

Chicago Dancemakers Forum

Financial Statements

Year ended December 31, 2017

WIPFLI^{LLP}
CPAs and Consultants

Chicago Dancemakers Forum

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Independent Auditor's Report

To the Board of Directors
Chicago Dancemakers Forum
Chicago, Illinois

We have audited the accompanying financial statements of Chicago Dancemakers Forum (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, functional expenses, 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.

Auditor's 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 auditor's judgment, including the assessment of the risks 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, 2017, 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.

Respectfully submitted,

Wipfli LLP

Wipfli LLP

Lincolnshire, Illinois
November 14, 2018

Chicago Dancemakers Forum

Statement of Financial Position

DECEMBER 31, 2017

Assets			
	Unrestricted	Temporarily Restricted	Total
Current Assets			
Cash	\$ 210,888	\$ 15,000	\$ 225,888
Grants and Pledges Receivable	20,100	71,000	91,100
Prepaid Expenses	3,248		3,248
Total Current Assets	<u>234,236</u>	<u>86,000</u>	<u>320,236</u>
Non Current Assets			
Grants and Pledges Receivable		10,089	10,089
Total Assets	<u>\$ 234,236</u>	<u>\$ 96,089</u>	<u>\$ 330,325</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	\$ 372		\$ 372
Grants Payable	55,000		55,000
Accrued Liabilities	547		547
Total Current Liabilities	<u>55,919</u>		<u>55,919</u>
Net Assets			
Unrestricted	178,317		178,317
Temporarily Restricted		96,089	96,089
Total Net Assets	<u>178,317</u>	<u>96,089</u>	<u>274,406</u>
Total Liabilities and Net Assets	<u>\$ 234,236</u>	<u>\$ 96,089</u>	<u>\$ 330,325</u>

See accompanying notes to the financial statements.

Chicago Dancemakers Forum
Statement of Activities and Change in Net Assets
For The Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Grants	\$ 144,100	\$ 30,000	\$ 174,100
Contributions	75,782	30,000	105,782
Assets Released from Restriction	44,368	(44,368)	
In-kind contributions	60,000		60,000
Special Events	55,224		55,224
Less: Direct Expense	(23,850)		(23,850)
Other	1,710		1,710
	<u>357,334</u>	<u>15,632</u>	<u>372,966</u>
Expenses			
Program Services	237,219		237,219
Management and General	16,246		16,246
Fundraising	24,864		24,864
	<u>278,329</u>	<u></u>	<u>278,329</u>
Change in Net Assets	79,005	15,632	94,637
Net Assets, Beginning of Year	<u>99,312</u>	<u>80,457</u>	<u>179,769</u>
Net Assets, End of Year	<u><u>\$ 178,317</u></u>	<u><u>\$ 96,089</u></u>	<u><u>\$ 274,406</u></u>

See accompanying notes to the financial statements.

Chicago Dancemakers Forum
Statement of Functional Expenses
For the Year Ended December 31, 2017

	Program Services					Management and General	Fundraising	Total Expenses
	Lab Artists	Elevate	Other	Total				
Salaries and Wages	\$ 16,828	6,472	2,589	\$ 25,889		6,472		\$ 32,361
Payroll Taxes			2,338	2,338		585		2,923
Workers Compensation			442	442		111		553
Artist Fees and honoraria	86,700	28,764	4,050	119,514				119,514
Space Rental		2,700		2,700				2,700
Residencies			1,340	1,340				1,340
Technical support		11,154		11,154				11,154
Food	2,611	7,482		10,093			2,372	12,465
In-Kind services provided by Executive Director	23,400	9,000	3,600	36,000	6,000	18,000		60,000
Conferences and Meetings	1,044		1,547	2,591				2,591
Travel	1,533	6,728		8,261				8,261
Insurance			1,489	1,489	300	433		2,222
Marketing Costs		1,585	658	2,243	133	192		2,568
Program supplies		848	107	955				955
Miscellaneous	81		41	122	345	645		1,112
Office Expenses			1,010	1,010	67			1,077
Professional Fees			11,078	11,078	2,233	3,222		16,533
Total	\$ 132,197	74,733	30,289	\$ 237,219	\$ 16,246	24,864		\$ 278,329

See accompanying notes to the financial statements.

Chicgao Dancemakers Forum

Statement of Cash Flows

Year Ended December 31, 2017

Cash Flows from Operating Activities

Increase in Net Assets		\$ 94,637
<u>Adjustments to Reconcile Increase in Net Assets</u>		
(Increase) Decrease in:		
Grants and Pledges Receivable	(35,732)	
Prepaid Expenses	(195)	
Increase (Decrease) in:		
Accounts Payable	(528)	
Accrued Liabilities	80	
		<hr/>
Total Adjustments		(36,375)
		<hr/>
Net Cash Provided by Operating Activities		58,262
		<hr/>
Net Increase in Cash		58,262
		<hr/>
Cash, Beginning of Year		167,626
		<hr/>
Cash, End of Year		<u><u>\$ 225,888</u></u>
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Income Taxes		<u><u>\$ -</u></u>
Cash Paid for Interest		<u><u>\$ -</u></u>
Cash consists of:		
Unrestricted Cash		\$ 210,888
Temporarily Restricted Cash		15,000
Total Cash		<u><u>\$ 225,888</u></u>

See accompanying notes to the financial statements.

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 1 – Summary of Significant Accounting Policies

Organization

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

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 States of America.

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 the financial statements and reported amounts of revenues 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. Cash includes unrestricted and temporarily restricted.

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 Expenses

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

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 1 – Summary of Significant Accounting Policies (Continued)

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, 2017 the Organization had \$178,317 of unrestricted net assets and \$96,089 of temporarily restricted net assets. There were no permanently restricted net assets at December 31, 2017.

Income Taxes

The Organization has been classified by the Internal Revenue Service 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 include 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 2017 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, 2017 there was no interest or penalties relating to income taxes recognized in the statement of activities.

Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (“Topic 606”). This ASU, as amended, provides comprehensive guidance on the recognition from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and disclosures. The new standard supersedes current revenue recognition requirements in FASB ASC Topic 605, Revenue Recognition, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. The Organization is currently evaluating the impact of the provisions of ASC 606,

On August 18, 2016, the FASB issued ASU 2016-14 (“Topic 958”): Presentation of Financial Statements of Not-for-Profit Entities (“Update”). The Update reduces the number of net asset classes from three to two, those with donor restrictions and those without, requires all nonprofit organizations to report expenses by nature and function and improves information presented in financial statements and notes that is useful in assessing a not-for-profit’s liquidity, financial performance, and cash flows. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Early application of the amendments in this Update is permitted. The Organization is currently in the process of determining the impact of the new standard, and has not elected to early implement the amendments.

Subsequent Events

Management has evaluated subsequent events through November 14, 2018, 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.

The maturity schedule of grants and pledges receivable is as follows:

	Due in 2018		\$ 91,100
	Due in 2019		10,089
	Total		<u>\$ 101,189</u>

Chicago Dancemakers Forum
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 3 – Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2017 consist of \$15,000 cash, and \$81,089 of grants and pledges receivable for use in future periods.

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 to 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. At December 31, 2017 the Fund had a balance of \$335,047, which includes \$10,000 payable to Chicago Dancemakers Forum and is included in grants and pledges receivable at December 31, 2017. There were no amounts transferred to the Fund in 2017.

Note 5- In-Kind Donations

In-kind services provided by the Executive Director valued at \$60,000 are recorded in the financial statements. The Executive Director also serves as a board member.