

Chicago Dancemakers Forum

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Chicago Dancemakers Forum
Chicago, Illinois

We have audited the accompanying financial statements of Chicago Dancemakers Forum (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chicago Dancemakers Forum as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 5 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Glenn R Wilson & Associates, PC

Chicago, Illinois
June 19, 2017

Chicago Dancemakers Forum
Statement of Financial Position
December 31, 2016

	Assets		
Current Assets	Unrestricted	Temporarily Restricted	Total
Cash	\$ 152,626	\$ 15,000	\$ 167,626
Current Portion of Grants and Pledges Receivable	-	46,250	46,250
Prepaid Expenses	3,053	-	3,053
Total Current Assets	155,679	61,250	216,929
Grants and Pledges Receivable, Net of Current Portion and Discount	-	19,207	19,207
Total Assets	155,679	80,457	236,136
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	900	-	900
Grants Payable	55,000	-	55,000
Accrued Liabilities	467	-	467
Total Current Liabilities	56,367	-	56,367
Net Assets			
Unrestricted	99,312	-	99,312
Temporarily Restricted	-	80,457	80,457
Total Net Assets	99,312	80,457	179,769
Total Liabilities and Net Assets	\$ 155,679	\$ 80,457	\$ 236,136

See accompanying notes to the financial statements

Chicago Dancemakers Forum
Statement of Activities
For the Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Grants	\$ 114,978	\$ 33,580	\$ 148,558
Contributions	29,696	48,457	78,153
Special Events	47,182	-	47,182
Less: Direct Expense	(27,987)	-	(27,987)
Net Assets Released from Restrictions	81,669	(81,669)	-
	<u>245,538</u>	<u>368</u>	<u>245,906</u>
Total Support and Revenue			
Expenses			
Program Services	123,375	-	123,375
Supportive Services	30,170	-	30,170
Fundraising	2,308	-	2,308
	<u>155,853</u>	<u>-</u>	<u>155,853</u>
Total Expenses			
Change in Net Assets	<u>89,685</u>	<u>368</u>	<u>90,053</u>
Net Assets, Beginning of Year	7,127	96,000	103,127
Adjustments to Prior Year Net Assets	<u>2,500</u>	<u>(15,911)</u>	<u>(13,411)</u>
Adjusted Net Assets, Beginning of Year	<u>9,627</u>	<u>80,089</u>	<u>89,716</u>
Net Assets, End of Year	<u>\$ 99,312</u>	<u>\$ 80,457</u>	<u>\$ 179,769</u>

See accompanying notes to the financial statements

Chicago Dancemakers Forum
Statement of Functional Expenses
For the Year Ended December 31, 2016

	<u>Program Services</u>	<u>Support Services</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries and Wages	\$ 17,258	\$ 17,258	\$ -	\$ 34,516
Payroll Taxes	1,806	1,806	-	3,612
Workers Compensation	573	572	-	1,145
Lab Artist Program	69,467	-	-	69,467
Partnered Public Program	560	-	-	560
New Initiative & Special Project	9,070	-	-	9,070
Fundraising Expense	-	-	1,865	1,865
Licenses and Fees	-	289	-	289
Conferences and Meetings	366	-	-	366
Insurance	957	958	-	1,915
Marketing Cost	410	410	-	820
Miscellaneous	32	209	444	685
Office Expenses	709	1,001	-	1,710
Professional Fees	22,167	7,667	-	29,834
Total	\$ 123,375	\$ 30,170	\$ 2,308	\$ 155,853

See accompanying notes to the financial statements

Chicago Dancemakers Forum
Statement of Cash Flows
For the Year Ended December 31, 2016

