

**ARTS IN SCHOOLS COLLABORATIVE
T/A DANCING CLASSROOMS PHILLY**

FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

**ARTS IN SCHOOLS COLLABORATIVE
T/A DANCING CLASSROOMS PHILLY
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JUNE 30, 2022 AND 2021**

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1400 N. Providence Rd., Rosetree Building 2, Suite 2000E, Media, PA 19063
Phone: 610.544.5900 | Fax: 610.544.7455 | www.brinkersimpson.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Arts in Schools Collaborative T/A Dancing Classrooms Philly
Philadelphia, Pennsylvania

We have reviewed the accompanying financial statements of Arts in Schools Collaborative T/A Dancing Classrooms Philly (a nonprofit corporation and component of Musicopia, Inc. and Arts in Schools Collaborative T/A Dancing Classrooms Philly consolidated entity), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Arts in Schools Collaborative T/A Dancing Classrooms Philly and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We previously reviewed Arts in Schools Collaborative T/A Dancing Classrooms Philly's June 30, 2021 financial statements and in our conclusion dated December 14, 2021, stated that based on our review we were not aware of any material modifications that should be made to the June 30, 2021 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2021, for it to be consistent with the reviewed financial statements from which it has been derived.

Emphasis of Matter

The financial statements referred to above include only the financial data of Arts in Schools Collaborative T/A Dancing Classrooms Philly, which is part of a consolidated entity with Musicopia, Inc. The financial data of Musicopia, Inc. is not included in these financial statements.



Brinker Simpson & Company, LLC
Media, Pennsylvania
February 21, 2023

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets		
Cash	\$ 155,006	\$ 206,891
Accounts receivable	81,746	17,715
Refundable Employee Retention Credit	6,945	-
Prepaid expenses	300	514
Total Current Assets	243,997	225,120
 Total Assets	\$ 243,997	\$ 225,120
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,465	\$ 1,131
Due to affiliate	26,632	-
Deferred revenue	2,125	8,455
Paycheck Protection Program loan	-	51,652
Total Current Liabilities	30,222	61,238
Net Assets		
Without donor restrictions:		
Undesignated - available for general activities	74,934	74,665
Board designated - capital reserve	21,384	-
Total Without Donor Restrictions	96,318	74,665
With donor restrictions	117,457	89,217
Total Net Assets	213,775	163,882
 Total Liabilities and Net Assets	\$ 243,997	\$ 225,120

See accompanying notes and independent accountant's review report.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2022 WITH SUMMARIZED INFORMATION FOR YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Support				
Contributions	\$ 18,964	\$ -	\$ 18,964	\$ 23,273
Grants	22,640	166,896	189,536	137,311
In-kind donations	52,546	-	52,546	-
Special events	8,008	-	8,008	3,899
Forgiveness of Paycheck Protection Program loan	51,652	-	51,652	-
Net assets released from restrictions	138,656	(138,656)	-	-
Total Support	<u>292,466</u>	<u>28,240</u>	<u>320,706</u>	<u>164,483</u>
Revenue				
School programs	182,646	-	182,646	44,228
Interest income	5	-	5	32
Total Revenue	<u>182,651</u>	<u>-</u>	<u>182,651</u>	<u>44,260</u>
Total Support and Revenue	<u>475,117</u>	<u>28,240</u>	<u>503,357</u>	<u>208,743</u>
Expenses				
Program services	352,049	-	352,049	136,305
Management and general	76,908	-	76,908	52,957
Fundraising	31,452	-	31,452	28,581
Total Expenses	<u>460,409</u>	<u>-</u>	<u>460,409</u>	<u>217,843</u>
Increase in Net Assets from Support and Revenue	<u>14,708</u>	<u>28,240</u>	<u>42,948</u>	<u>(9,100)</u>
Other Revenue				
Claim on Employee Retention Credit	6,945	-	6,945	-
Changes in Net Assets	<u>21,653</u>	<u>28,240</u>	<u>49,893</u>	<u>(9,100)</u>
Net Assets, Beginning of Year	<u>74,665</u>	<u>89,217</u>	<u>163,882</u>	<u>172,982</u>
Net Assets, End of Year	<u>\$ 96,318</u>	<u>\$ 117,457</u>	<u>\$ 213,775</u>	<u>\$ 163,882</u>

See accompanying notes and independent accountant's review report.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022 WITH SUMMARIZED INFORMATION FOR YEAR ENDED JUNE 30, 2021

