CHICAGO DANCEMAKERS FORUM

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023

CHICAGO DANCEMAKERS FORUM
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INDEPENDENT AUDITORS' REPORT

Board of Directors
CHICAGO DANCEMAKERS FORUM
Chicago, Illinois

Opinion

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, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CHICAGO DANCEMAKERS FORUM and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CHICAGO DANCEMAKERS FORUM's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 CHICAGO DANCEMAKERS FORUM's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CHICAGO DANCEMAKERS FORUM's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

WSDD CPAs, Ltd.

WSDD CPAs, Ltd.

Chicago, Illinois
August 29, 2024

CHICAGO DANCEMAKERS FORUM
Statement of Financial Position
December 31, 2023

ASSETS

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CURRENT ASSETS			
Cash	$ 97,249	$ 144,867	$ 242,116
Grants and contributions receivable	35,616	245,000	280,616
Investments, at fair value	103,441		103,441
Prepaid expenses	24,301		24,301
Total Current Assets	260,607	389,867	650,474
OFFICE FURNITURE AND EQUIPMENT			
Cost	1,499		1,499
Less: Accumulated depreciation	(833)		(833)
Net Office Furniture and Equipment	666		666
TOTAL ASSETS	$ 261,273	$ 389,867	$ 651,140

LIABILITIES AND NET ASSETS

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CURRENT LIABILITIES			
Accounts payable	$ 9,027	$	$ 9,027
Accrued liabilities	5,146		5,146
Deferred revenue	500		500
Total Current Liabilities	14,673		14,673
NET ASSETS	246,600	389,867	636,467
TOTAL LIABILITIES AND NET ASSETS	$ 261,273	$ 389,867	$ 651,140

CHICAGO DANCEMAKERS FORUM
Statement of Activities
For the Year Ended December 31, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Grants	$ 229,833	$ 232,917	$ 462,750
Contributions	13,740	1,450	15,190
Performance fees	11,675		11,675
Donated professional services and in-kind contributions	3,124		3,124
Net investment return	3,713		3,713
Other	551		551
Assets released from restriction	224,990	(224,990)	
Total Support and Revenue	487,626	9,377	497,003
EXPENSES			
Program services	290,839		290,839
Management and general	56,926		56,926
Fundraising	133,033		133,033
Total Expenses	480,798		480,798
CHANGE IN NET ASSETS	6,828	9,377	16,205
NET ASSETS - BEGINNING OF YEAR	239,772	380,490	620,262
NET ASSETS - END OF YEAR	$ 246,600	$ 389,867	$ 636,467

CHICAGO DANCEMAKERS FORUM
Statement of Functional Expenses
For the Year Ended December 31, 2023

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL EXPENSES
Salaries and wages	$ 97,704	$ 37,425	$ 64,121	199,250
Payroll taxes and benefits	17,698	6,779	11,615	36,092
Artist fees and honoraria	131,652	29	359	132,040
Donated studio space rental	3,124			3,124
Diversity, equity, accessibility, and inclusion	9,482			9,482
Conferences and meetings	2,097	7,783	4,120	14,000
Travel	220	32	55	307
Insurance	1,361	521	893	2,775
Marketing	6,292		1,448	7,740
Program supplies and other	3,176	111	190	3,477
Miscellaneous	1,128			1,128
Depreciation		500		500
Office expenses	3,626	958	2,123	6,707
Professional fees	6,288	111	43,522	49,921
Audit and accounting	6,991	2,677	4,587	14,255
TOTAL EXPENSES	$ 290,839	$ 56,926	$ 133,033	$ 480,798

CHICAGO DANCEMAKERS FORUM
Statement of Cash Flows
For the Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets		$ 16,205
Adjustments to reconcile change in net assets to net cash (used) by operating activities:		
Depreciation	500	
Realized and unrealized gains on investments	(2,627)	
Increase (decrease) in cash due to change in:		
Grants and contributions receivable	(29,833)	
Prepaid expenses	(22,827)	
Accounts payable	7,540	
Accrued liabilities	441	
Deferred revenue	500	
Total Adjustments		(46,306)
NET CASH (USED) BY OPERATING ACTIVITIES		(30,101)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchases) of investments - net		(37,445)
NET CHANGE IN CASH		(67,546)
CASH - BEGINNING OF YEAR		309,662
CASH - END OF YEAR		$ 242,116

