

BALLETROX, INC.

FINANCIAL STATEMENTS

with

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

YEAR ENDED JUNE 30, 2022

(With Summarized Comparative Information for 2021)

Smith  Sullivan
& Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 200  Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

BALLETROX, INC.

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

(With Summarized Comparative Information for 2021)



BALLETROX

Mission Statement

BalletRox empowers Boston youth through dance, providing a supportive community for life-long success. BalletRox gives more kids a chance to dance.

www.balletrox.info

BALLETROX, INC.

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

(With Summarized Comparative Information for 2021)

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
BalletRox, Inc.
Jamaica Plain, Massachusetts

We have reviewed the accompanying financial statements of BalletRox, Inc. (a Massachusetts nonprofit organization), which comprise the statement of financial position as of June 30, 2022, 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 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 taken 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 and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Accountants' Responsibility

Our responsibility is to conduct the review 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 report.

We are required to be independent of BalletRox, 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.

Summarized Comparative Information

We previously reviewed BalletRox, Inc.'s FY 2021 financial statements and in our conclusion dated January 12, 2022 stated that based on our review, we were not aware of any material modifications that should be made to the FY 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 any 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.

Smith, Sullivan & Brown, PC

Westborough, Massachusetts
April 4, 2023

BALLETROX, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

ASSETS

	<u>2022</u>	<u>2021</u>
<u>CURRENT ASSETS:</u>		
Cash	\$ 172,622	\$ 194,027
Grants and Contributions Receivable	20,000	-
Prepaid Expenses	2,914	-
Total Current Assets	<u>195,536</u>	<u>194,027</u>
<u>OTHER ASSETS:</u>		
Board Designated Funds	<u>10,000</u>	<u>10,000</u>
Total Other Assets	<u>10,000</u>	<u>10,000</u>
<u>TOTAL ASSETS</u>	<u>\$ 205,536</u>	<u>\$ 204,027</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES:</u>		
Accrued Payroll and Related Costs	\$ 14,986	\$ -
Total Current Liabilities	<u>14,986</u>	<u>-</u>
<u>NET ASSETS:</u>		
Net Assets Without Donor Restrictions:		
Board Designated	10,000	10,000
Operating Funds	<u>160,550</u>	<u>164,027</u>
Total Net Assets Without Donor Restrictions	170,550	174,027
Net Assets With Donor Restrictions	<u>20,000</u>	<u>30,000</u>
Total Net Assets	<u>190,550</u>	<u>204,027</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 205,536</u>	<u>\$ 204,027</u>

BALLETROX, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Totals for 2021)

	<u>WITHOUT</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>WITH</u> <u>DONOR</u> <u>RESTRICTIONS</u>	<u>TOTAL ACTIVITIES</u>	
			<u>2022</u>	<u>2021</u>
<u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u>				
<i>Support and Revenues:</i>				
School-Based Programs	\$ 29,010	\$ -	\$ 29,010	\$ 17,353
BalletRox Dance! Tuition Fees	21,382	-	21,382	21,610
Ticket Sales	515	-	515	1,425
Gifts, Grants and Contributions	318,510	20,000	338,510	180,515
Paycheck Protection Program Grant	-	-	-	36,284
Donated Goods and Services	-	-	-	2,794
<i>Reclassifications of Net Assets:</i>				
Satisfaction of Program Restrictions	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>399,417</u>	<u>(10,000)</u>	<u>389,417</u>	<u>259,981</u>
<u>FUNCTIONAL EXPENSES:</u>				
Program Services	302,789	-	302,789	204,235
<i>Supporting Services:</i>				
Administrative	54,764	-	54,764	32,053
Fund Raising	<u>45,341</u>	<u>-</u>	<u>45,341</u>	<u>29,900</u>
<u>TOTAL FUNCTIONAL EXPENSES</u>	<u>402,894</u>	<u>-</u>	<u>402,894</u>	<u>266,188</u>
<u>CHANGE IN NET ASSETS</u>	<u>(3,477)</u>	<u>(10,000)</u>	<u>(13,477)</u>	<u>(6,207)</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>174,027</u>	<u>30,000</u>	<u>204,027</u>	<u>210,234</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 170,550</u>	<u>\$ 20,000</u>	<u>\$ 190,550</u>	<u>\$ 204,027</u>

BALLETROX, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Totals for 2021)

