FORT COLLINS SYMPHONY ASSOCIATION

FINANCIAL STATEMENT REVIEW REPORT

FOR THE YEAR ENDED MAY 31, 2025

Fort Collins Symphony Association
Financial Statement Review Report
For the year ended May 31, 2025

Table of Contents

	Page
Independent Accountant's Review Report	1
Basic Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Statement of Functional Expenses	6
Notes to the Financial Statements	8-15

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

December 3, 2025

To the Board of Directors
Fort Collins Symphony Association
141 S College Ave Ste 104
Fort Collins, CO 80524

We have reviewed the accompanying financial statements of Fort Collins Symphony Association (a nonprofit organization), which comprise the Statement of Financial Position as of May 31, 2025 and the related statement of Activities, Functional Expenses, and Statement of Cash Flows 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 company 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

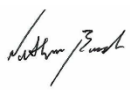
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and 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.

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.



Nathan C. Bush, CPA
Accent CPA, LLC

BASIC FINANCIAL STATEMENTS

Statement of Financial Position
For the Year Ended May 31, 2025

Assets		
Cash and cash equivalents	$	63,372
Investments		383,290
Accounts receivable		18,144
Prepaid expenses		21,908
Property and equipment, net		80,232
Total assets	$	566,946
Liabilities and net assets		
Liabilities		
Accounts payable	$	28,829
Deferred program revenue		17,476
Notes payable		136,476
Total liabilities		182,781
Net assets		
Without donor restrictions		384,165
Total net assets		384,165
Total liabilities and net assets	$	566,946

See accompanying notes and accountant's review report.

Statement of Activities
For the Year Ended May 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Support			
Contributions and grants	$ 387,167	$ 58,810	$ 445,977
In-kind contributions	44,725		44,725
Ticket sales	357,140		357,140
Program advertising	51,044		51,044
Fundraising events	20,901		20,901
Total support	860,977	58,810	919,787
Other revenues			
Income from funds held by others	43,027		43,027
Investment income	34,464		34,464
Total other revenues	77,491	-	77,491
Support provided by expiring time and purpose restrictions	58,810	(58,810)	-
Total revenues, gains, and support	997,278	-	997,278
Expenses			
Program services	741,353		741,353
Management and general	224,705		224,705
Fundraising	5,838		5,838
Total expenses	971,896	-	971,896
Change in net assets	$ 25,382	$ -	$ 25,382

See accompanying notes and accountant's review report.

Statement of Functional Expenses
For the Year Ended May 31, 2025

	Program	Management	Fundraising	Total
Payroll	$ 351,169	$ 99,148		$ 450,316
Employee benefits	-	11,131		11,131
Payroll Taxes	27,428	10,329		37,757
Accounting & Legal	2,452	11,718		14,170
Professional Fees	23,620	4,940		28,560
Advertising	51,791			51,791
Production expense	79,764			79,764
Contract labor	108,158			108,158
Occupancy	68,653	32,179		100,832
Fundraising/Development	-		$ 2,180	2,180
Insurance - general	-	12,516		12,516
Insurance - worker's comp	3,758	1,061		4,819
License and fees	8,153			8,153
Office expense	-	1,633		1,633
Bank service charge	-	1,805		1,805
Dues and subscriptions	359	2,962	1,548	4,869
Telephone	-	3,556		3,556
Printing and reproductions	15,449	2,866	1,539	19,855
Conventions and meetings	-	1,459		1,459
Computer expense	-	3,206		3,206
Postage and delivery	-	190	570	760
Interest Expense	-	3,794		3,794
Realized Gain/Inv Exp	-	15,184		15,184
Depreciation	600	5,028		5,628
Total	$ 741,353	$ 224,705	$ 5,838	$ 971,896

See accompanying notes and accountant’s review report.

Statement of Cash Flows
For the Year Ended May 31, 2025

Operating Activities	
Change in net assets	$ 25,382
Adjustments to reconcile changes in net assets to net cash used in operating activities	
Depreciation	5,628
Realized and unrealized (gains) losses	(5,482)
Endowment fund contributions	(43,027)
Changes in assets and liabilities	
Accounts receivable	1,036
Prepaid expenses and other assets	(28,806)
Undeposited funds	21,395
Accounts payable	6,098
Deferred program revenue	(23,571)
Net cash used by operating activities	(41,347)
Investing activities	
Purchase of equipment	(13,000)
Purchase of investments	(15,186)
Net cash used by investing activities	(28,186)
Financing activities	
Proceeds from long-term debt	-
Repayments of long-term debt	(5,864)
Endowment fund contributions	43,027
Net cash provided by financing activities	37,163
Change in cash and cash equivalents	(32,370)
Cash and cash equivalents at beginning of year	95,742
Cash and cash equivalents at end of year	$ 63,372
Supplemental disclosure of cash flow information	
Cash paid during the year for interest	$ 3,794

See accompanying notes and accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

1. Description of Organization

The Fort Collins Symphony Association (the "Organization") is a nonprofit organization that was incorporated in Colorado in 1950. Its purpose is to perform spectacular live orchestral music and host educational events as a means of inspiring, bringing joy and providing an environment that is entertaining, nurturing, and inclusive for all residents of and visitors to Northern Colorado.

