

**Community Circle Players, Inc.**

**Financial Statements**

**June 30, 2023**

## Table of Contents

|  | <b>Page</b> |
|--|-------------|
| Independent Accountants' Review Report | 1           |
| Basic Financial Statements             |             |
| Statement of Financial Position        | 2           |
| Statement of Activities                | 3           |
| Statement of Functional Expenses       | 4           |
| Statement of Cash Flows                | 5           |
| Notes to the Financial Statements      | 6           |



800.968.0010 | YEOANDYEO.COM

## Independent Accountants' Review Report

To the Board of Directors of  
Community Circle Players, Inc.  
Lansing, Michigan

We have reviewed the accompanying financial statements of Community Circle Players, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and 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 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 the 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.

### 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.

We are required to be independent of Community Circle Players, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### 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 accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads 'Yeo &amp; Yeo, P.C.' The signature is written in a cursive, flowing style.

Lansing, Michigan  
December 6, 2023

**Community Circle Players, Inc.**  
**Statement of Financial Position**  
**June 30, 2023**

---

**Assets**

Current assets

|                           |               |
|---------------------------|---------------|
| Cash and cash equivalents | \$ 91,716     |
| Grants receivable         | 10,000        |
| Inventory                 | 365           |
| Prepaid expenses          | <u>24,155</u> |

Total current assets 126,236

Property and equipment

|                                |                    |
|--------------------------------|--------------------|
| Equipment and furnishings      | 202,560            |
| Building improvements          | 1,348,926          |
| Building                       | 285,767            |
| Less: accumulated depreciation | <u>(1,295,938)</u> |

Property and equipment, net 541,315

**Total assets** \$ 667,551

**Liabilities and Net Assets**

Current liabilities

|                            |               |
|----------------------------|---------------|
| Accounts payable and other | \$ 445        |
| Deferred revenue           | <u>19,040</u> |

Total liabilities 19,485

Net assets

|                            |               |
|----------------------------|---------------|
| Without donor restrictions |               |
| Undesignated               | 619,816       |
| With donor restrictions    |               |
| Purpose restrictions       | <u>28,250</u> |

Total net assets 648,066

**Total liabilities and net assets** \$ 667,551

See Accompanying Independent Accountants' Review Report  
and Notes to the Financial Statements

**Community Circle Players, Inc.**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total             |
|---------------------------------------|-------------------------------|----------------------------|-------------------|
| <b>Revenue, support and gains</b>     |                               |                            |                   |
| Box office, season tickets and other  | \$ 171,220                    | \$ -                       | \$ 171,220        |
| Contributions                         | 17,068                        | 5,000                      | 22,068            |
| Government grants                     | 23,438                        | 20,000                     | 43,438            |
| Concessions                           | 4,677                         | -                          | 4,677             |
| Rents                                 | 1,025                         | -                          | 1,025             |
| Interest                              | 14                            | -                          | 14                |
| Other revenue                         | 1,687                         | -                          | 1,687             |
| Net assets released from restrictions | 6,750                         | (6,750)                    | -                 |
|                                       | <u>225,879</u>                | <u>18,250</u>              | <u>244,129</u>    |
| <b>Expenses</b>                       |                               |                            |                   |
| Program services                      | 186,303                       | -                          | 186,303           |
| Management and general                | 54,193                        | -                          | 54,193            |
| Fundraising                           | 5,260                         | -                          | 5,260             |
|                                       | <u>245,756</u>                | <u>-</u>                   | <u>245,756</u>    |
| <b>Change in net assets</b>           | (19,877)                      | 18,250                     | (1,627)           |
| Net assets - beginning of year        | <u>639,693</u>                | <u>10,000</u>              | <u>649,693</u>    |
| Net assets - end of year              | <u>\$ 619,816</u>             | <u>\$ 28,250</u>           | <u>\$ 648,066</u> |

See Accompanying Independent Accountants' Review Report  
and Notes to the Financial Statements

