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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Gay Men's Chorus of South Florida, Inc.

**Opinion**

We have audited the accompanying financial statements of Gay Men's Chorus of South Florida, Inc. (the "GMCSF"), a non-profit organization, which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, cash flows and functional expenses for the years 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, 2024 and 2023, and the results of its operations and its cash flows for the years 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 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.

**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 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.

**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 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.

## **INDEPENDENT AUDITOR'S REPORT (continued)**

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.

**ROBBINS and MORONEY, P.A.**

Certified Public Accountants

*Robbins and Moroney, P.A.*

Fort Lauderdale, Florida

January 8, 2025

# GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.

## Statements of Financial Position June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 338,481	\$ 368,619
Grants and Other Receivables	35,871	36,739
Prepaid Expenses	84,082	48,646
<b>Total Current Assets</b>	<u>458,434</u>	<u>454,004</u>
<b>Non-Current Assets</b>		
Restricted Cash	22,762	18,500
Property and Equipment	23,342	20,661
Right of Use Asset - Operating	28,137	53,360
<b>Total Non-Current Assets</b>	<u>74,241</u>	<u>92,521</u>
<b>Total Assets</b>	<u><u>\$ 532,675</u></u>	<u><u>\$ 546,525</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 83,192	\$ 51,311
Deferred Revenue	24,224	-
Lease Liability - Operating	25,942	25,223
<b>Total Current Liabilities</b>	<u>133,358</u>	<u>76,534</u>
<b>Non-Current Liabilities</b>		
Lease Liability - Operating	2,195	28,137
<b>Total Liabilities</b>	<u>135,553</u>	<u>104,671</u>
<b>Net Assets</b>		
<b>Without Donor Restrictions</b>		
Designated	52,559	39,188
Other	302,301	384,166
<b>Total Net Assets Without Donor Restrictions</b>	<u>354,860</u>	<u>423,354</u>
<b>With Donor Restrictions</b>	<u>42,262</u>	<u>18,500</u>
<b>Total Net Assets</b>	<u>397,122</u>	<u>441,854</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 532,675</u></u>	<u><u>\$ 546,525</u></u>

The accompanying notes are an integral part of these financial statements.

# GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.

Statements of Activities  
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Net Assets Without Donor Restrictions</b>		
<b>Public Support and Revenues</b>		
Contributions	\$ 475,273	\$ 507,389
Fundraising Events	110,902	121,599
Less: Costs of Direct Benefits to Donors	(7,302)	(14,580)
Performance Revenues	214,009	204,012
Program Advertisements	17,760	17,576
Membership Dues	40,060	33,564
Miscellaneous	6,234	4,878
Contributed Facilities, Services and Materials	275,548	194,281
Net Assets Released from Restrictions	52,500	32,000
<b>Total Public Support and Revenues</b>	<u>1,184,984</u>	<u>1,100,719</u>
 <b>Expenses</b>		
Program	735,904	636,754
Marketing	143,918	218,486
General and Administrative	99,147	106,262
Fundraising	258,009	157,602
<b>Total Expenses</b>	<u>1,236,978</u>	<u>1,119,104</u>
 <b>Change in Net Assets Without Donor Restrictions</b>	<u>(51,994)</u>	<u>(18,385)</u>
 <b>Net Assets With Donor Restrictions</b>		
Contributions	58,500	-
Investment Income	1,262	-
Net Assets Released from Restrictions	(52,500)	(32,000)
<b>Change in Net Assets With Donor Restrictions</b>	<u>7,262</u>	<u>(32,000)</u>
 <b>Change in Net Assets</b>	<u>(44,732)</u>	<u>(50,385)</u>
 <b>Net Assets, Beginning of Year</b>	<u>441,854</u>	<u>492,239</u>
 <b>Net Assets, End of Year</b>	<u><u>\$ 397,122</u></u>	<u><u>\$ 441,854</u></u>

The accompanying notes are an integral part of these financial statements.

# GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.

## Statements of Cash Flows For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ (44,732)	\$ (50,385)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	7,908	7,229
Reduction in Right of Use Leased Asset - Operating	25,223	22,507
Loss on Sale of Equipment	-	384
Changes in Assets and Liabilities:		
(Increase) Decrease in Grants and Other Receivables	868	(27,986)
Increase in Prepaid Expense	(35,436)	(44,414)
Increase in Accounts Payable and Accrued Expenses	31,881	21,208
Increase in Deferred Revenue	24,224	-
Decrease in Lease Liability - Operating	(25,223)	(22,507)
<b>Net Cash Flows from Operating Activities</b>	<u>(15,287)</u>	<u>(93,964)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of Property and Equipment	(10,588)	(23,828)
Proceeds from Sale of Equipment	-	111
<b>Net Cash Flows from Operating Activities</b>	<u>(10,588)</u>	<u>(23,717)</u>
<b>Net Change in Cash and Cash Equivalents</b>	(25,876)	(117,681)
<b>Cash, Restricted Cash, and Cash Equivalents, Beginning of Year</b>	<u>387,119</u>	<u>504,800</u>
<b>Cash, Restricted Cash, and Cash Equivalents, End of Year</b>	<u><u>\$ 361,243</u></u>	<u><u>\$ 387,119</u></u>
<b>Supplementary Disclosure of Cash Flow Information:</b>		
<b>Cash, Restricted Cash and Cash Equivalents Consist of:</b>		
Cash and Cash Equivalents	\$ 338,481	\$ 368,619
Restricted Cash	22,762	18,500
	<u><u>\$ 361,243</u></u>	<u><u>\$ 387,119</u></u>
<b>Cash Paid for Amounts Included in the Measurement of Lease Liabilities:</b>		
Operating Cash Out-Flows from Operating Lease	<u><u>\$ 26,200</u></u>	<u><u>\$ 24,200</u></u>
<b>Other Non-Cash Investing and Financing Activities:</b>		
Right of Use Asset After ASC 842 Implementation	<u><u>\$ -</u></u>	<u><u>\$ 75,867</u></u>

The accompanying notes are an integral part of these financial statements.

# GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.

## Statements of Functional Expenses For the Years Ended June 30, 2024 and 2023

2024	Program	Marketing	General and Administrative	Fundraising	Total
Performance Personnel and Supplies	\$ 552,387	\$ -	\$ 3,145	\$ 1,050	\$ 556,582
Salaries and Benefits	118,084	-	30,777	91,730	240,591
Advertising and Public Relations	8,165	129,250	9,347	1,551	148,313
Occupancy and Venue Rentals	30,531	-	7,452	87,060	125,043
Special Events	-	-	-	64,225	64,225
Office and Miscellaneous	15,729	14,668	36,422	9,391	76,210
Professional Fees	-	-	6,000	-	6,000
Bank and Credit Card Fees	11,008	-	6,004	3,002	20,014
Total	<u>\$ 735,904</u>	<u>\$ 143,918</u>	<u>\$ 99,147</u>	<u>\$ 258,009</u>	<u>\$ 1,236,978</u>

2023	Program	Marketing	General and Administrative	Fundraising	Total
Performance Personnel and Supplies	\$ 411,040	\$ -	\$ -	\$ -	\$ 411,040
Salaries and Benefits	113,822	50,666	33,454	16,197	214,139
Advertising and Public Relations	-	154,070	9,939	2,456	166,465
Occupancy	29,364	-	6,996	2,336	38,696
Special Events	-	-	-	80,082	80,082
Office and Miscellaneous	21,239	6,750	32,310	7,825	68,124
Graphic Design	21,655	-	-	-	21,655
Venue Rental	30,880	-	-	46,320	77,200
Professional Fees	-	7,000	6,100	-	13,100
Bank and Credit Card Fees	8,754	-	17,463	2,386	28,603
Total	<u>\$ 636,754</u>	<u>\$ 218,486</u>	<u>\$ 106,262</u>	<u>\$ 157,602</u>	<u>\$ 1,119,104</u>

The accompanying notes are an integral part of these financial statements.

