

# **MASTERSVOICES, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018



**SOBEL & CO. LLC**

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

**MASTERVOICES, INC.**

JUNE 30, 2019 AND 2018

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
MasterVoices, Inc.  
New York, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of MasterVoices, Inc. ("Organization"), a nonprofit organization, which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Organization'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 Organization'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 MasterVoices, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

The Organization adopted Financial Accounting Standards Board, *Presentation of Financial Statements of Not-for-Profit Entities*, during the year ended June 30, 2019, as described in Note 2. Our opinion is not modified with respect to this matter.

*Sobel & Co, LLC*

Certified Public Accountants

Livingston, New Jersey  
November 4, 2019

**MASTERSVOICES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash	\$ 117,401	\$ 16,864
Promises to give, current	187,334	239,952
Prepaid expenses	14,365	6,900
Total Current Assets	<u>319,100</u>	<u>263,716</u>
PROPERTY AND EQUIPMENT, net	<u>16,550</u>	<u>17,912</u>
NONCURRENT ASSETS:		
Promises to give, net	24,529	93,701
Security deposits	7,445	10,845
Total Noncurrent Assets	<u>31,974</u>	<u>104,546</u>
Total Assets	<u>\$ 367,624</u>	<u>\$ 386,174</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 30,150	\$ 70,479
Accrued payroll and related liabilities	19,974	4,838
Deferred revenue	650	15,000
Total Current Liabilities	<u>50,774</u>	<u>90,317</u>
NET ASSETS:		
Without donor restrictions	123,321	87,156
With donor restrictions	193,529	208,701
Total Net Assets	<u>316,850</u>	<u>295,857</u>
Total Liabilities and Net Assets	<u>\$ 367,624</u>	<u>\$ 386,174</u>

**MASTERSVOICES, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

	Year Ended June 30, 2019			Year Ended June 30, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Contributions, net of discount	\$ 691,933	\$ 60,000	\$ 751,933	\$ 570,513	\$ 213,500	\$ 784,013
Government grant revenue	52,475	-	52,475	22,100	-	22,100
Concert ticket sales	481,925	-	481,925	272,270	-	272,270
Special events, net of expense	315,536	-	315,536	322,492	-	322,492
Contributed services	25,000	-	25,000	25,000	-	25,000
Concert fees	57,950	-	57,950	127,463	-	127,463
Membership dues	29,800	-	29,800	32,810	-	32,810
	<u>1,654,619</u>	<u>60,000</u>	<u>1,714,619</u>	<u>1,372,648</u>	<u>213,500</u>	<u>1,586,148</u>
Net assets released from restriction	75,172	(75,172)	-	129,784	(129,784)	-
Total Support and Revenue	<u>1,729,791</u>	<u>(15,172)</u>	<u>1,714,619</u>	<u>1,502,432</u>	<u>83,716</u>	<u>1,586,148</u>
<b>EXPENSES:</b>						
Program services	1,282,021	-	1,282,021	1,120,602	-	1,120,602
Supporting services:						
Management and general	198,906	-	198,906	183,567	-	183,567
Fundraising	212,699	-	212,699	218,968	-	218,968
Total supporting services	<u>411,605</u>	<u>-</u>	<u>411,605</u>	<u>402,535</u>	<u>-</u>	<u>402,535</u>
Total Expenses	<u>1,693,626</u>	<u>-</u>	<u>1,693,626</u>	<u>1,523,137</u>	<u>-</u>	<u>1,523,137</u>
CHANGES IN NET ASSETS	36,165	(15,172)	20,993	(20,705)	83,716	63,011
<b>NET ASSETS:</b>						
Beginning of year	<u>87,156</u>	<u>208,701</u>	<u>295,857</u>	<u>107,861</u>	<u>124,985</u>	<u>232,846</u>
End of year	<u>\$ 123,321</u>	<u>\$ 193,529</u>	<u>\$ 316,850</u>	<u>\$ 87,156</u>	<u>\$ 208,701</u>	<u>\$ 295,857</u>

**MASTEROICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2019**

	<b>Program Services</b>	<b>Support Services</b>		<b>Total Support Services</b>	<b>Total Program and Support</b>
		<b>Management and General</b>	<b>Fundraising</b>		
Salaries	\$ 235,150	\$ 113,839	\$ 108,596	\$ 222,435	\$ 457,585
Employee benefits	27,294	13,380	12,844	26,224	53,518
Payroll taxes	17,804	8,728	8,379	17,107	34,911
Total salaries and related expenses	280,248	135,947	129,819	265,766	546,014
Advertising	83,692	-	-	-	83,692
Bad debts	4,800	-	-	-	4,800
Concert hall	286,624	-	-	-	286,624
Consultant expense	37,500	-	44,122	44,122	81,622
Commissions	1,500	-	-	-	1,500
Credit card fees	22,356	-	-	-	22,356
Depreciation	2,725	1,336	1,282	2,618	5,343
Dancer fees	25,000	-	-	-	25,000
Donor cultivation	-	-	12,129	12,129	12,129
Dues and subscriptions	3,378	-	-	-	3,378
Education	20,845	-	-	-	20,845
Event expense	102,276	-	-	-	102,276
Insurance	12,784	-	-	-	12,784
Lighting and costumes	32,639	-	-	-	32,639
Marketing and promotion	25,625	-	-	-	25,625
Music	13,895	-	-	-	13,895
Occupancy	29,845	14,630	14,045	28,675	58,520
Office expense	27,295	8,493	11,302	19,795	47,090
Orchestra	124,295	-	-	-	124,295
Professional fees	-	38,500	-	38,500	38,500
Recording	1,500	-	-	-	1,500
Recruitment	979	-	-	-	979
Rehearsal expense	30,069	-	-	-	30,069
Scenery	23,665	-	-	-	23,665
Soloist expense	88,486	-	-	-	88,486
Total Functional Expenses	<u>\$ 1,282,021</u>	<u>\$ 198,906</u>	<u>\$ 212,699</u>	<u>\$ 411,605</u>	<u>\$ 1,693,626</u>

**MASTERVOICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2018**

	<b>Program Services</b>	<b>Support Services</b>		<b>Total Support Services</b>	<b>Total Program and Support</b>
		<b>Management and General</b>	<b>Fundraising</b>		
Salaries	\$ 241,842	\$ 101,375	\$ 104,045	\$ 205,420	\$ 447,262
Employee benefits	31,800	11,868	10,343	22,211	54,011
Payroll taxes	20,615	7,693	6,705	14,398	35,013
Total salaries and related expenses	294,257	120,936	121,093	242,029	536,286
Advertising	54,838	-	-	-	54,838
Bad debts	1,364	-	-	-	1,364
Concert hall	143,606	-	-	-	143,606
Consultant expense	24,487	-	53,556	53,556	78,043
Commissions	21,409	-	-	-	21,409
Credit card fees	15,920	-	-	-	15,920
Depreciation	3,656	1,364	1,189	2,553	6,209
Dancer fees	3,079	-	-	-	3,079
Donor cultivation	-	-	22,809	22,809	22,809
Dues and subscriptions	2,969	-	-	-	2,969
Education	32,925	-	-	-	32,925
Event expense	84,271	-	-	-	84,271
Insurance	5,486	-	-	-	5,486
Lighting and costumes	15,239	-	-	-	15,239
Marketing and promotion	31,249	-	-	-	31,249
Miscellaneous	456	-	-	-	456
Music	15,699	-	-	-	15,699
Occupancy	33,388	12,460	10,859	23,319	56,707
Office expense	29,093	10,857	9,462	20,319	49,412
Orchestra	170,657	-	-	-	170,657
Professional fees	-	37,950	-	37,950	37,950
Recording	1,637	-	-	-	1,637
Recruitment	521	-	-	-	521
Rehearsal expense	35,175	-	-	-	35,175
Scenery	8,218	-	-	-	8,218
Soloist expense	91,003	-	-	-	91,003
Total Functional Expenses	\$ 1,120,602	\$ 183,567	\$ 218,968	\$ 402,535	\$ 1,523,137



**MASTERSVOICES, INC.**  
**STATEMENTS OF CASH FLOWS**

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	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS PROVIDED BY (USED FOR):</b>		
<u>OPERATING ACTIVITIES:</u>		
Changes in net assets	\$ 20,993	\$ 63,011
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Bad debt expense	4,800	1,364
Depreciation	5,343	6,209
Discount on promise to give	(5,828)	1,784
Changes in certain assets and liabilities:		
Promises to give	122,818	(134,067)
Prepaid expenses	(7,465)	5,460
Security deposits	3,400	(5,775)
Accounts payable and accrued expenses	(40,329)	25,046
Accrued payroll and related liabilities	15,136	(932)
Deferred revenue	(14,350)	15,000
Net Cash Provided by (Used for) Operating Activities	<u>104,518</u>	<u>(22,900)</u>
<u>INVESTING ACTIVITIES:</u>		
Purchase of property and equipment	<u>(3,981)</u>	<u>(1,191)</u>
 NET INCREASE (DECREASE) IN CASH	 100,537	 (24,091)
 CASH:		
Beginning of year	<u>16,864</u>	<u>40,955</u>
End of year	<u>\$ 117,401</u>	<u>\$ 16,864</u>

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 1 - NATURE OF ORGANIZATION:**

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MasterVoices, Inc. (“Organization”) is a performing arts organization whose mission is to celebrate the power of the human voice to connect, inspire, and unite. With a world-renowned chorus of 130 adult voices and a solid repertoire of classical, opera, and musical theater work, the Organization’s annual programs include:

A season of professionally presented work that features the MasterVoices chorus alongside world-class orchestras, soloists, and collaborative artists from other disciplines (especially dance, design, theater). Performances are presented at a wide variety of venues ranging from Lincoln Center and Carnegie Hall to community bandshells and site-specific locales.

