

Akropolis Quintet, Inc.
Financial Statements
December 31, 2017

Akropolis Quintet, Inc.
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December 31, 2017

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Independent Accountants' Review Report

To the Board of Directors
Akropolis Quintet, Inc.
Northville, Michigan

We have reviewed the financial statements of Akropolis Quintet, Inc., which comprise the statement of assets, liabilities, and net assets-cash basis as of December 31, 2017, and the related statement of support, expenses, and change in net assets-cash basis, and cash flows-cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the organization's 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 the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' 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.

Accountants' 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 conformity with the cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Cole, Newton & Duran

Livonia, Michigan
April 27, 2018

Akropolis Quintet, Inc.
Statement of Assets, Liabilities, and Net Assets - Cash Basis
December 31, 2017

ASSETS

CURRENT ASSETS

Cash and cash equivalents	<u>\$ 37,090</u>	
Total current assets		<u>\$ 37,090</u>

TOTAL ASSETS		<u><u>\$ 37,090</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll Liabilities	<u>\$ 4,382</u>	
Total current liabilities		\$ 4,382

NET ASSETS

Unrestricted		<u>32,708</u>
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TOTAL LIABILITIES AND NET ASSETS		<u><u>\$ 37,090</u></u>
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Akropolis Quintet, Inc.
Statement of Support, Expenses, and Change in Net Assets - Cash Basis
For the Year Ended December 31, 2017

SUPPORT AND REVENUE

Contributions	\$ 21,351	
Grants received	8,193	
Merchandise sales	7,652	
Performance revenue	143,560	
Other income	2,746	
Total support and revenue		\$ 183,502

FUNCTIONAL EXPENSES

Program Services

Payroll costs	\$ 90,194	
Commissioning fees	3,000	
Conference fees	2,870	
Event expenses	1,518	
Performance materials and equipment	9,512	
Promotional materials	3,446	
Travel and meals	55,867	
Website	993	
Total program services expenses		167,400

Administrative Expenses

Office expenses	2,441	
Professional fees	1,948	
Other expenses	2,330	
Total administrative expenses		6,719

Fundraising Expenses

Solicitation expenses	1,409	

Total functional expenses	175,528
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INCREASE (DECREASE) IN NET ASSETS	7,974
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NET ASSETS AT BEGINNING OF YEAR	24,734
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NET ASSETS AT END OF YEAR	\$ 32,708
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Akropolis Quintet, Inc.
Statement of Cash Flows - Cash Basis
For the Year Ended December 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net assets	\$ 7,974
Adjustments to reconcile change in net assets to net cash from operating activities:	
Payroll liabilities	<u>\$ 854</u>
Net Cash Provided By (Used In) Operating Activities	<u>854</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,828
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>28,262</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 37,090</u></u>
Supplemental disclosure:	
Cash paid for interest	<u><u>\$ -</u></u>
Cash paid for income taxes	<u><u>\$ -</u></u>

Akropolis Quintet, Inc.
Notes to the Financial Statements
December 31, 2017

NOTE 1 – Nature of Activities

Organization and nature of activities

Akropolis Quintet, Inc., (the Organization) is a non-profit organization governing the Akropolis Reed Quintet, an internationally acclaimed music ensemble of five musicians performing on wind instruments. The Organization's mission is to progress and sustain exceptional classical music in communities locally and nationally, and to educate the next generation of musicians and music appreciators to ensure the future as a vibrant society of artists and art appreciators. The Organization derives its revenue primarily from contributions and performance fees.

NOTE 2 – Significant Accounting Policies

Basis of accounting

The financial have been prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Financial statement presentation

Financial statement presentation follows the requirements of the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2017, all net assets were unrestricted.

Use of estimates

The preparation of the financial statements on the cash basis of accounting makes use of estimates and assumptions that affect certain reported amounts and disclosures.

Cash and cash equivalents

The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Contributed service

Individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services as required by the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. Accordingly, no amounts have been recognized in the financial statements.

Contributions

Contributions of cash and other assets are reported as revenue when received. Contributions without donor-imposed restrictions, and contributions with donor-imposed time or purpose restrictions that are met in the same period as the gift, are reported as unrestricted support. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, temporarily restricted net assets are classified as unrestricted net assets and reported in the statement of support, expenses, and change in net assets as net assets released from restrictions.

Akropolis Quintet, Inc.
Notes to the Financial Statements
December 31, 2017

NOTE 2 – Significant Accounting Policies

Income taxes

The Organization is a nonprofit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. The income tax exemption does not apply to “unrelated business taxable income”. The Organization has evaluated its income tax filings for the years 2016 and 2017, which remain subject to examination, and has concluded it has no uncertain tax positions.

Subsequent events

Management has evaluated events and transactions for potential recognition or disclosure through the date of the accountants’ report, which was the first date that the financial statements were available to be issued.

NOTE 3 – Concentrations

The Federal Deposit Insurance Corporation (FDIC) insures balances in one financial institution up to \$250,000. At times during the year, the balances on deposit may exceed the insured amount. The Organization has not incurred any losses from uninsured balances.