2. Significant Accounting Policies

Basis of Presentation

The financial statements of the organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States, which require 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. 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 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

Income Tax Status

The Organization is tax-exempt under Internal Revenue Code Section 501(c)(3) and is required to operate in conformity with the Internal Revenue Code to maintain this qualification. The organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability if the organization has taken an uncertain position that more likely than not would be sustained upon examination by the IRS or other applicable taxing authorities.

Management has analyzed the tax positions taken by the organization and has determined that as of May 31, 2025, there were no material uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Generally, tax years from May 31, 2022 though the current year remain open to examination by the Internal Revenue Service. The organization does not believe that the results from an examination of these open years have a material adverse effect on the organization.

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 the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents

The Organization maintains a cash account that is insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. Cash equivalents consist of cash held in a high-yield deposit account at a local bank and highly liquid investments with a maturity of three months or less.

Accounts Receivable

Accounts receivable consist mainly of receivables due from customers for concerts or events. Management determines the allowance for doubtful accounts by identifying troubled accounts, considering the customer's financial condition, and current economic conditions using historical experience. Management believes all accounts receivable are collectible and therefore there is no allowance for doubtful accounts.

Collection Items

It is the Organization’s accounting policy to capitalize all collection items at cost if purchased and at appraised or fair value if donated. Collections consist of musical instruments considered to be works of art, historical treasures, or other similar assets. The following items are shown as collection items as of May 31, 2025:

Steinway piano	$25,000
Celesta	25,154
Other instruments	18,739
Total	$68,893

Property and Equipment

Land, buildings and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of $500 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and improvements	40 years
Leasehold improvements	20 years, or remaining lease term, if shorter
Furnishings and equipment	5-10 years
Equipment used under capital leases	5-7 years

Land, buildings and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Revenue Recognition

Contributions or pledges from donors that are unconditional, are recognized by the organization as net assets without donor restrictions in the period received. Contributions or pledges from donors with donor-imposed conditions are reported as net assets with donor restrictions in the period received. When a restriction expires (that is, when a stipulated time restriction or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

The organization is a beneficiary under several donors' wills. Contributions from bequests are recognized as contributions receivable when the probate court declares that the will is valid, and the organization has an irrevocable right to the bequest.

The organization defers income from pre-season ticket sales, The income is recorded as revenue in the year which corresponds to the concert season as services are provided.

Grant Revenue

Grants are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the contracts. Grants are generally considered as contributions with donor restrictions based upon specific requirements contained in the grant contract.

Functional Allocation of Expenses

The costs of providing the various programs and activities and in-kind expenses have been allocated among the program services and supporting services benefited and are summarized on a functional basis in the statement of activities.
These allocations are based on estimates determined by management. All other expenses are directly charged to the functions they benefit.

The expenses that are allocated include the following:

- Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by key personnel.

- Occupancy, depreciation, and amortization, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space.

- Telephone and internet services, insurance, and supplies and miscellaneous expenses that cannot be directly identified are allocated on the basis of employee headcount for each program and supporting activity.

Every three years, or more often when new space or programs are added, the bases on which costs are allocated are evaluated.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Fair Value Measurements

US GAAP defines fair value and establishes a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is broken down into three levels of inputs that market participants would use in valuing the asset or liability, which can be summarized as follows:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Quoted prices for similar assets or liabilities.

Level 3 – Valuation based on inputs that are unobservable, therefore requiring management's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

3. Liquidity and Availability

The following represents the organization's financial assets on May 31, 2025:

Financial assets at year-end:

Cash and cash equivalents	$ 63,372
Accounts receivable	18,144
Investments	383,290
Total financial assets	$ 464,806

Financial assets available to meet general expenditures

over the next twelve months	$ 464,806

The organization manages its liquidity and reserves following three guiding principles: operating withing a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The organization has a liquidity policy to maintain current financial assets less current liabilities to cover operational expenses and short-term liabilities. The organization also has a policy to target a year-end balance of reserves of unrestricted net assets to meet 60 days of expected expenditures. To achieve these targets, the organization forecasts future cash and monitors its liquidity quarterly and monitors its reserves annually. During the year ended May 31, 2025, the level of liquidity and reserves was managed within the policy requirements.

4. Property and Equipment

Property and equipment are summarized as follows as of May 31, 2025:

Musical instruments & program equipment	$ 69,656
Copier	18,837
Website	10,000
Computer equipment	3,837
Less: Accumulated depreciation	(22,098)
Property and equipment, net	$ 80,232

Depreciation expense charge to operations amounted to $5,628 for the year ended May 31, 2025.

5. Affiliated Organizations

The Friends of the Symphony is an organization dedicated to raising funds to support the Organization. The two organizations have independent boards, with the exception of three shared individuals between the two boards. The Friends of the Symphony contributed to sponsorship of Family Concert for year ended May 31, 2025.