A year-round series of outreach programs, including free-ticket giveaways for seniors and students and two core programs: *Side-by-Side*, which offers gifted high school students from underserved communities the opportunity to mentor with chorus members and rehearse and perform with the chorus in New York and abroad; and *Bridges*, which commissions composers to work with specific communities in the New York metropolitan area in order to expand their opportunity to make music together, regardless of their abilities or backgrounds. The Organization also invites young soloists to perform at top venues as part of the *Father Geier Artist Initiative*.

Founded by legendary choral conductor Robert Shaw in 1941, the Organization has performed in prominent New York concert halls, including Carnegie Hall, City Center, and Geffen Hall, under the batons of many esteemed conductors, among them Serge Koussevitzky, Arturo Toscanini, Leonard Bernstein, James Levine, Lorin Maazel, Zubin Mehta, Riccardo Muti, and Alan Gilbert. The Organization has also attracted many world-class soloists, including, Bryn Terfel, Rene Pape, Stephanie Blythe, Deborah Voigt, Eric Owens, Thomas Hampson, Kelli O’Hara, Paulo Szot, and Victoria Clark. Because of its reputation of excellence, MasterVoices, Inc. has been hired to perform with many top orchestras over the years, including the NBC Symphony, the New York Philharmonic, and the Israel Philharmonic, and has been invited to appear abroad in Israel and at the Verbier and Salzburg festivals.

The Organization has been under the leadership of Tony Award-winning Artistic Director Ted Sperling since 2013. On August 3, 2015, the Organization formally changed its name from The Collegiate Chorale, Inc. to MasterVoices, Inc. The name change was done in conjunction with the Organization’s 75th Anniversary, and better represents the Organization: a performing arts organization that celebrates storytelling through the masterful voices of its chorus and world-class soloists, and the creative voices of composers, librettists, designers, and directors.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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***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.

***Presentation of Financial Statements of Not-for-Profit Entities:***

The Organization adopted the Financial Accounting Standards Board (“FASB”), *Presentation of Financial Statements of Not-for-Profit Entities*, during the year ended June 30, 2019. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity’s liquidity, financial performance, and cash flows. Main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; and recognition of underwater endowment funds as a reduction in net assets with donor restrictions. The guidance also enhances disclosures for Board-designated amounts, composition of net assets without donor restrictions, liquidity, and expenses by both their natural and functional classifications.

***Financial Statement Presentation:***

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

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time, and other net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of the assets to be maintained permanently permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities and changes in net assets as net assets released from restrictions. Contributions with restrictions that are met in the same reporting period as they are received are reported as unrestricted support.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***Promises to Give:***

Promises to give are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Promises to give are reported in the statements of financial position net of any necessary allowance for uncollectible promises to give and unamortized discounts related to multi-year pledges. The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experiences and management's analysis of the specific promise made. For the years ended June 30, 2019 and 2018, an allowance for uncollectible promises was not deemed necessary. At June 30, 2019 and 2018, promises to give, net of unamortized discounts, totaled \$211,863 and \$333,653, respectively. At June 30, 2019 and 2018, the Organization had no conditional promises to give.

***Property and Equipment:***

Property and equipment acquired are considered to be owned by the Organization and are recorded at cost. Depreciation is computed using the straight-line method over a 5-year life. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the change in net assets for the period. Expenditures for repairs and maintenance that do not extend the useful lives of the related assets are expensed as incurred.

***Deferred Revenue:***

Deferred revenue represents revenues collected but not earned.

***Contributions and Revenue Recognition:***

The Organization's revenue consists of contributions, event revenue, and ticket sales. Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Event and ticket revenues are recognized when the special event or performance occurs.

***Contributed Services and Materials:***

Amounts are recognized in the financial statements for voluntary donations of services when those services create or enhance nonfinancial assets or require specialized skills provided by individuals possessing those skills and which would typically be purchased if not provided by donation. For each of the years ended June 30, 2019 and 2018, contributed bookkeeping services totaled \$25,000. Additionally, the Organization regularly receives services from volunteers who are not acting in a professional capacity. The volunteer services provided do not meet the criteria for financial statement recognition and, accordingly, are not included in the financial statements.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***Contributed Services and Materials: (Continued)***

Donated property and goods are recorded as contributions at their estimated fair value on the date of donation. During the years ended June 30, 2019 and 2018, there were no donated property or goods.

***Advertising:***

Advertising costs are expensed in the year in which they are incurred. Advertising expense during the years ended June 30, 2019 and 2018, was approximately \$84,000 and \$55,000, respectively.

