

# Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

July 2020

(with summarized comparative information for the previous month)

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## Table of Contents:

Introduction and Narrative

Schedule A: Statement of Financial Position

Schedule B: Statement of Activities

Schedule C: Statement of Changes in Net Assets

Schedule D: Statement of Cash Flows

## 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 July. 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.

During July the board chair and treasurer had a conference call with Ibe Sodawalla, CEO of Legends Performing Arts Association, to discuss the outstanding scholarships for Echo Bennett and Emily Neher. Legends has extended the deadline for rolling 2020 contracts into next season from September to December. As a result, \$900 in tuition support has been reclassified as prepaid tuition for 2021 pending member decisions that fall in the next fiscal year.

Ibe also noted that corps directors are currently discussing the potential impacts the pandemic may have on the 2021 season. Until a vaccine is developed, he believes all audition and rehearsal camps will be conducted virtually, housing sites will be more difficult to find, and an increased emphasis on hygiene and member health will require substantial process improvements for each ensemble. Potential tour changes may include housing exclusively in hotels or college dormitories, a regional touring model, and isolating each corps in a bubble to limit the spread of the virus.

## Monthly Financial Recap

Liquid assets on hand: \$536.83

Donations: 0 donations received during July.

Disbursements: 0 program related disbursements during July.

## Financial Narrative

July marked the eleventh month of operations for the fund under its declared fiscal year. Cash for the month is \$18.00 lower than June. \$205 of the total cash on hand is currently restricted to maintain minimum reserve requirements.

Program related expenses decreased \$900 for tuition sponsorships reclassified as prepaid tuition for the 2021 season. Administrative expenses are up \$18.00 for the monthly Digital Ocean invoice charged to the business checking account and the annual website domain name renewal. With the cancellation of the 2020 season, program expenses are expected to either remain at the year-to-date balance of \$1,340 or lower for refunds received / reclassifications made for contracts carried into 2021.

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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08/05/2020  
Accrual Basis

|                                       | <u>Jul 2020</u>        | <u>Jun 2020</u>        |
|---------------------------------------|------------------------|------------------------|
| <b>ASSETS</b>                         |                        |                        |
| Current Assets                        |                        |                        |
| Cash                                  |                        |                        |
| Unrestricted - Checking               | 650.83                 | 668.83                 |
| Unrestricted - Savings                | 91.00                  | 91.00                  |
| Less: Reserve Requirements            | (205.00)               | (205.00)               |
| Total Unrestricted Cash               | 536.83                 | 554.83                 |
| Restricted Cash                       | 205.00                 | 205.00                 |
| Total Checking/Savings                | 741.83                 | 759.83                 |
| 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                  | 741.83                 | 759.83                 |
| 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               | 690.00                 |
| Other Assets                          | 0.00                   | 0.00                   |
| Security Deposits                     | 0.00                   | 0.00                   |
| Endowments                            | 0.00                   | 0.00                   |
| Total Other Assets                    | 1,590.00               | 690.00                 |
| <b>TOTAL ASSETS</b>                   | <b><u>2,331.83</u></b> | <b><u>1,449.83</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               | 2,331.83               | 1,449.83               |
| Donor Restricted Net Assets           | 0.00                   | 0.00                   |
| Total Equity                          | 2,331.83               | 1,449.83               |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b><u>2,331.83</u></b> | <b><u>1,449.83</u></b> |

