

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

August 2022

(with summarized comparative information for the previous month)

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Introduction

August marked the eleventh month of our third year of operations and it included the close of the 2022 drum corps season. The scholarship fund awarded 5,935.00 to sixteen students across nine different corps. Our general scholarship program supported 15 students while the Jason Fritz Memorial Scholarship sponsored one student. Our students in the world class circuit performed with the Blue Stars, Cadets, Carolina Crown, Colts, Phantom Regiment, and the Troopers while those in the open class circuit marched with 7th Regiment, Legends, and Gold. They represent some of the best-of-the-best that our state (and the activity) has to offer and we look forward to hearing their updates soon!

The fund recorded \$1,284.02 in net losses for the month due to the \$1,640.13 quarterly investment loss on the endowment recorded during August offset by donations received exceeding other recurring expenses. The Jason Fritz Memorial Endowment has a \$500 spendable balance (following the release of funds for the 2022 scholarship) and a \$11,959.13 permanently restricted balance whose investment earnings will be used to support future scholarships. While our investment losses are not unexpected, it is difficult to predict whether or not we will recoup the \$2,115.02 in investment losses experienced this fiscal year and post investment gains from which we can increase the 2023 Fritz Memorial scholarship disbursements.

Financial Recap

Liquid assets on hand: \$392.11

Donations: 5 donations received in August. 24 donations received this fiscal year.

Disbursements: 0 program related disbursements made during August. 16 program related disbursements made this fiscal year.

Financial Narrative

Cash for the month is \$392.80 higher than July for donations received exceeding monthly disbursements. Note that the net loss posted for the month was driven by non-cash losses recorded to our invested endowment funds. \$205 of the total cash on hand is restricted to maintain minimum reserve requirements and \$1,299 is restricted for the Jason Fritz Memorial Endowment for donations to be transferred to BCCF.

Program related expenses did not increase during August. Administrative expenses are up \$48.45 for the monthly Digital Ocean invoice, for donation-related PayPal fees, and for BCCF investment fees recorded during the month.

Restricted funds for the Jason Fritz Memorial Endowment are broken down as follows: \$13,258.13 is permanently restricted as the corpus of the endowment and \$500 remains invested as an opening spendable balance. Endowment earnings and losses are listed under the Investments category of the profit and loss statement with a -13.08% investment return based on our last quarterly statement. All unused funds at the end of this fiscal year will be reinvested in the corpus of the endowment. All funds are managed in accordance with Generally Accepted Accounting Principles in the United States.

Michigan Drum Corps Scholarship Fund
Statement of Financial Position
As of August 31, 2022

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09/04/2022
Accrual Basis

	<u>Aug 2022</u>	<u>Jul 2022</u>
ASSETS		
Current Assets		
Cash		
Checking Account	1,805.11	1,412.31
Savings Account	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Less: Restricted Funds for Endowment	(1,299.00)	(1,099.00)
Total Unrestricted Cash	392.11	199.31
Restricted Cash	1,504.00	1,304.00
Total Checking/Savings	1,896.11	1,503.31
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	1,896.11	1,503.31
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	0.00	0.00
Other Assets	0.00	0.00
Jason Fritz Endowment - Spendable Balance	500.00	500.00
Jason Fritz Endowment - Restricted Balance	11,959.13	13,635.95
Total Other Assets	12,459.13	14,135.95
TOTAL ASSETS	<u><u>14,355.24</u></u>	<u><u>15,639.26</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
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	597.11	404.31
Donor Restricted Net Assets	13,758.13	15,234.95
Total Equity	14,355.24	15,639.26
TOTAL LIABILITIES & EQUITY	<u><u>14,355.24</u></u>	<u><u>15,639.26</u></u>