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Chicago Dancemakers Forum ("the Organization") is an Illinois nonprofit 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 in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of the financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Grants and Contributions Receivable

Grants and contributions receivable represent amounts committed by a donor that have not been received by the Organization, or amounts due for services rendered and not yet collected. The Organization follows the practice of charging uncollectible grants and contributions receivable directly against current earnings. The Organization's allowance method is derived from a review of historical losses and adjusted for management's assessment of current conditions, forecasts of future events, and other factors deemed relevant risk factors. . Grants and contributions receivable consist of amounts due from organizations and individuals that management considers to be 100% collectible. As of December 31, 2023, management determined that no allowance for credit losses was necessary.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return (loss) is reported in the statement of activities and consists of interest income and realized and unrealized capital gains and losses.

Office Furniture and Equipment
Office furniture and equipment is recorded at cost. Office furniture and equipment purchased in excess of $1,000 per item is capitalized. Office furniture and equipment is depreciated over its estimated useful life of three to seven years using the straight-line method. Depreciation expense for the year ended December 31, 2023 amounted to $500.

Net Assets
Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net Assets without Donor Restrictions: Net assets without donor restrictions are for use at the discretion of management for general operating purposes.

- Net Assets with Donor Restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor imposed time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions 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, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy. The Organization has no net assets required to be maintained permanently.

Revenue and Revenue Recognition
Contributions, including grants, received or pledged, are recorded as unrestricted unless specifically restricted by the donor. All donor-restricted contributions are reported as an increase in net assets with donor restrictions, and are transferred to net assets without donor restrictions, as the restrictions are met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are received. Performance fee income is recorded as revenue after the performance has occurred.

Donated Services and In-Kind Contributions

For the year ended December 31, 2023, the Organization recorded donated studio space rental as in-kind contributions in the amount of $3,124. Studio space rental is recorded at fair value based on current market rental rates. There were no donor restrictions on donated professional services and in-kind contributions at December 31, 2023.

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and wages, payroll taxes and benefits, professional services, insurance and office expenses, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Thus, no provision for income taxes has been provided in the financial statements.

Accounting standards provide guidance for how certain tax positions should be recognized, measured and disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's information returns to determine whether the tax position are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit and asset or expense and liability in the current year. The Organization files information returns in the U.S. federal and state jurisdictions. The Organization is no longer subject to U.S. federal and state examinations by tax authorities for years before 2020. As of and for the year ended December 31, 2023, management has determined that there are no uncertain tax positions.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with grants and contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from organizations and individuals supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by us and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for its long-term welfare.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Adopted Authoritative Guidance
In 2023, the Organization adopted Accounting Standards Update (ASU) No. 2022-02, *Financial Instruments – Credit Losses*, which requires organizations to measure all expected credit losses for financial instruments held at the reporting date. The standard also increases the disclosure requirements around credit losses. Adoption of this standard did not have an impact on the financial statements.

NOTE 2 - CONCENTRATION OF CREDIT RISK
Concentration risk is managed by placing cash with financial institutions deemed to be creditworthy. At times, amounts on deposit may exceed insured limits. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation up to $250,000 per depositor. To date, no losses have been experienced in any of these accounts and the Organization believes they are not exposed to any significant credit risk on cash and cash equivalents.

NOTE 3 - INVESTMENTS

The historical cost and market value of investments, all of which are held at one financial institution, were as follows at December 31, 2023:

	December 31, 2023	
	Cost	Fair Value
Fixed income	$ 102,955	$ 103,441

Net investment return includes the following for the year ended December 31, 2023:

Interest	$ 1,086
Realized and unrealized gains	2,627
	$ 3,713

NOTE 4 - FAIR VALUE MEASUREMENTS AND DISCLOSURES

The Organization complies with the provisions of Accounting Standards Codification 820 ("ASC 820"), "Fair Value Measurements and Disclosures". Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The Organization's significant financial instruments are investments. The carrying values of these financial instruments recorded in the accompanying statement of financial position approximate fair value.