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

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08/05/2020  
Accrual Basis

|                                      | <b>Jul 2020</b> | <b>Jun 2020</b> | <b>Year to Date</b> |
|--------------------------------------|-----------------|-----------------|---------------------|
| <b>Ordinary Income/Expense</b>       |                 |                 |                     |
| <b>Income</b>                        |                 |                 |                     |
| <b>Contributions</b>                 |                 |                 |                     |
| Individual Contributions             | 0.00            | 0.00            | 3,814.00            |
| Corporate Contributions              | 0.00            | 0.00            | 0.00                |
| Gifts in Kind                        | 0.00            | 0.00            | 0.00                |
| <b>Total Contributions</b>           | <b>0.00</b>     | <b>0.00</b>     | <b>3,814.00</b>     |
| 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>             | <b>0.00</b>     | <b>0.00</b>     | <b>0.00</b>         |
| Other Income                         | 0.00            | 0.00            | 0.00                |
| <b>Total Income</b>                  | <b>0.00</b>     | <b>0.00</b>     | <b>3,814.00</b>     |
| <b>Expense</b>                       |                 |                 |                     |
| <b>Program Expenses</b>              |                 |                 |                     |
| Auditions & Camp Fees                | 0.00            | 0.00            | 450.00              |
| Member Tuition                       | -900.00         | 0.00            | 890.00              |
| Other Program Expenses               | 0.00            | 0.00            | 0.00                |
| <b>Total Program Expenses</b>        | <b>-900.00</b>  | <b>0.00</b>     | <b>1,340.00</b>     |
| <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                    | 0.00            | 0.00            | 275.00              |
| 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                     | 18.00           | 6.00            | 82.73               |
| Fundraising Expenses                 | 0.00            | 0.00            | 0.00                |
| Bank Fees                            | 0.00            | 0.00            | 0.00                |
| Paypal Fees                          | 0.00            | 0.00            | 26.18               |
| <b>Total Administrative Expenses</b> | <b>18.00</b>    | <b>6.00</b>     | <b>383.91</b>       |
| <b>Total Expenses</b>                | <b>-882.00</b>  | <b>6.00</b>     | <b>1,723.91</b>     |
| <b>Net Income</b>                    | <b>882.00</b>   | <b>-6.00</b>    | <b>2,090.09</b>     |

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

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08/05/2020

Accrual Basis

|   | Jul 2020        | Jun 2020        | Year to Date    |
|---|-----------------|-----------------|-----------------|
| Total Unrestricted Revenues                   | 0.00            | 0.00            | 3,814.00        |
| Net Assets Released from Restriction          | 0.00            | 0.00            | 0.00            |
| Total Unrestricted Expenses and Losses        | 882.00          | -6.00           | -1,723.91       |
| Increase in Unrestricted Net Assets           | 882.00          | -6.00           | 2,090.09        |
|   | 0.00            | 0.00            | 0.00            |
| Donor Restricted Net Assets                   | 0.00            | 0.00            | 0.00            |
| Temporarily Restricted Net Assets             | 0.00            | 0.00            | 0.00            |
| Contributions                                 | 0.00            | 0.00            | 0.00            |
| Net Assets Released from Restriction          | 0.00            | 0.00            | 0.00            |
| Increase in Temporarily Restricted Net Assets | 0.00            | 0.00            | 0.00            |
|   | 0.00            | 0.00            | 0.00            |
| Permanently Restricted Net Assets             | 0.00            | 0.00            | 0.00            |
| Contributions                                 | 0.00            | 0.00            | 0.00            |
| Increase in Permanently Restricted Net Assets | 0.00            | 0.00            | 0.00            |
|   | 0.00            | 0.00            | 0.00            |
| <b>Change in Net Assets</b>                   | <b>882.00</b>   | <b>-6.00</b>    | <b>2,090.09</b> |
| <b>Beginning Net Assets:</b>                  | <b>1,449.83</b> | <b>1,455.83</b> | <b>241.74</b>   |
| <b>Ending Net Assets:</b>                     | <b>2,331.83</b> | <b>1,449.83</b> | <b>2,331.83</b> |

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

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08/05/2020

Accrual Basis

|  | <u>Jul 20</u>        | <u>Sep '19 - Jul 20</u> |
|--|----------------------|-------------------------|
| <b>OPERATING ACTIVITIES</b>  |                      |                         |
| Net Income   | 882.00               | 2,090.09                |
| Adjustments to reconcile Net Income<br>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   | -900.00              | -1,590.00               |
| Accounts Payable   | 0.00                 | 0.00                    |
| Salaries and Wages Payable   | 0.00                 | 0.00                    |
| Net cash provided by Operating Activities                                  | <u>-18.00</u>        | <u>500.09</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   | -18.00               | 500.09                  |
| Cash at beginning of period  | 759.83               | 241.74                  |
| Cash at end of period  | <u><u>741.83</u></u> | <u><u>741.83</u></u>    |