6. Beneficial Interests in Funds Held by Others

Wilfred Schwartz Conductors Endowment Fund
The Organization is a beneficiary of the Fort Collins Community Foundation, a division of the Community Foundation Serving Northern Colorado (the "Foundation"), under which the Organization donated cash to the Foundation for Wilfred (Will) Schwartz Conductors Endowment Fund (the "Fund"). The primary purpose of the Fund is to recognize and honor Will Schwartz's long dedication to the Organization and to help perpetuate the Organization by providing annual endowment income to the Organization for the "conductor's chair".

Because the agreement gives the Foundation the unilateral power to redirect the use of the assets away from the Organization (variance power), the assets, earnings, and expenses of the Fund have not been recognized on the Organization's financial statements.

Income is distributed from the fund when requested by the Organization. There were no payables to the Foundation as of May 31, 2025. There were no transfers from the Foundation during the year ended May 31, 2025.

Fort Collins Symphony Endowment Fund, Inc.
On May 17, 2001, the Fort Collins Symphony Endowment Fund, Inc. (the "Endowment Fund") was created in order to support the work and the tax-exempt, charitable purposes of the Fort Collins Symphony Association. The Endowment Fund is to serve as a permanent source of support to the Fort Collins Symphony Orchestra.

Money received by the Organization designated for contributions to the Endowment Fund is accounted for as refundable payables to the Endowment Fund, and as such, no contribution revenue is recognized by the Organization. There were no payables to the Endowment Fund as of May 31, 2025. There were no transfers to the Endowment Fund during the year ended May 31, 2025.

The Friends of the Symphony
The Friends of the Symphony has established an endowment fund with the Fort Collins Community Foundation. The primary purpose is to provide annual endowment income to the Organization for the "musician's chair." There was $24,529 transferred from the endowment fund to the Organization during the year ended May 31, 2025.

Rosenberg Endowment Fund
The Rosenberg Endowment Fund is a pooled investment, which is managed by the Fort Collins Community Foundation. The pooled funds held by the Foundation are invested in debt-securities, primarily U.S. and U.S. Organization securities held in trust by bank trust departments. The Organization received no income during the year ended May 31, 2025.

7. Commitments & Contingencies

The Organization has entered into a contract with the Lincoln Center in Fort Collins, Colorado for its future concerts for the 2025/2026 fiscal year. The contract does not contain a provision for a cancellation charge.

8. Long-term Debt

During 2020 the Organization entered into a loan with the U.S. Small business Administration. The loan was issued in the amount of $49,400 with a fixed interest rate of 2.75% and is secured by any and all "Collateral". During 2022 the Organization received additional funds of $98,700 with the same parameters as the original loan. The Collateral includes the following property that the Organization now owns or shall acquire or create immediately upon the acquisition or creation thereof: all tangible and intangible personal property, including, but not limited to: (a) inventory, (b) equipment, (c) instruments, including promissory notes (d) chattel paper, including tangible chattel paper and electronic chattel paper, (e) documents, (f) letter of credit rights, (g) accounts, including health-care insurance receivables and credit card receivables, (h) deposit accounts, (i) commercial tort claims, (j) general intangibles, including payment intangibles and software and (k) as-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The proceeds were used for ongoing operations during the COVID pandemic. Monthly interest and principal payments began May 20, 2022, with the loan due June 20, 2049.

Future principal payments on the loan are as follows at May 31:

2026	4,066
2027	4,179
2028	4,295
2029	4,415
2030	4,539
Thereafter	112,705
	$ 134,199

9. In-kind Donations

The organization received in-kind donations for contributed goods, services, and office rental in the amount of $44,725 during the year ended May 31, 2025. Such amounts are recognized at fair value as determined by the donor on the date of contribution. They are reported as in-kind donations and are offset by like amounts included in program service expenses for advertising and marketing, office rental, concert labor costs, and other supporting services expenses in the statement of activities and statement of functional expenses.

10. Investments

Investments at fair value and cost as of May 31, 2025 were as follows:

	Cost	Fair Value
Mutual funds	$ 104,747	$ 114,141
Exchange traded funds	$ 119,756	$ 127,379

Investment income (loss) related to these investment is included with investment income of the statement of activities on May 31, 2025, was comprised of the following:

Interest and dividend income	$ 20,058
Unrealized gain (loss)	5,482
Investment fees	(4,874)
	$ 20,666

11. Fair Value Measurements

Fair value of assets measured on a recurring basis as of May 31, 2025 is as follows:

	Total	Level 1	Level 2	Level 3
Mutual funds	$ 114,141	$ 114,141		
Exchange traded funds	$ 127,379	$ 127,379		

12. Subsequent Events

Management has evaluated subsequent events through December 3, 2025, the date that the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Subsequent to the report date, May 31, 2025, and for the 2025-2026 fiscal year, the Organization's primary vendor for programs and earned income (Lincoln Center) adopted a new policy for revenue and expense recognition related to programs and performances provided by the Organization in its ordinary course of operations. The impact on the Organization is deemed to be immaterial for the purpose of these financial statements; however, the subsequently adopted policy is representative in a change to the Organization's accounting policies and recognition of cash flow as it relates to the timing of services performed for future reporting periods.