

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:
November 2022

(with summarized comparative information for the previous month)

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Introduction

November marks the second month of our fourth year of operations. The fund recorded \$605.72 in net income for donations received during the month exceeding our monthly Digital Ocean website domain invoice. The Jason Fritz Memorial Endowment has a \$500 spendable balance and a \$11,207.20 permanently restricted balance whose investment earnings will be used to support future scholarships. Our 2022 investment losses through October 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. Note that internal discussions are currently ongoing for how the fund plans to support the 2023 Fritz Memorial scholarship disbursements.

November also marked our first fundraiser for the 2022-2023 fiscal year through a partnership with M-36 Coffee Roasters. The scholarship fund received a portion of sales during the holiday season and collected \$100 during December.

The 2022-2023 fiscal year continues to be difficult for the drum corps activity. Santa Clara Vanguard's financial difficulties resulted in their cancellation of the 2023 season while Shadow recently announced they would be folding entirely. To date, four corps are not performing this year: Santa Clara Vanguard, Vanguard Cadets, Legends, and Shadow. The most impactful cancellation for the fund is Legends as seven of the twenty-three students we have sponsored marched with them. Another concern for the fund is the passage of inflation and high fuel costs to student tour fees. For example, tuition for the Bluecoats is \$5,800 for the 2023 season, and it may be more difficult for the scholarship fund to continue supporting students at a 10% level without a proportional increase in donations received.

Financial Recap

Liquid assets on hand: \$992.57

Donations: 2 donations received in November. 2 donations received this fiscal year.

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

Financial Narrative

Cash for the month is \$605.72 higher than October for donations received 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.

Program related expenses did not increase during November. Administrative expenses are up \$7.20 for our monthly Digital Ocean invoice.

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 through September based on our most recent quarterly statement. All unused funds at the end of the fiscal year are 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 November 30, 2022

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12/31/2022
Accrual Basis

	<u>Nov 2022</u>	<u>Oct 2022</u>
ASSETS		
Current Assets		
Cash		
Checking Account	2,405.57	1,799.85
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	992.57	386.85
Restricted Cash	1,504.00	1,504.00
Total Checking/Savings	2,496.57	1,890.85
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	2,496.57	1,890.85
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	11,207.20
Total Other Assets	11,707.20	11,707.20
TOTAL ASSETS	14,203.77	13,598.05
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	1,197.57	591.85
Donor Restricted Net Assets	13,006.20	13,006.20
Total Equity	14,203.77	13,598.05
TOTAL LIABILITIES & EQUITY	14,203.77	13,598.05

Michigan Drum Corps Scholarship Fund
Statement of Activities
November 2022

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 12/31/2022
 Accrual Basis

	Nov 2022	Oct 2022	Year to Date
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	612.92	0.00	612.92
Corporate Contributions	0.00	0.00	0.00
Gifts in Kind	0.00	0.00	0.00
Total Contributions	612.92	0.00	612.92
Major Gifts	0.00	0.00	0.00
Investments			
Interest Income	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Other Income	0.00	0.00	0.00
Total Investments	0.00	0.00	0.00
Other Income	0.00	0.00	0.00
Total Income	612.92	0.00	612.92
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	0.00
Member Tuition	0.00	0.00	0.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	0.00	0.00	0.00
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	14.40
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	0.00	0.00	0.00
Paypal Fees	0.00	0.00	0.00
Investment Fees	0.00	0.00	0.00
Total Administrative Expenses	7.20	7.20	14.40
Total Expenses	7.20	7.20	14.40
Net Income	605.72	-7.20	598.52

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

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12/31/2022
Accrual Basis

	Nov 2022	Oct 2022	Year to Date
Total Unrestricted Revenues	612.92	-2,061.11	-1,641.91
Net Assets Released from Restriction	0.00	500.00	500.00
Total Unrestricted Expenses and Losses	-7.20	34.80	176.60
Increase in Unrestricted Net Assets	605.72	-1,526.31	-965.31
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	0.00	2,061.11	2,254.83
Total Restricted Expenses and Losses	0.00	-42.00	-191.00
Increase in Permanently Restricted Net Assets	0.00	2,019.11	2,063.83
Change in Net Assets	605.72	-7.20	598.52
Beginning Net Assets:	13,598.05	13,605.25	13,605.25
Ending Net Assets:	14,203.77	13,598.05	14,203.77

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
November 2022

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12/31/2022

Accrual Basis

	<u>Nov 22</u>	<u>Oct - Nov 22</u>
OPERATING ACTIVITIES		
Net Income	605.72	598.52
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	0.00
Accounts Payable	0.00	0.00
Salaries and Wages Payable	0.00	0.00
Net cash provided by Operating Activities	<u>605.72</u>	<u>598.52</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	0.00
Jason Fritz Endowment - Restricted Balance	0.00	0.00
Net cash provided by Investing Activities	<u>0.00</u>	<u>0.00</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>605.72</u>	<u>598.52</u>
Cash at beginning of period	1,890.85	1,898.05
Cash at end of period	<u><u>2,496.57</u></u>	<u><u>2,496.57</u></u>