

# Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

August 2020

(with summarized comparative information for the previous month)

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## Introduction

Due to the outbreak of COVID-19 and the cancellation of all drum corps activities for the 2020 season, the scholarship fund received no additional applications and disbursed no funds for students during August. The board chair has been in contact with all sponsored students for the 2020 season and the scholarship fund's focus has shifted to preparing for the 2021 season.

The global pandemic is expected to have significant impacts on the fall audition season. Many schools are implementing hybrid formats for virtual and in-person learning, the Michigan Competing Band Association (MCBA) has cancelled all events this year, and audition camps will likely be held online.

The 2020 season cancellation's financial impacts are also reaching some of Drum Corps International's member organizations. On August 10<sup>th</sup>, the Blue Knights announced that they lost over \$700,000 in revenue and were in danger of folding if they were unable to raise enough funds to cover ongoing expenses like property leases, vehicle loans, and other operating costs. As of September 7<sup>th</sup>, they have raised just under \$50,000 of a \$150,000 goal. To date, no ensembles with sponsored students have shared they are at risk of folding due to the pandemic.

## Monthly Financial Recap

Liquid assets on hand: \$629.08

Donations: 2 donations received during August.

Disbursements: 0 program related disbursements during August.

## Financial Narrative

During August, the Board Chair noted that the fiscal year for the financial statements was running from September – August though the bylaws stated that the organization's declared fiscal year runs from October – September. This adjustment decreases the year-to-date net income by \$397 for September 2019 activity.

Under the corrected fiscal year, August marked the eleventh month of operations for the fund. Cash for the month is \$92.25 higher than July. \$205 of the total cash on hand is currently restricted to maintain minimum reserve requirements.

Program related expenses did not change during August. Administrative expenses are up \$27.75 for the monthly Digital Ocean invoice charged to the business checking account, the annual Michigan corporations filing fee, and Paypal fees.

No funds are currently restricted by outside donors. All restrictions made by the Board are included under Unrestricted Funds in accordance with Generally Accepted Accounting Principles in the United States.

Michigan Drum Corps Scholarship Fund  
**Statement of Financial Position**  
As of July 31, 2020

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09/07/2020  
Accrual Basis

	<u>Aug 2020</u>	<u>Jul 2020</u>
<b>ASSETS</b>		
Current Assets		
Cash		
Unrestricted - Checking	743.08	650.83
Unrestricted - Savings	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Total Unrestricted Cash	629.08	536.83
Restricted Cash	205.00	205.00
Total Checking/Savings	834.08	741.83
Accounts Receivable		
Accounts Receivable	0.00	0.00
Pledges Receivable	0.00	0.00
Allowance for Uncollectibles	0.00	0.00
Total Accounts Receivable	0.00	0.00
Total Current Assets	834.08	741.83
Fixed Assets		
Property, Plant, & Equipment	0.00	0.00
Total Fixed Assets	0.00	0.00
Other Assets		
Marketable Securities	0.00	0.00
Prepaid Expenses	1,590.00	1,590.00
Other Assets	0.00	0.00
Security Deposits	0.00	0.00
Endowments	0.00	0.00
Total Other Assets	1,590.00	1,590.00
<b>TOTAL ASSETS</b>	<b><u>2,424.08</u></b>	<b><u>2,331.83</u></b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	0.00	0.00
Total Accounts Payable	0.00	0.00
Other Current Liabilities		
Salaries and Wages Payable	0.00	0.00
Total Other Current Liabilities	0.00	0.00
Total Current Liabilities	0.00	0.00
Long Term Liabilities		
Notes Payable	0.00	0.00
Total Long Term Liabilities	0.00	0.00
Total Liabilities	0.00	0.00
Equity		
Unrestricted Net Assets	2,424.08	2,331.83
Donor Restricted Net Assets	0.00	0.00
Total Equity	2,424.08	2,331.83
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>2,424.08</u></b>	<b><u>2,331.83</u></b>

