

**MASTEROICES, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2023 AND 2022**



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**MASTERVOICES, INC.  
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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of MasterVoices, Inc. (Organization), a New York nonprofit corporation, which comprise the statement of financial position as of June 30, 2023, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 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 Auditors' Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of the Organization 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.

#### **Other Matter**

The financial statements of MasterVoices, Inc., as of June 30, 2022 were audited by Sobel & Co., LLC, whose shareholders and professional staff joined CliftonLarsonAllen LLP as of February 1, 2023, and has subsequently ceased operations. Sobel & Co., LLC's report dated November 14, 2022, expressed an unmodified opinion on those statements.

#### ***Responsibilities of Management 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, 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' 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 auditor's 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 the Organization'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 the Organization'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.



**CliftonLarsonAllen LLP**

Livingston, New Jersey  
November 14, 2023

**MASTERVOICES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 333,830	\$ 477,018
Promises to Give and Grants Receivable, Net of Allowance	173,700	151,340
Prepaid Expenses	140,470	118,837
Total Current Assets	648,000	747,195
<b>PROPERTY AND EQUIPMENT, NET</b>	4,495	5,775
<b>NONCURRENT ASSETS</b>		
Promises to Give, Net of Discount	13,318	19,455
Security Deposits	6,917	6,917
Total Noncurrent Assets	20,235	26,372
Total Assets	\$ 672,730	\$ 779,342
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 68,668	\$ 103,970
Accrued Payroll and Related Liabilities	-	10,710
Deferred Revenue	156,497	168,961
Total Current Liabilities	225,165	283,641
<b>NET ASSETS</b>		
Without Donor Restrictions	400,247	375,096
With Donor Restrictions	47,318	120,605
Total Net Assets	447,565	495,701
Total Liabilities and Net Assets	\$ 672,730	\$ 779,342

See accompanying Notes to Financial Statements.

**MASTEROICES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
Contributions, Net of Discount	\$ 768,176	\$ 27,863	\$ 796,039
Government Grants	167,199	-	167,199
Concert Ticket Sales	200,232	-	200,232
Concert Fees	89,500	-	89,500
Membership Dues and Other Income	11,307	-	11,307
Subtotal	1,236,414	27,863	1,264,277
Special Events	516,140	-	516,140
Less: Cost of Direct Benefit to Donors	(203,921)	-	(203,921)
Total Special Events, Net	312,219	-	312,219
Subtotal	1,548,633	27,863	1,576,496
Net Assets Released from Restriction	101,150	(101,150)	-
Total Support and Revenue	1,649,783	(73,287)	1,576,496
<b>EXPENSES</b>			
Program Services	1,130,973	-	1,130,973
Supporting Services:			
Management and General	245,625	-	245,625
Fundraising	248,034	-	248,034
Total Supporting Services	493,659	-	493,659
Total Expenses	1,624,632	-	1,624,632
<b>CHANGES IN NET ASSETS</b>			
	25,151	(73,287)	(48,136)
Net Assets - Beginning of Year	375,096	120,605	495,701
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 400,247</b>	<b>\$ 47,318</b>	<b>\$ 447,565</b>

See accompanying Notes to Financial Statements.

**MASTERVOICES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Contributions, Net of Discount	\$ 666,161	\$ 75,669	\$ 741,830
Government Grants	428,672	-	428,672
Concert Ticket Sales	300,794	-	300,794
Concert Fees	15,000	-	15,000
Membership Dues and Other Income	13,699	-	13,699
Subtotal	<u>1,424,326</u>	<u>75,669</u>	<u>1,499,995</u>
Special Events	351,294	-	351,294
Less: Cost of Direct Benefit to Donors	<u>(88,430)</u>	<u>-</u>	<u>(88,430)</u>
Total Special Events, Net	<u>262,864</u>	<u>-</u>	<u>262,864</u>
Subtotal	1,687,190	75,669	1,762,859
Net Assets Released from Restriction	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>
Total Support and Revenue	1,737,190	25,669	1,762,859
<b>EXPENSES</b>			
Program Services	1,144,750	-	1,144,750
Supporting Services:			
Management and General	285,567	-	285,567
Fundraising	<u>255,972</u>	<u>-</u>	<u>255,972</u>
Total Supporting Services	<u>541,539</u>	<u>-</u>	<u>541,539</u>
Total Expenses	<u>1,686,289</u>	<u>-</u>	<u>1,686,289</u>
<b>CHANGES IN NET ASSETS</b>	50,901	25,669	76,570
Net Assets - Beginning of Year	<u>324,195</u>	<u>94,936</u>	<u>419,131</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 375,096</u></u>	<u><u>\$ 120,605</u></u>	<u><u>\$ 495,701</u></u>

See accompanying Notes to Financial Statements.

**MASTEROICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**

	Support Services			Total Support Services	Total Program and Support Services
	Program Services	Management and General	Fundraising		
Salaries	\$ 289,762	\$ 140,646	\$ 120,001	\$ 260,647	\$ 550,409
Employee Benefits	45,884	22,272	19,002	41,274	87,158
Payroll Taxes	21,491	10,431	8,900	19,331	40,822
Total Salaries and Related Expenses	357,137	173,349	147,903	321,252	678,389
Commissions	2,500	-	-	-	2,500
Concert Advertising	51,451	-	-	-	51,451
Concert Hall	34,215	-	-	-	34,215
Concert Hall Labor	106,377	-	-	-	106,377
Consultant Expense	47,500	-	30,587	30,587	78,087
Concert Expenses	70,853	-	-	-	70,853
Credit card fees	6,391	-	13,181	13,181	19,572
Depreciation	1,068	519	443	962	2,030
Dancer Fees	13,300	-	-	-	13,300
Donor Cultivation	-	-	26,108	26,108	26,108
Dues and Subscriptions	2,330	-	-	-	2,330
Education	12,710	-	-	-	12,710
Indirect Costs of Special Events	-	-	11,246	11,246	11,246
Insurance	11,194	-	-	-	11,194
Lighting and Costumes	45,649	-	-	-	45,649
Marketing and Promotion	14,150	-	-	-	14,150
Occupancy	23,807	11,556	9,860	21,416	45,223
Office Expense	20,078	9,746	8,315	18,061	38,139
Orchestra	139,586	-	-	-	139,586
Professional Fees	-	49,996	-	49,996	49,996
Recruitment	945	459	391	850	1,795
Rehearsal Expense	35,337	-	-	-	35,337
Soloist Expense	129,145	-	-	-	129,145
Video Production	5,250	-	-	-	5,250
Total Functional Expenses	<u>\$ 1,130,973</u>	<u>\$ 245,625</u>	<u>\$ 248,034</u>	<u>\$ 493,659</u>	<u>\$ 1,624,632</u>

See accompanying Notes to Financial Statements.



**MASTERVOICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2022**

	Support Services			Total Support Services	Total Program and Support Services
	Program Services	Management and General	Fundraising		
Salaries	\$ 235,196	\$ 157,616	\$ 111,704	\$ 269,320	\$ 504,516
Employee Benefits	48,206	28,784	20,427	49,211	97,417
Payroll Taxes	17,641	11,636	8,257	19,893	37,534
Total Salaries and Related Expenses	301,043	198,036	140,388	338,424	639,467
Concert Advertising	73,750	-	-	-	73,750
Concert Hall	40,240	-	-	-	40,240
Concert Hall Labor	121,225	-	-	-	121,225
Consultant Expense	55,000	10,000	38,797	48,797	103,797
Commissions	13,000	-	-	-	13,000
Concert Expenses	92,416	-	-	-	92,416
Credit Card Fees	8,485	-	7,567	7,567	16,052
Depreciation	2,456	1,620	1,150	2,770	5,226
Dancer Fees	17,000	-	-	-	17,000
Donor Cultivation	-	-	38,052	38,052	38,052
Dues and Subscriptions	1,225	-	-	-	1,225
Education	46,157	-	-	-	46,157
Indirect Costs of Special Events	-	-	7,139	7,139	7,139
Insurance	6,369	-	-	-	6,369
Lighting and Costumes	20,313	-	-	-	20,313
Marketing and Promotion	34,564	-	-	-	34,564
Occupancy	24,191	15,956	11,324	27,280	51,471
Office Expense	23,716	16,282	11,555	27,837	51,553
Orchestra	117,360	-	-	-	117,360
Professional Fees	-	42,673	-	42,673	42,673
Recruitment	-	1,000	-	1,000	1,000
Rehearsal Expense	30,740	-	-	-	30,740
Soloist Expense	107,500	-	-	-	107,500
Video Production	8,000	-	-	-	8,000
Total Functional Expenses	\$ 1,144,750	\$ 285,567	\$ 255,972	\$ 541,539	\$ 1,686,289

See accompanying Notes to Financial Statements.