	<u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND</u> <u>RAISING</u>	<u>TOTAL</u> <u>FUNCTIONAL EXPENSES</u>	
				<u>2022</u>	<u>2021</u>
Salaries and Wages	\$ 226,357	\$ 29,021	\$ 34,824	\$ 290,202	\$ 158,053
Payroll Taxes	21,546	2,762	3,315	27,623	17,558
Employee Benefits	15,182	1,946	2,336	19,464	26,763
Scholarships	10,625	-	-	10,625	15,625
Professional Fees	5,865	15,909	-	21,774	8,780
Advertising	74	-	-	74	1,594
Theater and Studio Rental	14,061	-	-	14,061	14,300
Costumes	3,596	-	-	3,596	1,673
Depreciation Expense	-	-	-	-	514
Insurance	234	697	36	967	2,918
Miscellaneous	5,249	4,429	4,830	14,508	18,410
	<u>5,249</u>	<u>4,429</u>	<u>4,830</u>	<u>14,508</u>	<u>18,410</u>
Total Functional Expenses	<u>\$ 302,789</u>	<u>\$ 54,764</u>	<u>\$ 45,341</u>	<u>\$ 402,894</u>	<u>\$ 266,188</u>

BALLETROX, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ (13,477)	\$ (6,207)
<i>Adjustments to Reconcile the Above to Net Cash Provided (Used) by Operating Activities:</i>		
Depreciation Expense	-	514
<i>(Increase) Decrease in Current Assets:</i>		
Accounts Receivable	-	5,980
Grants and Contributions Receivable	(20,000)	25,797
Prepaid Expenses	(2,914)	-
<i>Increase (Decrease) in Current Liabilities:</i>		
Accrued Payroll and Related Costs	14,986	-
Conditional Grant Advance	-	(534)
Net Adjustment	<u>(7,928)</u>	<u>31,757</u>
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>(21,405)</u>	<u>25,550</u>
<u>NET INCREASE (DECREASE) IN CASH BALANCES</u>	<u>(21,405)</u>	<u>25,550</u>
<u>CASH BALANCES - BEGINNING OF YEAR</u>	<u>204,027</u>	<u>178,477</u>
<u>CASH BALANCES - END OF YEAR</u>	<u>\$ 182,622</u>	<u>\$ 204,027</u>
<i>Cash Balances:</i>		
Cash	\$ 172,622	\$ 194,027
Board Designated Funds	<u>10,000</u>	<u>10,000</u>
	<u>\$ 182,622</u>	<u>\$ 204,027</u>

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

NOTE 1 ORGANIZATION

BalletRox, Inc. (“BalletRox” or the “Organization”) was incorporated in January 1992 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). BalletRox, Inc. is not classified as a private foundation under IRC Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

The Organization is primarily funded by its school programs and grants and contributions from the general public.

NOTE 2 PROGRAM SERVICES

BalletRox strives to improve the well-being of local youth and the greater community through exposure and access to dance. BalletRox programs are based on the premise that participation in dance not only provides dance training, but also contributes to social development, encourages healthy lifestyle, and helps develop valuable life skills. While BalletRox helps students increase technical dance abilities, it is these additional skills which lead to increased confidence levels and self-efficacy that are the most important goals of BalletRox’s programming.

BalletRox works to expose Boston youth to dance and performance, who otherwise would not have the opportunity. BalletRox provides a supportive and safe community in which self-expression, confidence and discipline are cultivated.

BalletRox runs programming with external partners to bring dance programming to students at various locations throughout the city. Our primary external partner has been Boston Public Schools. In FY 2022, we partnered with Snowden International School at Copley, the Conley Elementary School, and P.A. Shaw Elementary school. These semester and year-long programs provide arts-integrated dance curriculum to hundreds of students each year.

BalletRox Dance! is a community dance program located in Jamaica Plain that is open to all community members with no audition or selection process. Full and partial scholarships are made available on a sliding fee schedule based on family income and size.

The purpose of BalletRox is to engage in the following activities: to promote, advance and sponsor artistic endeavors, creative work and education in dance, theater, music and other performance arts, including but not limited to, providing activities and facilities on professional, semi-professional and recreational levels, sponsoring instruction, workshops, residencies and classes, providing rehearsal, performance and instructional spaces and sponsoring professional and non-professional concerts and performances.