**Michigan Drum Corps Scholarship Fund**  
**Statement of Activities**  
**July 2020**

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09/07/2020  
Accrual Basis

	<u>Aug 2020</u>	<u>Jul 2020</u>	<u>Year to Date</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Contributions</b>			
Individual Contributions	120.00	0.00	3,050.00
Corporate Contributions	0.00	0.00	0.00
Gifts in Kind	0.00	0.00	0.00
<b>Total Contributions</b>	<u>120.00</u>	<u>0.00</u>	<u>3,050.00</u>
Major Gifts	0.00	0.00	0.00
<b>Investments</b>			
Interest Income	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Other Income	0.00	0.00	0.00
<b>Total Investments</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Other Income	0.00	0.00	0.00
<b>Total Income</b>	<u>120.00</u>	<u>0.00</u>	<u>3,050.00</u>
<b>Expense</b>			
<b>Program Expenses</b>			
Auditions & Camp Fees	0.00	0.00	250.00
Member Tuition	0.00	-900.00	890.00
Other Program Expenses	0.00	0.00	0.00
<b>Total Program Expenses</b>	<u>0.00</u>	<u>-900.00</u>	<u>1,140.00</u>
<b>Administrative Expenses</b>			
Supplies	0.00	0.00	0.00
Postage	0.00	0.00	0.00
Travel	0.00	0.00	0.00
Registration Fees	20.00	0.00	20.00
Software Purchases	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00
Contract Services	0.00	0.00	0.00
Website Expenses	6.00	18.00	76.73
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	1.75	0.00	1.75
Paypal Fees	0.00	0.00	26.18
<b>Total Administrative Expenses</b>	<u>27.75</u>	<u>18.00</u>	<u>124.66</u>
<b>Total Expenses</b>	<u>27.75</u>	<u>-882.00</u>	<u>1,264.66</u>
<b>Net Income</b>	<u><u>92.25</u></u>	<u><u>882.00</u></u>	<u><u>1,785.34</u></u>

**Michigan Drum Corps Scholarship Fund**  
**Statement of Changes in Net Assets**  
As of July 31, 2020

12:45 PM  
09/07/2020  
Accrual Basis

	Aug 2020	Jul 2020	Year to Date
<b>Total Unrestricted Revenues</b>	120.00	0.00	3,050.00
<b>Net Assets Released from Restriction</b>	0.00	0.00	0.00
<b>Total Unrestricted Expenses and Losses</b>	-27.75	882.00	-1,264.66
<b>Increase in Unrestricted Net Assets</b>	92.25	882.00	1,785.34
	0.00	0.00	0.00
<b>Donor Restricted Net Assets</b>	0.00	0.00	0.00
<b>Temporarily Restricted Net Assets</b>	0.00	0.00	0.00
<b>Contributions</b>	0.00	0.00	0.00
<b>Net Assets Released from Restriction</b>	0.00	0.00	0.00
<b>Increase in Temporarily Restricted Net Assets</b>	0.00	0.00	0.00
	0.00	0.00	0.00
<b>Permanently Restricted Net Assets</b>	0.00	0.00	0.00
<b>Contributions</b>	0.00	0.00	0.00
<b>Increase in Permanently Restricted Net Assets</b>	0.00	0.00	0.00
	0.00	0.00	0.00
<b>Change in Net Assets</b>	92.25	882.00	1,785.34
<b>Beginning Net Assets:</b>	2,331.83	1,449.83	638.74
<b>Ending Net Assets:</b>	2,424.08	2,331.83	2,424.08

**Michigan Drum Corps Scholarship Fund**  
**Statement of Cash Flows**  
**July 2020**

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09/07/2020

Accrual Basis

	<u>Aug 20</u>	<u>Oct '19 - Aug 20</u>
<b>OPERATING ACTIVITIES</b>		
Net Income	92.25	1,785.34
Adjustments to reconcile Net Income to net cash provided by operations:		
Accounts Receivable	0.00	0.00
Pledges Receivable	0.00	0.00
Allowance for Uncollectibles	0.00	0.00
Prepaid Expenses	0.00	-1,590.00
Accounts Payable	0.00	0.00
Salaries and Wages Payable	0.00	0.00
Net cash provided by Operating Activities	<u>92.25</u>	<u>195.34</u>
<b>INVESTING ACTIVITIES</b>		
Property, Plant, & Equipment	0.00	0.00
Securities	0.00	0.00
Other Assets	0.00	0.00
Security Deposits	0.00	0.00
Endowments	0.00	0.00
Net cash provided by Investing Activities	<u>0.00</u>	<u>0.00</u>
<b>FINANCING ACTIVITIES</b>		
Other Liabilities	0.00	0.00
Unrestricted Net Assets	0.00	0.00
Donor Restricted Net Assets	0.00	0.00
Net cash provided by Financing Activities	<u>0.00</u>	<u>0.00</u>
Net cash increase for period	92.25	195.34
Cash at beginning of period	741.83	638.74
Cash at end of period	<u><u>834.08</u></u>	<u><u>834.08</u></u>