**Community Circle Players, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2023**

|                                  | <u>Program<br/>Services</u> | <u>Management<br/>and General</u> | <u>Fundraising</u> | <u>Total</u>      |
|----------------------------------|-----------------------------|-----------------------------------|--------------------|-------------------|
| Salaries and related costs       |                             |                                   |                    |                   |
| Salaries and wages               | \$ 31,915                   | \$ 28,085                         | \$ 3,830           | \$ 63,829         |
| Payroll taxes                    | 4,115                       | 3,621                             | 494                | 8,229             |
| Employee benefits                | <u>680</u>                  | <u>598</u>                        | <u>82</u>          | <u>1,360</u>      |
| Total salaries and related costs | 36,709                      | 32,304                            | 4,405              | 73,418            |
| Advertising and marketing        | 681                         | -                                 | -                  | 681               |
| Concessions                      | 1,876                       | -                                 | -                  | 1,876             |
| Contracted services              | 2,280                       | 669                               | -                  | 2,949             |
| Credit card charges              | 3,556                       | -                                 | -                  | 3,556             |
| Depreciation                     | 41,225                      | 2,170                             | -                  | 43,395            |
| Dues, fees and royalties         | 21,008                      | 2,492                             | -                  | 23,500            |
| Insurance                        | 6,014                       | 1,339                             | -                  | 7,353             |
| Leased equipment                 | 2,230                       | 248                               | -                  | 2,478             |
| Maintenance                      | 12,573                      | 662                               | -                  | 13,235            |
| Postage and printing             | 562                         | 940                               | 855                | 2,357             |
| Production costs                 | 21,719                      | -                                 | -                  | 21,719            |
| Professional fees                | -                           | 6,450                             | -                  | 6,450             |
| Scholarships                     | 5,000                       | -                                 | -                  | 5,000             |
| Subscriptions and scripts        | 502                         | -                                 | -                  | 502               |
| Supplies and miscellaneous       | 6,709                       | 3,400                             | -                  | 10,109            |
| Telephone                        | 1,066                       | 1,066                             | -                  | 2,132             |
| Trash removal                    | 508                         | -                                 | -                  | 508               |
| Utilities                        | <u>22,084</u>               | <u>2,454</u>                      | <u>-</u>           | <u>24,538</u>     |
| Total expenses by function       | <u>\$ 186,303</u>           | <u>\$ 54,193</u>                  | <u>\$ 5,260</u>    | <u>\$ 245,756</u> |

See Accompanying Independent Accountants' Review Report  
and Notes to the Financial Statements

**Community Circle Players, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**

---

|  |                         |
|--|-------------------------|
| <b>Cash flows from operating activities</b>    |                         |
| Change in net assets                           | \$ (1,627)              |
| Items not requiring cash                       |                         |
| Depreciation                                   | 43,395                  |
| Changes in operating assets and liabilities    |                         |
| Grants receivable                              | (10,000)                |
| Inventory                                      | 73                      |
| Prepaid expenses                               | 4,629                   |
| Accounts payable                               | (3,365)                 |
| Deferred revenue                               | <u>(18,834)</u>         |
| Net cash provided by operating activities      | 14,271                  |
| Cash and cash equivalents - beginning of year  | <u>77,445</u>           |
| <b>Cash and cash equivalents - end of year</b> | <u><u>\$ 91,716</u></u> |

See Accompanying Independent Accountants' Review Report  
and Notes to the Financial Statements

**Community Circle Players, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1 - Summary of Significant Accounting Policies**

**Organization Nature and Purpose**

Community Circle Players, Inc. (the Organization) was formed on July 11, 1958 as a non-profit domestic corporation in Michigan and has received exempt status from federal income taxes as an organization that is not a private foundation. The Organization's mission is to provide resources for community theater productions. This is accomplished through the theatrical productions of Riverwalk Theatre. The Organization's support comes primarily from admission, program advertising, membership and concession fees related to the Riverwalk Theatre and from contributions and government grants.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Basis of Presentation**

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- (or certain grantor-) 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 that resources be maintained in perpetuity.

Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents. As of June 30, 2023 the entire bank balance was insured by the FDIC.

**Inventory**

Inventories consist of finished goods and are stated at the lower of cost or net realizable value.

**Property and Equipment**

The Organization's policy is to capitalize all expenditures for property and equipment in excess of \$500. Lesser amounts are expensed. Purchased property and equipment are carried at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over estimated useful lives ranging from five to forty years.