**MASTEROICES, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	\$ (48,136)	\$ 76,570
Adjustments to Reconcile Changes in Net Assets to Net Cash (Used) Provided by Operating Activities:		
Depreciation	2,030	5,226
Discount on Promise to Give	137	481
Changes in Certain Assets and Liabilities:		
Promises to Give and Grants Receivable	(16,360)	30,030
Prepaid Expenses	(21,633)	(111,438)
Security Deposits	-	528
Accounts Payable and Accrued Expenses	(35,302)	66,416
Accrued Payroll and Related Liabilities	(10,710)	(29,520)
Deferred Revenue	(12,464)	168,961
Refundable Advances	-	(94,100)
Net Cash Provided (Used) by Operating Activities	(142,438)	113,154
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(750)	(1,222)
<b>NET (DECREASE) INCREASE IN CASH</b>	(143,188)	111,932
Cash - Beginning of Year	477,018	365,086
<b>CASH - END OF YEAR</b>	\$ 333,830	\$ 477,018

See accompanying Notes to Financial Statements.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 NATURE OF ORGANIZATION**

The mission of MasterVoices, Inc. (Organization) is to spark greater human connection through singing, with performances that reflect the world around us and reimagine what the choral experience can be. Founded by Robert Shaw in 1941 as The Collegiate Chorale, the Organization has a proud history of making music that makes a difference. As one of the nation's first integrated choirs, its early decades included performances at the opening of the United Nations and recordings under the batons of Leonard Bernstein and Arturo Toscanini. In more recent decades the Chorus has been invited to perform at the Verbier and Salzburg festivals, and hired to perform with the New York Philharmonic, American Lyric Theater, and the Israel Philharmonic, among many others. In 2015, the Organization changed its name to MasterVoices, Inc., which better reflects its more contemporary and inclusive vision.

MasterVoices' unique concerts bring together professional soloists, designers, and directors – from the worlds of theater, opera, fine art, and fashion – with its historic volunteer chorus of 100+ diverse everyday New Yorkers from all walks of life. The Organization's flagship outreach and mentorship program, Side By Side, further enriches the Chorus with dozens of students who come from lower-income high schools across New York City to rehearse and perform onstage with A-list soloists in venues like Carnegie Hall and City Center. For many, it is a life-changing experience.

Under the artistic direction of Tony Award-winning conductor Ted Sperling since 2013, audiences have expanded and diversified. A typical season features new takes on traditional repertoire, forgotten gems from opera and musical theater, and new choral commissions. Since 2018 over 50% of the Organization's soloists and collaborators have been artists of color and it has presented inclusively themed concerts at venues ranging from the Great Hall at Cooper Union to free outdoor concerts at River to River and Waterline Square Park. During the pandemic, Mr. Sperling conceived and led the Organization in *Myths and Hymns*, a 4-part digital concert featuring over 250 artists from opera, theater, film, illustration, and gaming, which garnered national Drama League and NY Emmy nominations and has attracted over 90,000 views.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**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.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 support without donor restrictions.

**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 five-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.

**Contributions and Promises to Give**

Contributions are recognized as revenue when they are received or unconditionally pledged. Conditional contributions and grants are not recognized until conditions are substantially met or explicitly waived by the donor or grantor. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the monies from the promises are to be received. The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on management's analysis of the specific promise made. As of June 30, 2023 and 2022, there was no allowance for uncollectible promises. As of June 30, 2023 and 2022, the Organization had no conditional promises to give.

All contributions are available for use unless specifically restricted by the donor.

**Government Grants**

The Organization's policy is to record the proceeds from government grants as conditional grants through refundable advances. Once the conditions of release have been substantially met or explicitly waived, the Organization will recognize the grant revenue.

**MASTERVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concert Revenue**

The Organization derives revenue from concert tickets sales and contracted performances. Revenues are recognized when the Organization's performance obligations are satisfied in an amount that reflects the consideration the Organization expects to be entitled to in exchange for the services.