ASC 820 establishes a tri-level fair value hierarchy that describes the inputs that are used to measure the fair values of respective assets and liabilities as follows:

Level 1 Fair value is derived from accessible unadjusted quoted prices in active markets for identical assets or liabilities. Investments comprised of fixed income, which include U.S. Treasury and Federal National Mortgage Association notes, have been valued using level 1 inputs.

Level 2 Fair value is derived from observable inputs that include: quoted market prices for similar assets or liabilities in active markets or inactive markets; inputs other than quoted prices that are observable in the market and can be corroborated by observable market data for substantially the full term of the asset or liability's life. The Organization does not currently hold any Level 2 assets or liabilities, which are required to be disclosed in accordance with ASC 820.

Level 3 Fair value is derived from unobservable inputs, calculated by the use of pricing models and/or discounted cash flow methodologies and, may require significant management judgment or estimation. The Organization does not currently hold any Level 3 assets or liabilities, which are required to be disclosed in accordance with ASC 820.

The fair value inputs can vary between securities as they are affected by a wide variety of factors, including, the security type, market liquidity, etc. To the extent, valuation is based upon models or inputs that are less observable or unobservable, the determination of fair value requires more judgment.

The following table sets forth the Organization's investments measured at fair value on a recurring basis and the basis of measurement at December 31, 2023:

	Total	Level 1	Level 2	Level 3
Fixed income	$ 103,441	$ 103,441	$	$

NOTE 5 - LINE OF CREDIT

In June 2023, the Organization entered into a line of credit with a June 2025 year maturity. The maximum borrowing available under the line of credit is $50,000, with a fixed interest rate of 6.25% per annum. As of December 31, 2023, there were no borrowings under the line of credit.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

This category includes contributions received with donor imposed stipulations that can be fulfilled by the Organization pursuant to those stipulations or that expire by the passage of time. Net assets with donor restrictions at December 31, 2023 are available for the following purposes:

Production residencies	$ 60,000
Time restriction	
Support for general operations within one year	288,617
Support for general operations beyond one year	41,250
	$ 389,867

NOTE 7 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue Disaggregation

The Organization disaggregates revenue from contracts with customers into major revenue streams and the timing of recognizing revenue. Revenue from contracts with customers disaggregated by category for the year ended December 31, 2023 were as follows:

Revenue recognized at a point in time:	
Production fees	$ 11,675

Contract Balances

The timing of revenue recognition, billings and cash collections results in contract assets, receivables and contract liabilities. Contract assets would exist when the Organization has a contract with a customer for which revenue has been recognized but customer payment is contingent on a future event. Organization revenue is based on delivered goods and services and is generally limited to amounts that are not contingent on future events, therefore, not resulting in a contract asset being recorded.

There were no accounts receivable or contract assets related to revenue from contracts with customers at December 31, 2023 and 2022. Deferred revenue was $500 at December 31, 2023. There were no contract liabilities at December 31, 2022.

NOTE 7 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Significant Judgment
Significant judgment is required to be made by management to determine the appropriate approach to applying the revenue recognition criteria. Significant judgment is also required when determining whether revenue from contracts with customers was earned at a point in time or over time.

NOTE 8 - RELATED PARTY TRANSACTIONS

During the year ended December 31, 2023, the Organization purchased graphic design services totaling $1,400, from a company owned by a member of the Board of Directors.

NOTE 9 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Financial assets	
Cash	$ 242,116
Grants and contributions receivable	280,616
Investments, at fair value	103,441
Total Financial Assets Available Within One Year	626,173
Less: amounts unavailable for use within one year due to:	
Net assets with purpose restrictions	(60,000)
Support for general operations beyond one year	(41,250)
Total financial assets available to meet cash needs for general expenditures within one year	$ 524,923

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and obligations become due.

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 29, 2024, which is the date the financial statements were available to be issued.