris Association which strives to uphold the legacy of Joel Chandler Harris and the heritage of African American folklore through storytelling, tours, and special events. The Wren's Nest is a Queen Anne Victorian on the National Historic Register that has been a museum since 1913, having been originally funded by President Theodore Roosevelt, Andrew Carnegie, and thousands of school children. One hundred years after the death of Joel Chandler Harris, it remains an international tourist destination. For the year ended December 31, 2008, The Wren's Nest operated the following programs:

During the year 2008, the Wren's Nest offered tours of the home for five days out of every week. Additionally, our professional storytellers, The Wren's Nest Ramblers, performed the Brer Rabbit stories for over 235 different audiences. The Ramblers performed on our behalf outside of the Wren's Nest, traveling to schools and community groups that might not otherwise be able to travel to our museum. 2008 marked the second year of the Wren's Nest Publishing Company, a publishing camp for high school students who produced the region's only literary journal completely written, edited, designed and published by students from different high schools. The camp was released at and produced in partnership with the Decatur Book Festival. The Wren's Nest continued the Critter Reading Club, which encouraged people of all ages to read the Brer Rabbit stories. Club members receive a "Protect the Nest" t-shirt. The Wren's Nest also produced two larger scale events -- Wren's Nest Fest, a low-cost festival for children in the community, and Victorian Christmas, a celebration of Joel Chandler Harris' birthday with historic decorations that was free to the public.

(B) Basis of Presentation:

These financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. These statements reflect application of SFAS No. 116 and No. 117. Under these statements, all contributions are immediately recognized as revenue as soon as pledged (or if not pledged when received) regardless of any restrictions on use placed by the contributor. The basic financial statements are then shown divided into three net asset groups. These are:

Unrestricted Net Assets:

All assets who either have no imposed restrictions on use or whose restrictions have been met by December 31, 2008.

Temporarily Restricted Net Assets:

All contributions by foundations, corporations and individuals with restrictions on use that have not been met by December 31, 2008.

Permanently Restricted Net Assets:

All contributions with permanent restrictions on use that, by definition, will never be met (none here).

See Auditor's Report

JOEL CHANDLER HARRIS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(C)Support and Revenues:

Foundations and Other Grants:

Support from these sources is recognized in the accounting period in which the grants are pledged (or if not pledged, when received) in accordance with FASB #116. See Note B.

Donations:

Revenue from this source is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received) in accordance with FASB #116. See Note B.

(D)Fixed Assets:

The Wren's Nest follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on the straight line method over 3, 7, 15 and 39 years for the furniture, equipment, and leasehold improvements, respectively.

(E)Income Taxes:

The Wren's Nest is exempt from income taxes under Section 501 (c) (3) of the United States Internal Revenue Code and is classified as an organization which is not a private foundation under Section 509 (a) of the United States Internal Revenue Code. Donations to the organization qualify for the charitable contributions deduction. During the year ended December 31, 2008, The Wren's Nest had no unrelated business income as defined by Section 512 of the Code and, therefore no provision for income tax is necessary.

NOTE 2: BUILDING RESTORATION, FURNITURE AND EQUIPMENT AND LAND

Depreciation is recorded on a straight line basis over the estimated useful lives of the assets. At December 31, 2008, the value of such assets is as follows:

Building Restoration	\$552,098
Furniture and Equipment	16,892
Land	30,000
Accumulated Depreciation	<412,980>

Total Fixed Assets	\$186,010

See Auditor's Report

JOEL CHANDLER HARRIS ASSOCIATION
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2008
 -continued-

NOTE 3: NOTES PAYABLE:

A summary of notes payable at December 31, 2008 is as follows:

Capitol City Bank Note Payable due in variable amounts of interest only payments, interest on loan is 9.50%	\$66,281 -----
Total Notes Payable	\$66,281 =====

NOTE 7. SPECIAL EVENT

On September 27th, 2008, The Wren's Nest hosted a fundraiser concert featuring Kingsized. The concert raised funds for and promoted awareness of the historic home and its grounds. The concert was held at the Wren's Nest amphitheater in the back yard and was attended by over 200 people. A detail of income and expenses is as follows:

Ticket Sales and Contributions	\$12,395 -----
Total Income	12,395 -----
Entertainment	4,380
Catering	4,179
Equipment Rental	1,398
Printing	483
Advertising	216 -----
Total Expenses	10,656 -----
Special Events Income, Net of Expenses	\$ 1,739 =====

See Auditor's Report