***Income Taxes:***

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not liable for federal and state income taxes.

The Organization follows standards that provide clarification on accounting for uncertainty in income taxes recognized in the Organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the years ended June 30, 2019 and 2018. At June 30, 2019 and 2018, there were no significant income tax uncertainties.

***Use of Estimates:***

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Recent Accounting Pronouncements:***

The FASB issued an accounting pronouncement, *Leases*, which requires lessees to recognize a right-of-use asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Under this new pronouncement, a modified retrospective transition approach is required, and the new standard is applied to all leases existing at the date of initial application. The pronouncement is effective for annual periods beginning after December 15, 2019. It will be effective for the Organization for the year ended June 30, 2021. The Organization is currently evaluating the effect the new pronouncement will have on its financial statements.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

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***Recent Accounting Pronouncements: (Continued)***

The FASB issued an accounting pronouncement, *Revenue from Contracts with Customers*, which is a comprehensive, new, revenue recognition standard. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The pronouncement is effective for annual periods beginning after December 15, 2018. It will be effective for the Organization for the year ended June 30, 2020. The Organization is currently evaluating the effect the new pronouncement will have on its financial statements.

***Reclassification:***

Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation.

***Subsequent Events:***

The Organization has evaluated events subsequent to the statement of financial position date as of June 30, 2019 through November 4, 2019, the date that the financial statements were available to be issued.

**NOTE 3 - PROMISES TO GIVE:**

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Unconditional promises to give are as follows:

	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
Gross promises to give	\$ 212,334	\$ 339,952
Less: Unamortized discount	(471)	(6,299)
Promises to Give, net	<u>\$ 211,863</u>	<u>\$ 333,653</u>
Amount due in:		
Less than one year	\$ 187,334	\$ 239,952
One to five years	25,000	100,000
Total Promises to Give	<u>\$ 212,334</u>	<u>\$ 339,952</u>

Promises to give have been discounted using the five-year treasury rate in the year the pledge was made. The applicable rates range from 1.63%-2.73%.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 4 - PROPERTY AND EQUIPMENT:**

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Property and equipment consist of the following:

	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
Office equipment	\$ 56,701	\$ 52,719
Website	23,101	23,102
Property and equipment	79,802	75,821
Less: Accumulated depreciation	(63,252)	(57,909)
Property and Equipment, net	<u>\$ 16,550</u>	<u>\$ 17,912</u>

**NOTE 5 - DEFERRED REVENUE:**

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At June 30, 2019, deferred revenue consisted of membership dues for the following fiscal year totaling \$650. At June 30, 2018, deferred revenue consisted of revenue related to performances occurring during the fiscal year ended June 30, 2019, totaling \$15,000.

**NOTE 6 - FUNCTIONAL EXPENSES:**

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The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits, payroll taxes, depreciation, occupancy, and office expenses, which are allocated based on studies of employee time and effort.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES:**

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The Organization leases office space under an operating lease that expires in October 2019. For the years ended June 30, 2019 and 2018, rent expense was \$58,520 and \$56,707, respectively, and is reported as occupancy expenses in the statements of functional expenses.

Future minimum rental lease payments for the year ending June 30, 2020, are \$14,820.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS:**

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Net assets with donor restrictions are available as follows:

	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
Time restrictions	\$ 173,529	\$ 188,701
Reserve fund	20,000	20,000
	<u>\$ 193,529</u>	<u>\$ 208,701</u>

Net assets released from time restrictions during the years ended June 30, 2019 and 2018, totaled \$75,172 and \$129,784, respectively.

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**NOTE 9 - CONCENTRATIONS OF RISK:**

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***Cash:***

The Organization maintains its cash in an account with a federally insured institution. At times, the balance of this account may be in excess of federally insured limits.

***Promises to Give:***

The Organization had two donors that represent 51% of total promises to give as of June 30, 2019. The Organization had four donors that represent 70% of total promises to give as of June 30, 2018.

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**NOTE 10 - LIQUIDITY AND AVAILABILITY:**

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The following represents the Organization's financial assets at June 30, 2019, reduced by amounts not available for general use within one year of the most recent statement of financial position date because of contractual or donor-imposed restrictions or internal designations that will not be met within one year.

Financial assets:	
Cash	\$ 117,401
Promises to give, current	187,334
Prepaid expenses	14,365
Total Financial Assets	<u>\$ 319,100</u>



**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019 AND 2018**

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**NOTE 10 - LIQUIDITY AND AVAILABILITY: (Continued)**

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Total Financial Assets	\$ 319,100
Less Amounts Not Available to be Used Within One Year:	
Net assets with donor restrictions	(193,529)
Add: net assets with time restrictions to be met within one year	<u>129,529</u>
	<u>(64,000)</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 255,100</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.