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 2 *(Continued)*

In previous years BalletRox operated a Youth Council, but the Organization is currently rebuilding its teen program that suffered during Covid and previous teens graduating. The Organization is in progress to bring in new teens for its BalletRox Youth Council for FY 2023. The Youth Council is a student government body, founded on the premise of independence, collaboration, and giving a voice to the youth in the communities served. Thanks to the creative as well as organizational processes taking place during the Youth Council meetings, teenagers are able to learn such skills as leadership, cooperation, and accountability through participating on board committees, grant writing and performance. BalletRox's long-term plan continues to include professional performance opportunities as an integral part of program offerings.

All dance schools teach dance technique, but because BalletRox focuses on at-risk, urban children, it is able to teach much more. BalletRox is uniquely positioned to provide the proven psychological and developmental benefits of dance. Through dance classes and performance opportunities students learn discipline, teamwork, self-respect, and self-esteem. BalletRox provides critical tools for helping young people manage peer pressures, family crisis, and threats from the streets as well as for success in the adult world.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of the BalletRox, Inc. have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at 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; however, adherence to generally accepted accounting principles, has in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Financial Statement Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as defined below.

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 3 *(Continued)*

Net Assets With Donor Restrictions - Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. As of June 30, 2022 and 2021, the Organization had no net assets that are required to be maintained in perpetuity. The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

The accompanying financial statements include certain FY 2021 summarized comparative information. With respect to the Statement of Activities, such prior year information is not presented by net class and in the Statement of Functional Expenses, FY 2021 expenses by line item are in total rather than by functional category which is not a complete financial statement presentation under GAAP. 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.

Receivables:

Grants and Contributions Receivable represent amounts which are due from individual donors, organizations, and foundations which are reported at their net realizable value and classified as current if they are scheduled for payment within one year. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the Statements of Activities.

Management periodically reviews receivables to determine if any balances are uncollectible. The allowance for uncollectible receivables is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. As of June 30, 2022 and 2021, Management believes that all receivables are fully collectible; accordingly, these financial statements do not contain a provision for uncollectible accounts. For the years presented, there were no losses from uncollectible *Grants and Contributions Receivable*.

Property and Equipment:

Property and equipment purchases in excess of \$500 are capitalized at cost, if purchased, or if donated, at fair value at the date of the receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method, and is charged to activities over the estimated useful lives of the assets, as expressed in terms of years. As of June 30, 2022 and 2021, property and equipment consists of a Marley dance floor, a portable stage floor covering, and computer equipment with an original cost of \$6,252, which are fully depreciated. The estimated useful life of the dance floor is seven years and the computer equipment is three years. Depreciation expense was \$514 for the year ended June 30, 2021.

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 3 (Continued)

Revenue Recognition:

School-Based Programs, BalletRox Dance! Tuition Fees and *Ticket Sales* are recognized as revenue as the services are rendered.

The BalletRox Dance! program has established tuition rates based upon the number of classes per week of attendance and the age group of the child. Tuition, which includes dancewear and recital costumes, can be paid annually or divided into three installment payments. Parents also pay a nonrefundable registration fee.

BalletRox Dance! offers need-based reduced tuition through scholarships based on family size, number of children under the age of 18 living in the household, the annual family income, and sources of income. The fees for optional master dance class are waived for these scholarship students. BalletRox separately tracks these scholarships and has reflected these amounts as *Scholarships* expense in the accompanying Statement of Functional Expenses. Scholarships for the BalletRox Dance! Program were \$10,625 and \$15,625 for the years ended June 30, 2022 and 2021, respectively.

Gifts, Grants and Contributions:

The Organization is the beneficiary of contributions in the form of grants from other organizations, governmental agencies, donations of cash and financial assets from individuals and contributions of nonfinancial assets. Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restriction are met, at which time the net assets are reclassified to net assets without donor restrictions. The Organization has elected to report contributions with donor restrictions whose restrictions are met in the same reporting period as contributions without donor restrictions.

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a refundable grant advance.

Donations of Nonfinancial Assets:

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. For the year ended June 30, 2021, donated goods and services consisted of communication and marketing services and professional fees that were valued at cost. There were no such donated goods and services for the year ended June 30, 2022.

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 3 *(Continued)*

Functional Expenses:

The Organization allocates its expenses on a functional basis among various programs and support services. Expenses that are common to several functions are allocated using a salary-based formulas or from the nature of related item. In the accompanying Statement of Functional Expenses, *Salaries and Wages*, *Payroll Taxes* and *Employee Benefits* are allocated based on estimates of time and effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis.

Supporting services have been sub-classified as follows:

Administrative - includes all activities related to BalletRox, Inc.'s internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, direct mail solicitation, distribution of materials and other similar projects related to the procurement of funds for BalletRox's programs.