	2022			2021	
	Program Services	Management and General	Fundraising	Total	Total
Salaries					
Staff salaries	\$ 46,687	\$ -	\$ -	\$ 46,687	\$ 28,673
Employee benefits	1,312	-	-	1,312	-
Payroll taxes	4,885	-	-	4,885	8,064
Total Personnel	52,884	-	-	52,884	36,737
Teaching artists	155,152	-	-	155,152	52,732
Management fee	69,811	58,253	24,936	153,000	100,000
Professional fees	53,386	6,600	-	59,986	6,300
Competition	1,935	-	-	1,935	-
Training fees and expenses	3,137	-	-	3,137	-
Licensing and fees	5,585	2,107	-	7,692	3,795
Insurance	-	5,442	-	5,442	4,986
Rent	3,600	-	-	3,600	3,600
Supplies	400	314	80	794	2,663
Conferences, meetings and memberships	1,043	434	295	1,772	360
Communications	1,571	1,069	1,546	4,186	4,168
Postage and delivery	-	186	375	561	290
Printing	1,581	-	674	2,255	1,834
Bank charges	-	170	-	170	378
Fundraising expenses	1,964	2,333	3,546	7,843	-
Total Functional Expenses	\$ 352,049	\$ 76,908	\$ 31,452	\$ 460,409	\$ 217,843

See accompanying notes and independent accountant's review report.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Cash Flows from Operating Activities		
Changes in net assets	\$ 49,893	\$ (9,100)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Paycheck Protection Program loan forgiveness	(51,652)	-
Changes in:		
Accounts receivable	(64,031)	48,780
Refundable Employee Retention Credit	(6,945)	-
Prepaid expenses	214	(514)
Due to affiliate	26,632	-
Deferred revenue	(6,330)	625
Accounts payable and accrued expenses	334	(9,030)
	(51,885)	30,761
Cash Flows from Financing Activities		
Proceeds from Paycheck Protection Program loan	-	51,652
	(51,885)	82,413
Net Change in Cash		
	(51,885)	82,413
Cash, Beginning of Year	206,891	124,478
	206,891	124,478
Cash, Ending of Year	\$ 155,006	\$ 206,891

See accompanying notes and independent accountant's review report.

**ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 1: NATURE OF OPERATIONS

Arts in School Collaborative T/A Dancing Classrooms Philly (the “Organization”) was incorporated under the laws of Pennsylvania in 2007. The Dancing Classrooms Philly’s (DCP) mission is to foster self-esteem, social awareness, mutual respect, teamwork, and joy in young people and their communities through social dance education and performance.

Since its founding in 2007, DCP has served more than 41,000 fifth and eighth grade students in public, charter and parochial schools, focusing on students in the most impoverished and distressed neighborhoods in the region, including those in North, Southwest, and West Philadelphia, Chester, and Darby. Over 70% of DCP students are identified as low income. In the 2021-2022 academic year, DCP served over 5,400 students in 62 schools.

DCP’s flagship program follows the standards-based curriculum of the Dancing Classrooms Global program established in 1994 in New York City by four-time Show Dance World Champion Pierre Dulaine and the American Ballroom Theater Company, as seen in the award-winning documentary *Mad Hot Ballroom*. The primary DCP initiative is in-school residencies with professional artists who teach ballroom dances (rumba, swing, tango, waltz, and merengue), and non-competitive dances (heel-toe polka, the stomp, and the electric slide). Lessons take place during the school day in 45-minute sessions twice weekly for ten weeks. An entire fifth or eighth grade student body, and their classroom teachers, participate. Curriculum assignments occur throughout each residency, which connect the ballroom dance experience to the students’ personal and academic lives. Each residency concludes in a culminating public event where all students demonstrate the dances they learned.

During the 2021-2022 school year, DCP expanded its offerings to include Latin, K-Pop, and Salsa residencies, workshops, and assemblies for students in grades 3 and up. DCP also expanded into the afterschool, summer, and community group spaces. These new programs are based in the Dulaine Method principles and allow social and emotional learning through diverse forms of social dance.

DCP began offering teacher workshops which provide classrooms, teachers, and school administrators with a variety of techniques and tools to implement in their classrooms that support mindfulness, create a safe space, use humor and joy, and instill respect and compassion. Workshops are available in-person or virtually and are a useful and fun professional development and social/emotional learning opportunity.

The DCP Academy offers students who have experienced a Dancing Classrooms in-school residency the opportunity to advance their ballroom dance training on Saturday mornings with professional teaching artists. Classes are held in fall and spring sessions. The DCP Allstars, an exhibition dance troupe consisting of some of the most passionate dancers from the DCP Academy, perform at various events throughout the region.

**ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Organization is presented to assist in understanding its financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP). The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity.

Consolidation

Effective July 2012, the Organization entered into an affiliation agreement with Musicopia, Inc. As part of this agreement, the Organization pays an annual management fee to Musicopia for management services rendered. The Organization retains its own 501(c)(3) status. On June 2, 2014, the Board of Directors of Dancing Classrooms Philly and its affiliated organization, Musicopia, Inc. approved amendments to the organizations' bylaws establishing a common set of bylaws and a common Board of Directors, effective July 1, 2014.

These financial statements do not include the financial position or results of operations of Musicopia, Inc., which is a separate 501(c)(3) entity that offers various music programs for Philadelphia region schoolchildren.

Basis of Accounting

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under this basis, revenues are recognized when earned and expenses when incurred.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with US GAAP, which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities and Changes in Net Assets.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of 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.

Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting policies generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Accounts Receivable

The Organization's accounts receivable are recorded at net realizable value. The Organization's management concluded that, based on its review of its receivables, a valuation allowance was not needed. Management writes off balances that remain after exhausting all reasonable collection efforts and concludes that additional collection efforts are not justified. Receivables are considered past due after 90 days. There was no bad debt expense for the year ended June 30, 2022.

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 classified by the Internal Revenue Service as other than a private foundation. Accordingly, the Organization is exempt from federal and state income taxes. Generally, the Organization's federal tax return remains subject to examination by taxing authorities for the last three years.

Program Services

Expenses are allocated to program services based on direct charges for those items specifically identified with the respective programs. Other charges are allocated in proportion to direct expenses or another appropriate basis.

Allocation of Functional Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets and the Statements of Functional Expenses. Accordingly, certain costs have been allocated among program services and supporting services benefited. Salaries and management fee are allocated based on estimates of time and effort. All other expenses related to more than one function are allocated based on estimates of time and costs.

**ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions, otherwise, the contributions are recorded as net assets without donor restrictions.

Exchange Revenues

In accordance with ASC 606, revenue is recognized upon the transfer of control of promised products and/or services to customers in an amount that reflects the consideration the Organization expects to receive in exchange for those products and services. Revenue is recognized net of any taxes collected from customers and subsequently remitted to government authorities.

The Organization may execute more than one contract or agreement with a single customer. The separate contracts or agreements may be viewed as one combined arrangement or separate arrangements for revenue recognition purposes. To reach appropriate conclusions regarding whether such arrangements should be combined, the Organization evaluates whether the agreements were negotiated as a package with a single commercial objective, whether the amount of consideration to be paid in one agreement depends on the price and/or performance of another agreement, or whether the goods or services promised in the agreements represent a single performance obligation. The conclusions reached can impact the allocation of the transaction price to each performance obligation and the timing of revenue recognition related to those arrangements.

The Organization also provides professional services for dance instruction and in-school residencies to schools. The program services fees and school program lines are reported at the amount that reflects the consideration that the Organization expects to be entitled to in exchange for providing instruction or in-school residencies. The Organization typically bills for these services based on an established contract rate. For these revenue lines, the Organization may bill for portions of the services up front. Any amounts received prior to providing services are recorded as deferred revenue within the Statements of Financial Position.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Performance obligations are determined based on the nature of the services provided by the Organization. The Organization utilizes the portfolio approach for school programs and program fees. For each school, the length of sessions, the number of sessions, and the associated curriculum may vary. In addition, some schools will have a performance at the end of the contract while others may not. The Organization utilizes a standard contract rate and will adjust the fee in accordance with the expected level of service required to complete the contract. Revenue for the performance obligation is satisfied over time on the straight-line basis for the associated session length in accordance with the input method. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Organization measures the performance obligation from the start of contracted instructional sessions to the point when it is no longer required to provide services to a school, which is the time at which there are no longer any contracted instructional sessions.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(A) and, therefore, is not required to disclose the aggregate amount of the transaction prices allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

New Accounting Pronouncements

In September 2020, the FASB issued ASU 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*. The standard requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including in-kind contributions. The new guidance requires entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements about contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received, and providing information on valuation techniques. ASU 2020-07 is effective for annual periods beginning after June 15, 2021. The Organization adopted the standard on July 1, 2021. The standard did not have a material impact on the financial statements, with the exception of increased disclosure.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for non-public companies for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact that the pronouncement may have on the financial statements.

