

# **SWAN: SCALING WALLS A NOTE AT A TIME**

***FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS***

**DECEMBER 31, 2017 AND 2016**

# SWAN: SCALING WALLS A NOTE AT A TIME

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## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

### **To the Board of Trustees of SWAN: Scaling Walls a Note at a Time**

We have reviewed the accompanying financial statements of SWAN: Scaling Walls a Note at a Time ("SWAN") (a nonprofit organization), which comprise the statements of cash receipts and disbursements for the year ended December 31, 2017 and 2016, 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 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 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 the cash basis of accounting. 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 the cash basis of accounting.

#### **Basis of Accounting**

We draw attention to Note 1 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.

*Tait, Weller & Baker LLP*

**Philadelphia, Pennsylvania  
January 30, 2018**

# SWAN: SCALING WALLS A NOTE AT A TIME

## STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

Years Ended December 31, 2017 And 2016

|                                                       | 2017                |                               |                 |
|-------------------------------------------------------|---------------------|-------------------------------|-----------------|
|                                                       | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u>    |
| <b>Cash Receipts</b>                                  |                     |                               |                 |
| Donations                                             | \$33,350            | \$ 1,260                      | \$34,610        |
| Grant Income                                          | 2,500               | -                             | 2,500           |
| Other Income                                          | 7                   | -                             | 7               |
| Special Events, net                                   | 25,303              | -                             | 25,303          |
| Cash released from Restrictions                       | <u>1,834</u>        | <u>(1,834)</u>                | <u>-</u>        |
| <b>Total Cash Receipts</b>                            | 62,994              | (574)                         | 62,420          |
| <b>Cash Disbursements</b>                             |                     |                               |                 |
| <b>Program Services</b>                               |                     |                               |                 |
| Office Manager                                        | 22,530              | -                             | 22,530          |
| Voice and Instrument Coaching                         | 10,939              | -                             | 10,939          |
| Performance Expenses                                  | 1,195               | -                             | 1,195           |
| Music Books and Materials                             | 76                  | -                             | 76              |
| Insurance Expense                                     | 2,747               | -                             | 2,747           |
| Instrument Repairs                                    | 574                 | -                             | 574             |
| Business Meeting Expenses                             | 803                 | -                             | 803             |
| Postage                                               | 1,850               | -                             | 1,850           |
| Miscellaneous Program Services                        | <u>699</u>          | <u>-</u>                      | <u>699</u>      |
| <b>Total Program Services</b>                         | 41,413              | -                             | 41,413          |
| <b>Management and General</b>                         |                     |                               |                 |
| Office Manager                                        | 10,353              | -                             | 10,353          |
| Computer Expenses                                     | 4,361               | -                             | 4,361           |
| Office Supplies                                       | 136                 | -                             | 136             |
| Accounting and Legal                                  | 2,284               | -                             | 2,284           |
| State Filing Fees                                     | 100                 | -                             | 100             |
| Advertising                                           | <u>467</u>          | <u>-</u>                      | <u>467</u>      |
| <b>Total Management and General</b>                   | 17,701              | -                             | 17,701          |
| <b>Total Disbursements</b>                            | <u>59,114</u>       | <u>-</u>                      | <u>59,114</u>   |
| <b>Excess Receipts Over (Less than) Disbursements</b> | 3,880               | (574)                         | 3,306           |
| <b>Cash In Bank</b>                                   |                     |                               |                 |
| Beginning of year                                     | <u>8,954</u>        | <u>978</u>                    | <u>9,932</u>    |
| End of year                                           | <u>\$12,834</u>     | <u>\$ 404</u>                 | <u>\$13,238</u> |