Advertising:

The Organization expenses the costs of advertising at the time the advertising is incurred.

Recent Accounting Guidance:

Recently Implemented Standards

During the year ended June 30, 2022, the Organization adopted ASU 2020-07 *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU increases transparency in reporting nonprofit gifts-in-kind in the Organization's financial statements. Although the standard did not change the accounting for contributed nonfinancial assets, the Organization's disclosures have been enhanced to provide qualitative policy information on the techniques and inputs used to determine the valuation of nonfinancial donations. Accordingly, disclosures for the year ended June 30, 2021 were enhanced to be comparative to the FY 2022 presentation.

NOTE 4 RESTRICTIONS AND DESIGNATIONS OF NET ASSETS

As of June 30, 2022 and 2021, net assets without donor restrictions of \$10,000 were designated by the Board of Directors for an operating reserve.

Net assets with donor restrictions include unexpended contributions and grants restricted by donors for the following purposes as of June 30, 2022 and 2021:

<u>Nature of Restriction</u>	<u>2022</u>	<u>2021</u>
Time Restricted	<u>\$20,000</u>	<u>\$30,000</u>

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 4 (Continued)

For the years presented, net assets were released from restriction for the following programs and purposes:

<u>Nature of Restriction</u>	<u>2022</u>	<u>2021</u>
Time Restricted	\$30,000	\$20,000
Future Programming	-	20,000
Paycheck Protection Program	-	<u>36,284</u>
Total	<u>\$30,000</u>	<u>\$76,284</u>

NOTE 5 RENTAL AGREEMENT

BalletRox is party to a space sharing arrangement in the form of an annually renewable rental agreement at the Spontaneous Celebrations community facility located in Jamaica Plain, the term of which coincides with the Organization's fiscal year. The rental agreement provides BalletRox with dance studio space for their BalletRox Dance! Program. Total rent expense paid to Spontaneous Celebrations amounted to \$14,061 and \$14,300, respectively, for the years ended June 30, 2022 and 2021 and is included within the *Theater and Studio Rental* expense in the accompanying Statement of Functional Expenses.

NOTE 6 CONDITIONAL GRANTS

Paycheck Protection Program:

BalletRox received two Small Business Administration ("SBA") loans from Eastern Bank through the Paycheck Protection Program ("PPP") established by the U.S. CARES Act. The Organization elected to account for the expected forgivable portion of these loans as conditional grant commitments as permitted by generally accepted accounting principles. The amount forgiven equals the amount incurred on qualifying costs during the covered period. The Organization's second PPP loan in the amount of \$35,750, was received on January 30, 2021 and the qualifying costs were incurred within the year; therefore, this amount is recognized as *Paycheck Protection Program Grant* in the accompanying Statement of Activities for the year ended June 30, 2021. Both PPP loans have been forgiven in full by the SBA.

NOTE 7 CONCENTRATIONS

Grants and Contributions Receivable:

As of June 30, 2022, the balance of *Grants and Contributions Receivable* was due from one donor.

NOTE 8 RETIREMENT PLAN

BalletRox maintains a retirement savings plan for employees meeting certain eligibility requirements. The Organization, at its discretion, may match a portion of the employees' contributions. For the years ended June 30, 2022 and 2021, the total expense recognized for the Organization's match was \$9,303 and \$12,871, respectively and is included in *Employee Benefits* in the accompanying Statement of Functional Expenses.

BALLETROX, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

(With Summarized Comparative Information for 2021)

(Continued)

NOTE 9 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects BalletRox's financial assets as of June 30, 2022 and 2021, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the governing board has set aside the funds for a specific contingency reserve or a long-term investment.

	<u>2022</u>	<u>2021</u>
Financial Assets:		
Cash, Operating	\$172,622	\$194,027
Grants and Contributions Receivable	20,000	-
Board Designated Funds	<u>10,000</u>	<u>10,000</u>
Total Financial Assets	202,622	204,027
Less Amounts Not Available to be Used Within One Year:		
Board Designated Funds	<u>(10,000)</u>	<u>(10,000)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$192,622</u>	<u>\$194,027</u>

As part of the Organization's liquidity management, BalletRox has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization has Board Designated funds, and while the Organization does not intend to spend these funds for general operating purposes within the next year, these amounts could be made available for current operations, if necessary.

For the purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 10 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through April 4, 2023, the date which the financial statements were available for issue, and noted no events which met the disclosure criteria.