In February 2016, the FASB issued ASU 2016-13, *Financial Instruments- Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which affects all entities that hold financial assets and net investment leases that are not accounted for at fair value through net income. The ASU is effective for fiscal years beginning after December 15, 2022, with early adoption permitted. The Organization is currently evaluating the impact the pronouncement may have on the financial statements.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 3: AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30, 2022:

Financial assets at year end:	
Cash	\$ 155,006
Accounts receivable	81,746
	<hr/>
Financial Assets available to meet expenditures over the next twelve months	\$ 236,752
	<hr/> <hr/>

The Organization's goal is generally to maintain financial assets to meet three months of operating expenses. As part of its liquidity plan, excess cash is invested in interest bearing accounts.

NOTE 4: LEASE COMMITMENTS

The Organization leases space under an annual renewable lease agreement totaling \$3,600 per year. Rent expense totaled \$3,600 for the year ended June 30, 2022. In addition, the Organization periodically rents space on a short-term basis to hold events related to its program services.

NOTE 5: NET ASSETS

Net assets with donor restrictions at June 30, 2022 are as follows:

Specific Purpose	
Program services	\$ 58,112
Passage of Time	
Program services	59,345
	<hr/>
Total	\$ 117,457
	<hr/> <hr/>

Net assets without donor restrictions at June 30, 2022 are as follows:

Undesignated - available for general activities	\$ 74,934
Board designated - capital reserve	21,384
	<hr/>
	\$ 96,318
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**ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 5: NET ASSETS (continued)

Net assets released from net assets with donor restrictions for the year ended June 30, 2022 are as follows:

Satisfaction of Purpose Restrictions	
Program services	\$ 112,656
Satisfaction of Time Restrictions	
Program services	26,000
Total	\$ 138,656

NOTE 6: IN-KIND CONTRIBUTIONS

The Organization received donated professional services that would typically be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value when the contribution is made and are expensed when the services are rendered. The estimated fair value of these professional services is provided by the service provider, who estimates fair value based on the date, time, and market in which the service is rendered. Donated services totaled \$52,546 for the year ended June 30, 2022.

The Organization also receives donated services from a variety of unpaid volunteers who assist in a number of capacities, but these services do not meet the criteria for recognition as contributed services.

NOTE 7: RETIREMENT PLAN

In January 2022, the Organization adopted a Simple IRA Plan which covers all employees meeting regulated eligibility requirements. For employees electing to participate, the Organization matches their contributions in an amount up to 3% of the participants' compensation. Employees may make elective salary deferrals to the Plan up to the maximum amount allowed by the Internal Revenue Code. Employer contributions amount to \$1,312 for the year ended June 30, 2022.

NOTE 8: RELATED PARTY

The Organization has amounts due to Musicopia, Inc. (See Note 2) for management fees and reimbursements totaling \$26,632 at June 30, 2022. No interest is charged on the outstanding balances and the balances are payable on demand.

NOTE 9: CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2022, there were no balances held in excess of insurance limits.

ARTS IN SCHOOLS COLLABORATIVE T/A DANCING CLASSROOMS PHILLY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10: EMPLOYEE RETENTION CREDIT

The Organization was eligible to claim employee retention credits for certain quarters during the year ended June 30, 2022 as a result of reduction in revenue, in those quarters, as prescribed under the program. The Organization recorded a refundable credit of \$6,945 and recognized the amount as other revenue during the year ended June 30, 2022.

NOTE 11: PAYCHECK PROTECTION PROGRAM LOAN

In February 2021, the Organization obtained a Paycheck Protection Program (“PPP”) loan totaling \$51,652. The loan accrued interest at 1% and was set to mature in February 2023. The loan was eligible for either full or partial forgiveness. The portion of the loan that was used to cover certain qualified expenses as directed by the Small Business Administration rules under the CARES Act over the 24-week period directly following loan disbursement was eligible to be forgiven. The loan was forgiven during November 2021 and is included in Support on the Statements of Activities and Changes in Net Assets.

NOTE 12: RISKS AND UNCERTAINTIES

The 2019 novel coronavirus (or “COVID-19”) has adversely affected, and may continue to adversely affect, economic activity globally, nationally, and locally. These economic and market conditions and other effects of the COVID-19 outbreak may continue to cause volatility. The full extent of any adverse impact of the COVID-19 outbreak on the Organization’s future operations cannot be predicted at this time.

NOTE 13: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 21, 2023, the date on which the financial statements were available to be issued.