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**

Notes to Financial Statements

June 30, 2024 and 2023

**1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization:** The Gay Men's Chorus of South Florida, Inc. ("GMCSF") is a non-profit corporation whose mission is to sing so that LGBTQ+ people can live their truth through quality music experiences that inspire audiences, open minds, change hearts and affirm our common humanity.

**Basis of Accounting:** The accompanying financial statements have been prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

**Date of Management's Review:** In preparing the financial statements, GMCSF has evaluated events and transactions for potential recognition or disclosure through January 8, 2024, the date that the financial statements were issued.

**Cash:** Cash and cash equivalents include cash in banks and highly liquid investments with original maturity dates of less than three months.

**Property and Equipment:** Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the expected useful lives of the assets. Maintenance expenses are charged to expense as incurred. When equipment is retired or otherwise disposed of, the cost less related accumulated depreciation is removed from the accounts and resulting gains or losses are included in the statement of activities.

**Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Income Taxes:** As a non-profit corporation, qualified under Section 501(c)(3) of the Internal Revenue Code, GMCSF is exempt from corporate income taxation on income related to its exempt function. Therefore, no provision for income taxes has been made in the accompanying financial statements.

GMCSF has not incurred any interest or penalties on its income tax returns.

The GMCSF's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

**Advertising:** GMCSF follows the policy of charging the costs of advertising to expense as incurred. Advertising expense was \$148,313 and \$166,465 for the years ended June 30, 2024 and 2023, respectively.

**Functional Allocation of Expenses:** The cost of providing the various programs and activities has been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the program and supporting services benefited.

**Contributed Facilities, Services and Materials:** Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individual possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Contributed facilities and materials are also recorded at their fair values in the period received.



**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**

Notes to Financial Statements

June 30, 2024 and 2023

**1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fair Value of Financial Instruments:** Cash equivalents, receivables, prepaid expenses, accounts payable and accrued expenses are reflected in the financial statements at cost, which approximate fair value because of their short-term nature.

**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 available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**Recent Accounting Pronouncements:** Effective July 1, 2022, GMCSF adopted Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) No. 2016-02, *Leases (Topic 842)*, as amended. This guidance is intended to improve financial reporting of lease transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases that extend more than 12 months. Key provisions in the guidance include additional disclosures surrounding the amount, timing, and uncertainty of cash flows arising from leases. GMCSF elected the effective date transition method.

As of August 1, 2022, GMCSF recognized (a) operating lease liabilities of \$75,867, which represents the present value of the remaining lease payments of \$79,200, discounted using an incremental borrowing rate of 2.811% at the date of the lease inception on August 1, 2022, and (b) operating right-of-use asset of \$75,867.

**Reclassifications:** Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

**2. LIQUIDITY AND RESERVES**

GMCSF has a policy to manage its liquidity and reserves following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The following table reflects GMCSF's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general expenditures within one year.

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**

Notes to Financial Statements

June 30, 2024 and 2023

**2. LIQUIDITY AND RESERVES (continued)**

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 338,481	\$ 368,619
Restricted Cash	22,762	18,500
Grants and Other Receivable	35,871	36,739
Total Financial Assets	<u>397,114</u>	<u>423,858</u>
Less Amounts Not Available to be Used Within One Year:		
Net Assets With Donor Restrictions	42,262	18,500
Less Net Assets With Purpose Restrictions to be Met in Less Than One Year	<u>(19,500)</u>	<u>-</u>
	<u>22,762</u>	<u>18,500</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 374,352</u>	<u>\$ 405,358</u>

**3. PROPERTY AND EQUIPMENT**

At June 30, 2024 and 2023, property and equipment consisted of:

	<u>2024</u>	<u>2023</u>
Production and Office Equipment	\$ 62,257	\$ 51,669
Less: Accumulated Depreciation	<u>(38,915)</u>	<u>(31,008)</u>
Net Book Value	<u>\$ 23,342</u>	<u>\$ 20,661</u>

**4. ENDOWMENTS**

Accounting Standards Codification 958 ("ASC 958"), "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds" provides guidance on the net asset classification of donor-restricted endowment funds for a non-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). ASC 958 also required additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The State of Florida enacted the "Florida Uniform Prudent Management of Institutional Funds Act ("FUPMIFA") effective July 1, 2012, the provisions of which apply to endowment funds existing on or established after that date. The Board of Directors has determined that the majority of GMCSF's net assets meet the definition of endowment funds under FUPMIFA.