**Revenue and Revenue Recognition**

Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

**Advertising**

The Organization expenses advertising costs the first time the advertising occurs.



**Community Circle Players, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Functional Expenses**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, dues, fees and royalties, employee benefits, insurance, leased equipment, maintenance, payroll taxes, postage and printing, salaries, supplies, telephone and utility expenses, which are allocated on the basis of estimates of time and effort. Direct costs which can be clearly defined as incurred for specific programs or supporting activities are charged as can be determined. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

**Donated Services**

The Organization receives a significant amount of donated services from unpaid volunteers who assist in all aspects of the theatre's productions. No amounts have been recognized in the statement of activities as the criteria for recognition under generally accepted accounting principles have not been satisfied.

**Income Tax**

The Organization is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from similar state and local taxes. The Organization is required to file and does file informational returns with the Internal Revenue Service.

**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.

**Date of Management's Review**

Management has evaluated subsequent events through December 6, 2023, which is the date the financial statements were available to be issued.

**Note 2 - Liquidity and Availability of Resources**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30, 2023:

|   |    |                 |
|---|----|-----------------|
| Cash and cash equivalents   | \$ | 91,716          |
| Grants receivable   |    | 10,000          |
| Less: Donor restricted net assets   |    | <u>(28,250)</u> |
| Financial assets available to meet cash needs<br>for general expenditures within one year | \$ | <u>73,466</u>   |

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize its available funds. The Organization's policies are designed to ensure adequate financial assets are available to meet general expenditures, liabilities, and other obligations as they become due.

**Community Circle Players, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 3 - Net Assets**

Net assets with donor restrictions are restricted for the following purposes and periods as of June 30, 2023:

|                                 |    |               |
|---------------------------------|----|---------------|
| Subject to purpose restrictions |    |               |
| ARPA grant - HVAC roof unit     | \$ | 20,000        |
| Scholarships                    |    | <u>8,250</u>  |
|                                 | \$ | <u>28,250</u> |

Net assets of \$6,750 were released from restrictions due to their donor-imposed restrictions being satisfied.

**Note 4 – Lease Obligations**

The Organization has entered into an operating lease agreement to occupy space related to its theatrical costume shop. The lease commenced December 1, 2019 and terminates November 31, 2024. Rent for the remaining term is \$7,800 annually, payable in monthly installments. Due to immateriality, the organization has elected not to recognize a related right of use asset and lease obligation as required by accounting principles generally accepted in the United States of America.

**Note 5 – Revenue from Contracts with Customers**

The following summarizes revenue by type for the year ended June 30, 2023:

|  |    |                |
|--|----|----------------|
| Contract revenue recognized at a point in time |    |                |
| Box office tickets                             | \$ | 171,220        |
| Concessions                                    |    | 4,677          |
| Rental income                                  |    | <u>1,025</u>   |
|  |    | <u>176,922</u> |
| Contributions and other revenue                |    |                |
| Contributions                                  |    | 22,068         |
| Government grants                              |    | 43,438         |
| Other revenue                                  |    | <u>1,701</u>   |
|  |    | <u>67,207</u>  |
| Total revenues                                 | \$ | <u>244,129</u> |

Revenue from contracts with customers is derived primarily from ticketing for performances, other performance related fees, and costume shop rentals.

The Organization recognizes revenue based on the satisfaction of performance obligations. Performance obligations are determined based on the goods or services provided by the Organization. The following explains the performance obligations related to each major revenue stream and the pattern in which the related revenue is recognized.

**Community Circle Players, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

The majority of box office ticket revenue is received in advance of the show. Advance ticket sales are recorded as deferred revenue and are subsequently recognized as revenue in the period the performance takes place. Other related performance fees received are recognized in the period the performance takes place. Rental and commission revenues received are recognized in the period or periods the customer or vendor is utilizing the Organization's products. Concession sales are recorded at the time of purchase when goods are transferred to the customer.

There was no balance for contract assets as of June 30, 2023 and July 1, 2022 respectively. Contract liabilities as of June 30, 2023 and July 1, 2022 were \$19,040 and \$37,874, respectively.

There were no changes in judgments related to revenue recognition for the year ended June 30, 2023.