

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

September 2022

(with summarized comparative information for the previous month)

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

September officially marks the end of our third year of operations and our first year supporting students in their return to competition since the COVID-19 pandemic. The scholarship fund awarded 5,935.00 to sixteen students across nine different corps during the 2022 season. 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 represented some of the best-of-the-best that our state (and the activity) has to offer and we look forward to sponsoring more students as auditions for the 2023 season begin in the next few months.

The fund recorded \$749.99 in net losses for the month due to investment losses recorded on the Jason Fritz Memorial Endowment that was offset by contributions received from Amazon Smile exceeding our monthly Digital Ocean invoice. The Jason Fritz Memorial Endowment has a \$500 spendable balance (following the release of funds for the 2022 scholarship) and a \$11,207.20 permanently restricted balance whose investment earnings will be used to support future scholarships. Our annual investment losses have totaled 19.3%, or \$2,832.16, based on unfavorable market conditions and we anticipate further losses at least through the end of the calendar year. Internal discussions are currently ongoing for how the fund plans to support the 2023 Fritz Memorial scholarship disbursements.

Financial Recap

Liquid assets on hand: \$394.05

Donations: 1 donation received in September. 25 donations received this fiscal year.

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

Financial Narrative

Cash for the month is \$1.94 higher than August for the Amazon Smile remittance received during the month exceeding monthly disbursements. \$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.

Investments decreased \$717.14 during September for unrealized losses recorded on our endowment with the Battle Creek Community Foundation between July and September.

Program related expenses did not increase during September. Administrative expenses are up \$41.99 for the monthly Digital Ocean invoice and investment management fees paid to the Battle Creek Community Foundation.

Restricted funds for the Jason Fritz Memorial Endowment are broken down as follows: \$12,506.20 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 -19.3% 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 September 30, 2022

8:57 PM
10/22/2022
Accrual Basis

	<u>Sep 2022</u>	<u>Aug 2022</u>
ASSETS		
Current Assets		
Cash		
Checking Account	1,807.05	1,805.11
Savings Account	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Less: Restricted Funds for Endowment	(1,299.00)	(1,299.00)
Total Unrestricted Cash	394.05	392.11
Restricted Cash	1,504.00	1,504.00
Total Checking/Savings	1,898.05	1,896.11
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	1,898.05	1,896.11
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	11,207.20	11,959.13
Total Other Assets	11,707.20	12,459.13
TOTAL ASSETS	13,605.25	14,355.24
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	599.05	597.11
Donor Restricted Net Assets	13,006.20	13,758.13
Total Equity	13,605.25	14,355.24
TOTAL LIABILITIES & EQUITY	13,605.25	14,355.24

Michigan Drum Corps Scholarship Fund
Statement of Activities
September 2022

8:57 PM
10/22/2022
Accrual Basis

	<u>Sep 2022</u>	<u>Aug 2022</u>	<u>Year to Date</u>
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	9.14	404.56	8,869.83
Corporate Contributions	0.00	0.00	0.00
Gifts in Kind	0.00	0.00	0.00
Total Contributions	<u>9.14</u>	<u>404.56</u>	<u>8,869.83</u>
Major Gifts	0.00	0.00	0.00
Investments			
Interest Income	0.00	0.00	0.00
Investments	-717.14	-1,640.13	-2,832.16
Other Income	0.00	0.00	0.00
Total Investments	<u>-717.14</u>	<u>-1,640.13</u>	<u>-2,832.16</u>
Other Income	0.00	0.00	0.00
Total Income	<u>-708.00</u>	<u>-1,235.57</u>	<u>6,037.67</u>
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	125.00
Member Tuition	0.00	0.00	5,810.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	<u>0.00</u>	<u>0.00</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	7.20	86.40
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	0.00	0.00	50.60
Paypal Fees	0.00	4.56	87.64
Investment Fees	34.79	36.69	71.48
Total Administrative Expenses	<u>41.99</u>	<u>48.45</u>	<u>296.12</u>
Total Expenses	<u>41.99</u>	<u>48.45</u>	<u>6,231.12</u>
Net Income	<u><u>-749.99</u></u>	<u><u>-1,284.02</u></u>	<u><u>-193.45</u></u>

Michigan Drum Corps Scholarship Fund
Statement of Changes in Net Assets
As of September 30, 2022

8:57 PM
10/22/2022
Accrual Basis

	Sep 2022	Aug 2022	Year to Date
Total Unrestricted Revenues	9.14	-920.00	3,782.84
Net Assets Released from Restriction	0.00	500.00	500.00
Total Unrestricted Expenses and Losses	-7.20	-7.20	-6,040.12
Increase in Unrestricted Net Assets	1.94	-427.20	-1,757.28
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	-717.14	-315.57	2,254.83
Total Restricted Expenses and Losses	-34.79	-41.25	-191.00
Increase in Permanently Restricted Net Assets	-751.93	-356.82	2,063.83
Change in Net Assets	-749.99	-1,284.02	-193.45
Beginning Net Assets:	14,355.24	15,639.26	13,798.70
Ending Net Assets:	13,605.25	14,355.24	13,605.25

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
September 2022

8:57 PM

10/22/2022

Accrual Basis

	<u>Sep 22</u>	<u>Oct '21 - Sep 22</u>
OPERATING ACTIVITIES		
Net Income	-749.99	-193.45
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>-749.99</u>	<u>306.55</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	751.93	-11,207.20
Net cash provided by Investing Activities	<u>751.93</u>	<u>-11,707.20</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>1.94</u>	<u>-11,400.65</u>
Cash at beginning of period	1,896.11	13,298.70
Cash at end of period	<u><u>1,898.05</u></u>	<u><u>1,898.05</u></u>