Michigan Drum Corps Scholarship Fund
Statement of Activities
August 2022

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09/04/2022
Accrual Basis

	<u>Aug 2022</u>	<u>Jul 2022</u>	<u>Year to Date</u>
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	404.56	0.00	8,860.69
Corporate Contributions	0.00	0.00	0.00
Gifts in Kind	0.00	0.00	0.00
Total Contributions	<u>404.56</u>	<u>0.00</u>	<u>8,860.69</u>
Major Gifts	0.00	0.00	0.00
Investments			
Interest Income	0.00	0.00	0.00
Investments	-1,640.13	0.00	-2,115.02
Other Income	0.00	0.00	0.00
Total Investments	<u>-1,640.13</u>	<u>0.00</u>	<u>-2,115.02</u>
Other Income	0.00	0.00	0.00
Total Income	<u>-1,235.57</u>	<u>0.00</u>	<u>6,745.67</u>
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	125.00
Member Tuition	0.00	500.00	5,810.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	<u>0.00</u>	<u>500.00</u>	<u>5,935.00</u>
Administrative Expenses			
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	0.00
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	7.20	18.00	79.20
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	0.00	0.00	50.60
Paypal Fees	4.56	0.00	87.64
Investment Fees	36.69	0.00	36.69
Total Administrative Expenses	<u>48.45</u>	<u>18.00</u>	<u>254.13</u>
Total Expenses	<u>48.45</u>	<u>518.00</u>	<u>6,189.13</u>
Net Income	<u><u>-1,284.02</u></u>	<u><u>-518.00</u></u>	<u><u>556.54</u></u>

Michigan Drum Corps Scholarship Fund
Statement of Changes in Net Assets
As of August 31, 2022

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09/04/2022
Accrual Basis

	Aug 2022	Jul 2022	Year to Date
Total Unrestricted Revenues	200.00	-3,798.41	3,773.70
Net Assets Released from Restriction	0.00	500.00	500.00
Total Unrestricted Expenses and Losses	-7.20	40.67	-6,032.92
Increase in Unrestricted Net Assets	192.80	-3,257.74	-1,759.22
Donor Restricted Net Assets	0.00	0.00	0.00
Temporarily Restricted Net Assets	500.00	500.00	500.00
Contributions	0.00	0.00	0.00
Net Assets Released from Restriction	0.00	-500.00	-500.00
Increase in Temporarily Restricted Net Assets	0.00	-500.00	-500.00
Permanently Restricted Net Assets	0.00	0.00	0.00
Contributions	-1,435.57	3,798.41	2,971.97
Total Restricted Expenses and Losses	-41.25	-558.67	-156.21
Increase in Permanently Restricted Net Assets	-1,476.82	3,239.74	2,815.76
Change in Net Assets	-1,284.02	-518.00	556.54
Beginning Net Assets:	15,639.26	16,157.26	13,798.70
Ending Net Assets:	14,355.24	15,639.26	14,355.24

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
August 2022

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09/04/2022

Accrual Basis

	<u>Aug 22</u>	<u>Oct '21 - Aug 22</u>
OPERATING ACTIVITIES		
Net Income	-1,284.02	556.54
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	500.00
Accounts Payable	0.00	0.00
Salaries and Wages Payable	0.00	0.00
Net cash provided by Operating Activities	<u>-1,284.02</u>	<u>1,056.54</u>
INVESTING ACTIVITIES		
Property, Plant, & Equipment	0.00	0.00
Securities	0.00	0.00
Other Assets	0.00	0.00
Security Deposits	0.00	0.00
Jason Fritz Endowment - Spendable Balance	0.00	-500.00
Jason Fritz Endowment - Restricted Balance	1,676.82	-11,959.13
Net cash provided by Investing Activities	<u>1,676.82</u>	<u>-12,459.13</u>
FINANCING ACTIVITIES		
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 (decrease) for period	<u>392.80</u>	<u>-11,402.59</u>
Cash at beginning of period	1,503.31	13,298.70
Cash at end of period	<u><u>1,896.11</u></u>	<u><u>1,896.11</u></u>