Performance obligations are satisfied, and revenues are recognized at a point in time on the date of the concert or performance. Payments from ticket sales or contracted performances are recorded as deferred revenue until the Organization's performance obligations are satisfied. There was no deferred revenue related to concerts as of June 30, 2023 and 2022. At June 30, 2023 and 2022, deferred revenue totaling \$157,689 and \$168,961, respectively, consisted of payments received from patrons for patron tours to taking place during the following fiscal year. Deferred revenue related to patron tours at July 1, 2022 was \$168,961. There was no deferred revenue at July 1, 2021.

There are no significant financing components or variable consideration.

**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. There were no contributed services for the years ended June 30, 2023 and 2022.

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.

Donated property and goods are recorded as contributions at their estimated fair value on the date of donation. During the years ended June 30, 2023 and 2022, there was 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, 2023 and 2022, was approximately \$51,000 and \$74,000, respectively.

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) 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, 2023 and 2022. At June 30, 2023 and 2022, 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.

**Adoption of New Accounting Standards**

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases* (ASC 842). The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The Company adopted the requirements of the guidance effective July 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022, are made under prior lease guidance in FASB ASC 840. The Company has elected to adopt the package of practical expedients available in the year of adoption. The Company has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Company's ROU assets. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred. The Organization did not have any long-term lease agreements as of June 30, 2023.

Subsequent to June 30, 2023, the Organization signed a two-year lease for office space expiring in September 2025. Monthly lease payments due under the agreement are \$3,950.

**MASTEROICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reclassifications**

Certain amounts in the 2022 financial statements have been reclassified to conform to the 2023 financial statement presentation.

**Subsequent Events**

The Organization has evaluated events subsequent to the statement of financial position date as of June 30, 2023, through November 14, 2023, the date that the financial statements were available to be issued. No material events during this period requiring adjustment to or disclosure in the financial statements were identified.

**NOTE 3 PROMISES TO GIVE AND GRANTS RECEIVABLE**

Promises to give and grants receivable are as follows:

	<u>2023</u>	<u>2022</u>
Gross Promises to Give and Grants Receivable	\$ 187,700	\$ 171,340
Less: Unamortized Discount	(682)	(545)
Promises to Give and Grants Receivable, Net	<u>\$ 187,018</u>	<u>\$ 170,795</u>
Amount Due in:		
Less than One Year	\$ 173,700	\$ 151,340
One to Five Years	14,000	20,000
Total Promises to Give and Grants Receivable	<u>\$ 187,700</u>	<u>\$ 171,340</u>

Promises to give have been discounted using treasury yield curve rates in the year the pledge was made. The discount rate used was 4.87%.

**NOTE 4 PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

	<u>2023</u>	<u>2022</u>
Office Equipment	\$ 28,733	\$ 27,983
Website	23,101	23,101
Property and Equipment	51,834	51,084
Less: Accumulated Depreciation	(47,339)	(45,309)
Property and Equipment, Net	<u>\$ 4,495</u>	<u>\$ 5,775</u>

**MASTERSVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 5 FUNCTIONAL EXPENSES**

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 6 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available as follows:

	<u>2023</u>	<u>2022</u>
Time Restrictions	<u>\$ 47,318</u>	<u>\$ 120,605</u>

Net assets were released from donor restrictions as follows:

	<u>2023</u>	<u>2022</u>
Time Restrictions	<u>\$ 101,150</u>	<u>\$ 50,000</u>

**NOTE 7 CONCENTRATIONS OF RISK**

**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 and Grants Receivable**

The Organization had two donors that represent 59% of total promises to give and grants receivable as of June 30, 2023. The Organization had four donors that represented 84% of total promises to give and grants receivable as of June 30, 2022.



**MASTERVOICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 8 LIQUIDITY AND AVAILABILITY**

The following represents the Organization's financial assets 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.

	<u>2023</u>	<u>2022</u>
Financial Assets:		
Cash	\$ 333,830	\$ 477,018
Promises to Give and Grants Receivable	<u>187,018</u>	<u>170,795</u>
Total Financial Assets	520,848	647,813
Less Amounts Not Available to be Used Within One Year:		
Net Assets with Donor Restrictions	(47,318)	(120,605)
Add: Net Assets with Time Restrictions to be Met Within One Year	<u>34,000</u>	<u>101,150</u>
Subtotal	<u>(13,318)</u>	<u>(19,455)</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 507,530</u>	<u>\$ 628,358</u>

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