Cash Flow from Operating Activities		
Increase in Net Assets		\$ 90,053
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
(Increase) Decrease in:		
Grants and Pledges Receivable	30,543	
Prepaid Expenses	(1,496)	
Other Current Assets	32	
Increase (Decrease) in:		
Accounts Payable	(40)	
Accrued Liabilities	<u>34,209</u>	
Total Adjustments		<u>63,248</u>
Net Change Provided by Operating Activities		<u>153,301</u>
Net Increase in Cash		153,301
Cash, Beginning of Year		27,736
Adjustments to Prior Year Net Assets		<u>(13,411)</u>
Cash, End of Year		<u><u>\$ 167,626</u></u>

See accompanying notes to the financial statements

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2016

Note 1 – Summary of Significant Account Policies

Organization

Chicago Dancemakers Forum (“the Organization”) is an Illinois not-for-profit corporation. The organization was incorporated on November 24, 2014. The Organization provides multi-layered support for choreographers by making cash grants, presenting public workshops and events, and offering professional development and residency opportunities.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting under accounting principles generally accepted in the United of States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Cash

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash.

Contributions and Grants

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Grants and other contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Fair Value Disclosures

The fair value of financial instruments including cash, grants and pledges receivable, prepaid expenses and other current assets, and accounts payable and accrued liabilities approximates the carrying values, principally because of the short maturity of those items.

Functional Allocation of Expense

Expenses which are common to program and support services are allocated on a basis determined by management.

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2016

Note 1 – Summary of Significant Account Policies

Financial Statement Presentation

Financial statement presentation follows the recommendation of Financial Accounting Standards Board (FASB) Accounting Standards codification (ASC) 958-210-45. Under ASC 958-210-45, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. For the year ended December 31, 2016 the Organization had \$99,312.00 of unrestricted net assets and \$80,457 of temporarily restricted net assets. There were no permanently restricted net assets at December 31, 2016.

Income Taxes

The Organization has been classified by the Internal Revenue Services as an organization exempt from income taxes (not a private foundation) under Internal Revenue Code Section 501(c)(3) and accordingly, no provision for such taxes is made in the statements. The organization continues to operate in compliance with its tax-exempt purpose. Management does not believe its financial statements included uncertain tax positions.

The Organization files U.S. federal and Illinois state informational tax returns. The federal and state informational tax returns of the Organization for tax year 2016 can be subject to examinations by tax authorities, generally for three years after they were filed. The Organization recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At December 31, 2016 there was no interest or penalties relating to income taxes recognized in the statement of activities.

Subsequent Events

Management has evaluated subsequent events through June 19, 2017, the date the financial statements were available to be issued.

Note 2 – Grants and Pledges Receivable

Grants and pledges receivable consist of grants and pledges receivable from organizations and individuals that management considers to be 100% collectible. They include various gifts which are expected to be collected over the next seven years.

Grants and pledges receivable are due as follows at December 31, 2016:

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2016

Due in one year	\$	46,250
Due in two to seven years		20,750
		67,000
Less Discount		1,543
	\$	65,457

The grants and pledges have been discounted using a rate of 1.35%.

Note 3 – Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2016 consist of \$65,457 of grants and pledges receivable for use in future periods and a \$15,000 gift received during 2016 for the Elevated event.

Note 4 – Chicago Community trust, Donor Advised Fund

The Chicago Community Trust (“CCT”) maintains the Chicago Dancemakers Fund (“the Fund”) which was established as a donor advised fund. Contributions made for the Fund are recognized as contributions to CCT. The Board of Directors of CCT determines distributions of net income and principal of the Fund to qualifying 501(c)(3) organizations. The Board of Directors of CCT shall from time to time consult with the advisory group, which is made up of the organization’s executive director as well as current and past board members, for recommendations regarding distributions. Grants from the Fund to the Organization are recorded as revenue at the time CCT notifies the Organization of the grant. Funds transferred from the Organization to the Fund are recorded as an expense. During 2016 grants from the fund to the Organization totaled \$20,000. There were no contributions from the Organization to the Fund during 2016. At December 31, 2016 the Fund had a balance of \$326,163.