# SWAN: SCALING WALLS A NOTE AT A TIME

## STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS – (Continued)

Years Ended December 31, 2017 And 2016

|                                                       | 2016                |                               |                 |
|-------------------------------------------------------|---------------------|-------------------------------|-----------------|
|                                                       | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u>    |
| <b>Cash Receipts</b>                                  |                     |                               |                 |
| Donations                                             | \$ 34,311           | \$ 760                        | \$ 35,071       |
| Grant Income                                          | 41                  | -                             | 41              |
| Other Income                                          | 21,764              | -                             | 21,764          |
| Cash Released from Restrictions                       | <u>57</u>           | <u>(57)</u>                   | <u>-</u>        |
| <b>Total Cash Receipts</b>                            | 56,173              | 703                           | 56,876          |
| <b>Cash Disbursements</b>                             |                     |                               |                 |
| <b>Program Services</b>                               |                     |                               |                 |
| Office Manager                                        | 18,927              | -                             | 18,927          |
| Voice and Instrument Coaching                         | 13,060              | -                             | 13,060          |
| Performance Expenses                                  | 2,411               | -                             | 2,411           |
| Music Books and Materials                             | 620                 | -                             | 620             |
| Insurance Expense                                     | 2,512               | -                             | 2,512           |
| Instrument Repairs                                    | 510                 | -                             | 510             |
| Business Meeting Expenses                             | 597                 | -                             | 597             |
| Conference Expenses                                   | 72                  | -                             | 72              |
| Volunteer Background Checks                           | 171                 | -                             | 171             |
| Postage                                               | 1,320               | -                             | 1,320           |
| Miscellaneous Program Services                        | <u>1,513</u>        | <u>-</u>                      | <u>1,513</u>    |
| <b>Total Program Services</b>                         | 41,713              | -                             | 41,713          |
| <b>Management and General</b>                         |                     |                               |                 |
| Office Manager                                        | 12,618              | -                             | 12,618          |
| Computer Expenses                                     | 645                 | -                             | 645             |
| Office Supplies                                       | 987                 | -                             | 987             |
| Printing Expenses                                     | 167                 | -                             | 167             |
| Accounting and Legal                                  | 2,025               | -                             | 2,025           |
| State Filing Fees                                     | <u>100</u>          | <u>-</u>                      | <u>100</u>      |
| <b>Total Management and General</b>                   | 16,542              | -                             | 16,542          |
| <b>Total Disbursements</b>                            | <u>58,255</u>       | <u>-</u>                      | <u>58,255</u>   |
| <b>Excess Receipts Over (Less than) Disbursements</b> | (2,082)             | 703                           | (1,379)         |
| <b>Cash In Bank</b>                                   |                     |                               |                 |
| Beginning of year                                     | <u>11,036</u>       | <u>275</u>                    | <u>11,311</u>   |
| End of year                                           | <u>\$ 8,954</u>     | <u>\$ 978</u>                 | <u>\$ 9,932</u> |

# **SWAN: SCALING WALLS A NOTE AT A TIME**

## ***NOTES TO FINANCIAL STATEMENTS***

**December 31, 2017 And 2016**

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### **(1) SIGNIFICANT ACCOUNTING POLICIES**

#### ***NATURE OF ACTIVITIES***

SWAN: Scaling Walls a Note at a Time (“SWAN”) seeks to provide free private music lessons, ensemble training, performance opportunities and mentoring for children and youth whose parent(s) have been incarcerated or have a history of incarceration. SWAN’s program reached 80 children in 2017 and 35 children in 2016. Children who benefit from SWAN’s program give back to the community by performing throughout the year in events held on national and local platforms.

#### ***BASIS OF ACCOUNTING***

The financial statements are presented on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. The primary differences between the SWAN’s accounting basis and generally accepted accounting principles is that activity is recorded when a cash transaction occurs rather than when income and expenses are incurred. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows in conformity with generally accepted accounting principles.

#### ***INCOME TAXES***

SWAN is an organization exempt from United States federal income tax under Section 501(c)(3) of the Internal Revenue Code. Management has reviewed the tax positions for each of the open tax years (2014 – 2016) or expected to be taken in SWAN’s 2017 tax return and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

#### ***CASH RECEIPTS***

The majority of SWAN’s support and revenue comes from private contributions. All contributions are considered to be used for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted donations whose restrictions are met in the same reporting period are accounted for as unrestricted net assets.

#### ***DONATED SERVICES***

A number of volunteers have made significant contributions of their time to various programs. In 2017, SWAN received approximately \$5,000 in donated professional services relating to teaching instruction and \$2,500 in donated services relating to special event planning. The value of this contributed time is not reflected in these financial statements because SWAN recognizes support and revenue on the cash basis of accounting.

#### ***DONATED MATERIALS***

Annually, individuals and businesses donate items to SWAN to support the community events and other program activities. The value of all donated materials is not reflected in these statements because the SWAN recognizes support and revenue on the cash basis of accounting.

# SWAN: SCALING WALLS A NOTE AT A TIME

## NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2017 And 2016

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### **FINANCIAL STATEMENT PRESENTATION**

SWAN reports information regarding its cash receipts and disbursements, according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are reported as part of the unrestricted class.

### **CONCENTRATIONS OF CREDIT RISK**

Financial instruments that potentially subject SWAN to concentrations of credit risk consist principally of temporary cash investments. SWAN maintains its cash balances in one financial institution. The balances are subject to limitations established by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2017 and 2016 the amounts on deposit are fully insured.

### **CASH AND CASH EQUIVALENTS**

SWAN considers all highly liquid investments with a maturity of three months or less when purchased to be equivalents.

### **MAJOR CONTRIBUTORS**

For the year ended December 31, 2017, SWAN received \$17,160 in support from one major contributor. This support represented 25.22% of SWAN's total support and revenues for the year ended December 31, 2017. For the year ended December 31, 2016, SWAN received \$10,126 in support from two major contributors. This support represents 15.81% of the SWAN's total support and revenues for the year ended December 31, 2016.