The Board of Directors of GMCSF has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, GMCSF classifies as net assets with restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by GMCSF in a manner consistent with the standard of prudence prescribed by FUPMIFA.

# GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.

Notes to Financial Statements

June 30, 2024 and 2023

## 4. ENDOWMENTS (continued)

In accordance with FUPMIFA, GMCSF considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of GMCSF, and (7) GMCSF's investment policies.

**Endowment Investment and Spending Policies:** GMCSF has adopted investment and spending policies, approved by the Board of Directors, for endowment assets. In order to meet its needs, the investment strategy for GMCSF's endowment assets is to emphasize a balanced investment strategy, incorporating annual capital appreciation, as well as dividend and interest income.

The primary objectives in the investment management of GMCSF's endowment assets shall be:

1. Preservation of Principal: to preserve the principal of GMCSF's endowment assets against loss.
2. Preservation of Principal Purchasing Power: to achieve endowment investment returns equal to or greater than the rate of inflation.
3. Risk control is to be considered a critical element in the investment of GMCSF's endowment assets.
4. Long Term Growth of Principal: to encourage the long-term growth of endowment principal within prudent risk parameters.

GMCSF will attempt to balance its shorter-term budget process with its goal to preserve principal and its purchasing power in perpetuity by designing a spending policy which is flexible and is based on investment results.

Endowment net asset composition by type of fund as of 2023 is as follows:

	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets		
Endowment Funds	\$ 18,500	\$ 18,500
Total Funds	<u>\$ 18,500</u>	<u>\$ 18,500</u>

Endowment net asset composition by type of fund as of 2024 is as follows:

	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets		
Endowment Funds	\$ 22,762	\$ 22,762
Total Funds	<u>\$ 22,762</u>	<u>\$ 22,762</u>

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**  
Notes to Financial Statements  
June 30, 2024 and 2023

**4. ENDOWMENTS (continued)**

Changes in endowment net assets for the years ended June 30, 2024 and 2023 are as follows:

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>
Endowment Net Assets, July 1, 2021	\$	\$ 18,500
Interest Earnings	132	
Appropriation of Endowment Net Assets for Expenditures	<u>(132)</u>	<u>18,500</u>
Endowment Net Assets, June 30, 2022		
Interest Earnings	113	
Appropriation of Endowment Net Assets for Expenditures	<u>(113)</u>	<u>18,500</u>
Endowment Net Assets, June 30, 2023		3,000
Contributions		
Interest Earnings	719	1,262
Appropriation of Endowment Net Assets for Expenditures	<u>(719)</u>	<u>-</u>
Endowment Net Assets, June 30, 2024	<u>\$ -</u>	<u>\$ 22,762</u>

**5. CONTRIBUTED FACILITIES, SERVICES AND MATERIALS**

The value of contributed facilities, services and materials included in the financial statements for the years ended June 30, 2024 and 2023 is as follows:

	<b><u>2024</u></b>	<b><u>2023</u></b>
<b>Public Support and Revenues</b>		
Advertising	\$ 47,217	\$ 54,680
Food and Beverage	49,524	11,466
Other	10,704	15,281
Graphic Design	-	21,655
Audio and Video	8,165	-
Venue Rental	84,666	77,199
Gala	<u>75,272</u>	<u>14,000</u>
	<u>\$ 275,548</u>	<u>\$ 194,281</u>
<b>Expenses</b>		
Program Services	\$ 129,666	\$ 59,615
Marketing	47,218	61,680
General and Administrative	12,018	1,200
Fundraising	<u>86,646</u>	<u>71,786</u>
	<u>\$ 275,548</u>	<u>\$ 194,281</u>

In-kind contributions were valued using estimated average U.S. prices of identical or similar products or services using pricing data of similar products or services under a "like-kind" methodology, considering the utility of the services and goods at the time of the contribution. The Organization does not sell donated gifts in kind and only uses services, goods and facilities for its own program or supporting service activities.

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**

Notes to Financial Statements

June 30, 2024 and 2023

**6. CONCENTRATIONS OF CREDIT RISK**

Financial instruments which potentially subject GMCSF to concentrations of credit risk consist principally of cash equivalents and unsecured receivables. GMCSF's ability to collect these receivables is dependent upon economic conditions and the financial condition of its customers. GMCSF has not experienced significant losses related to receivables. Management believes no additional credit risk is inherent in GMCSF's receivables.

At June 30, 2024, GMCSF had approximately \$396,271 in cash, of which \$140,591 was in excess of the federally insured limits.

**7. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Future Periods	\$ 19,500	\$ -
Held in Perpetuity	<u>22,762</u>	<u>18,500</u>
	<u>\$ 42,262</u>	<u>\$ 18,500</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by the donor as follows:

	<u>2024</u>	<u>2023</u>
Passage of Specified time	<u>\$ 52,500</u>	<u>\$ 32,000</u>

**8. LEASE COMMITMENTS**

GMCSF implemented ASC-842, *Leases*, effective August 1, 2022. This represents a change in accounting principles as it relates to leases. GMCSF leases its facility that is classified as an operating lease. The following components are recognized in the financial statements as of June 30, 2024, and 2023 respectively:

	<u>2024</u>	<u>2023</u>
Right of Use Leased Asset – Operating	<u>\$ 28,137</u>	<u>\$ 53,360</u>
Lease Liability – Operating	<u>\$ 28,137</u>	<u>\$ 53,360</u>

GMCSF applied a discount rate of 2.811% for the operating lease at the date of the lease inception on August 1, 2022. The remaining lease term is 13 months as of June 30, 2024.

Future minimum payments under the lease as of June 30, 2024 are as follows:

Year Ended June 30,	2025	\$ 26,400
	2026	<u>2,200</u>
		28,600
	Less: Discount	<u>(463)</u>
	Lease Liability	28,137
	Less: Current Portion	<u>(25,942)</u>
	Non-Current Portion	<u>\$ 2,195</u>

Total expense for the operating lease was \$26,400 and \$24,200 for the year ended June 30, 2024 and 2023 respectively.

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**  
Notes to Financial Statements  
June 30, 2024 and 2023

**9. STATEMENT OF FINANCIAL POSITION BY FUND**

The Board of Directors of GMCSF has also elected to present its statement of financial position by funds, which groups assets, liabilities, and net assets into distinct categories based on the restrictions and purposes for which the funds are intended.

As of June 30, 2024, the statement of financial position is presented as follows:

	General Fund	Endowment Fund	GALA Festival Fund	Member Appreciation Fund	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 256,376	\$ -	\$ 81,159	\$ 946	\$ 338,481
Grants and Other Receivables	34,132	-	1,739	-	35,871
Prepaid Expenses	44,496	-	39,586	-	84,082
<b>Total Current Assets</b>	<u>335,004</u>	<u>-</u>	<u>122,484</u>	<u>946</u>	<u>458,434</u>
<b>Non-Current Assets</b>					
Restricted Cash	-	22,762	-	-	22,762
Property and Equipment	23,342	-	-	-	23,342
Right of Use Asset - Operating	28,137	-	-	-	28,137
<b>Total Non-Current Assets</b>	<u>51,479</u>	<u>22,762</u>	<u>-</u>	<u>-</u>	<u>74,241</u>
<b>Total Assets</b>	<u>\$ 386,483</u>	<u>\$ 22,762</u>	<u>\$ 122,484</u>	<u>\$ 946</u>	<u>\$ 532,675</u>
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Expenses	\$ 12,321	\$ -	\$ 70,871	\$ -	\$ 83,192
Deferred Revenue	24,224	-	-	-	24,224
Lease Liability - Operating	25,942	-	-	-	25,942
<b>Total Current Liabilities</b>	<u>62,487</u>	<u>-</u>	<u>70,871</u>	<u>-</u>	<u>133,358</u>
<b>Non-Current Liabilities</b>					
Lease Liability - Operating	2,195	-	-	-	2,195
<b>Total Liabilities</b>	<u>64,682</u>	<u>-</u>	<u>70,871</u>	<u>-</u>	<u>135,553</u>
<b>Net Assets</b>					
<b>Without Donor Restrictions</b>					
Designated	-	-	51,613	946	52,559
Other	302,301	-	-	-	302,301
<b>Total Net Assets Without Donor Restrictions</b>	<u>302,301</u>	<u>-</u>	<u>51,613</u>	<u>946</u>	<u>354,860</u>
<b>With Donor Restrictions</b>	<u>19,500</u>	<u>22,762</u>	<u>-</u>	<u>-</u>	<u>42,262</u>
<b>Total Net Assets</b>	<u>321,801</u>	<u>22,762</u>	<u>51,613</u>	<u>946</u>	<u>397,122</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 386,483</u>	<u>\$ 22,762</u>	<u>\$ 122,484</u>	<u>\$ 946</u>	<u>\$ 532,675</u>

**GAY MEN'S CHORUS OF SOUTH FLORIDA, INC.**  
Notes to Financial Statements  
June 30, 2024 and 2023

**10. STATEMENT OF ACTIVITIES BY FUND**

The Board of Directors of GMCSF has also elected to present its statement of activities into distinct categories based on the restrictions and purposes for which the funds are intended.

As of June 30, 2024, the statement of activities is presented as follows:

	General Fund	Endowment Fund	GALA Festival Fund	Member Appreciation Fund	Total
<b>Net Assets Without Donor Restrictions</b>					
<b>Public Support and Revenues</b>					
Contributions	\$ 460,252	\$ -	\$ 13,981	\$ 1,040	\$ 475,273
Fundraising Events	110,902	-	-	-	110,902
Less: Costs of Direct Benefits to Donors	(7,302)	-	-	-	(7,302)
Performance Revenues	214,009	-	-	-	214,009
Program Advertisements	17,760	-	-	-	17,760
Membership Dues	40,060	-	-	-	40,060
Miscellaneous	6,234	-	-	-	6,234
Contributed Facilities, Services and Materials	275,548	-	-	-	275,548
Net Assets Released From Restrictions	52,500	-	-	-	52,500
<b>Total Public Support and Revenues</b>	<b>1,169,963</b>	<b>-</b>	<b>13,981</b>	<b>1,040</b>	<b>1,184,984</b>
<b>Expenses</b>					
Program	735,904	-	-	-	735,904
Marketing	143,918	-	-	-	143,918
General and Administrative	97,496	-	1,557	94	99,147
Fundraising	258,009	-	-	-	258,009
<b>Total Expenses</b>	<b>1,235,327</b>	<b>-</b>	<b>1,557</b>	<b>94</b>	<b>1,236,978</b>
<b>Change in Net Assets Without Donor Restrictions</b>	<b>(65,364)</b>	<b>-</b>	<b>12,424</b>	<b>946</b>	<b>(51,994)</b>
<b>Net Assets With Donor Restrictions</b>					
Contributions	55,500	3,000	-	-	58,500
Investment Income	-	1,262	-	-	1,262
Net Assets Released From Restrictions	(52,500)	-	-	-	(52,500)
<b>Change in Net Assets With Donor Restrictions</b>	<b>3,000</b>	<b>4,262</b>	<b>-</b>	<b>-</b>	<b>7,262</b>
<b>Change in Net Assets</b>	<b>(62,364)</b>	<b>4,262</b>	<b>12,424</b>	<b>946</b>	<b>(44,732)</b>
<b>Net Assets, Beginning of Year</b>	<b>384,165</b>	<b>18,500</b>	<b>39,189</b>	<b>-</b>	<b>441,854</b>
<b>Net Assets, End of Year</b>	<b>\$ 321,801</b>	<b>\$ 22,762</b>	<b>\$ 51,613</b>	<b>\$ 946</b>	<b>\$ 397,122</b>