### **RELATED PARTY**

The total contributions of all board members totaled \$6,707 in 2017 and \$5,375 in 2016.

## **(2) TEMPORARILY RESTRICTED NET ASSETS**

For the years ended December 31, 2017 and 2016, there was \$404 and \$978 in temporarily restricted net assets, respectively, which were available for repairs and maintenance of SWAN's music instruments.

## **(3) SPECIAL EVENTS**

Special events receipts are shown net of direct expenses in the statement of cash receipts and disbursements. For the years ended December 31, 2017 and 2016, expenses of \$5,632 and \$7,173, respectively, were incurred in connection with SWAN's special events.

## **(4) SUBSEQUENT EVENTS**

Subsequent events after year-end through the date that the financial statements were available for issuance, January 30, 2018, have been evaluated in the preparation of the financial statements.

# **SWAN: SCALING WALLS A NOTE AT A TIME**

***FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS***

**DECEMBER 31, 2016 and 2015**



# SWAN: SCALING WALLS A NOTE AT A TIME

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| December 31, 2016                                     | 2                  |
| December 31, 2015                                     | 3                  |
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## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

### **To the Board of Trustees of SWAN: Scaling Walls a Note at a Time**

We have reviewed the accompanying financial statements of SWAN: Scaling Walls a Note at a Time ("SWAN") (a nonprofit organization), which comprise the statements of cash receipts and disbursements for the year ended December 31, 2016, 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 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 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 the cash basis of accounting. 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 the cash basis of accounting.

### **Basis of Accounting**

We draw attention to Note 1 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.

### **Other Matter**

The financial statements of SWAN as of December 31, 2015, were reviewed by other accountants whose report dated February 2, 2016, stated that based on their procedures, they are not aware of any material modifications that should be made to the financial statement in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Tait, Weller & Baker LLP*

# SWAN: SCALING WALLS A NOTE AT A TIME

## STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

Years Ended December 31, 2016 And 2015

|                                                       | 2016                |                               |                 |
|-------------------------------------------------------|---------------------|-------------------------------|-----------------|
|                                                       | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u>    |
| <b>Cash Receipts</b>                                  |                     |                               |                 |
| Donations                                             | \$34,311            | \$760                         | \$35,071        |
| Other Income                                          | 41                  | -                             | 41              |
| Special Events, net                                   | 21,764              | -                             | 21,764          |
| Cash released from Restrictions                       | <u>57</u>           | <u>(57)</u>                   | <u>-</u>        |
| <b>Total Cash Receipts</b>                            | 56,173              | 703                           | 56,876          |
| <b>Cash Disbursements</b>                             |                     |                               |                 |
| <b>Program Services</b>                               |                     |                               |                 |
| Office Manager                                        | 18,927              | -                             | 18,927          |
| Voice and Instrument Coaching                         | 13,060              | -                             | 13,060          |
| Performance Expenses                                  | 2,411               | -                             | 2,411           |
| Music Books and Materials                             | 620                 | -                             | 620             |
| Insurance Expense                                     | 2,512               | -                             | 2,512           |
| Instrument Repairs                                    | 510                 | -                             | 510             |
| Business Meeting Expenses                             | 597                 | -                             | 597             |
| Conference Expenses                                   | 72                  | -                             | 72              |
| Volunteer Background Checks                           | 171                 | -                             | 171             |
| Postage                                               | 1,320               | -                             | 1,320           |
| Miscellaneous Program Services                        | <u>1,513</u>        | <u>-</u>                      | <u>1,513</u>    |
| <b>Total Program Services</b>                         | 41,713              | -                             | 41,713          |
| <b>Management and General</b>                         |                     |                               |                 |
| Office Manager                                        | 12,618              | -                             | 12,618          |
| Computer Expenses                                     | 645                 | -                             | 645             |
| Office Supplies                                       | 987                 | -                             | 987             |
| Printing Expenses                                     | 167                 | -                             | 167             |
| Accounting and Legal                                  | 2,025               | -                             | 2,025           |
| State Filing Fees                                     | 100                 | -                             | 100             |
| Bank Fees                                             | <u>-</u>            | <u>-</u>                      | <u>-</u>        |
| <b>Total Management and General</b>                   | 16,542              | -                             | 16,542          |
| <b>Total Disbursements</b>                            | <u>58,255</u>       | <u>-</u>                      | <u>58,255</u>   |
| <b>Excess Receipts Over (Less than) Disbursements</b> | (2,082)             | 703                           | (1,379)         |
| <b>Cash In Bank</b>                                   |                     |                               |                 |
| Beginning of year                                     | <u>11,036</u>       | <u>275</u>                    | <u>11,311</u>   |
| End of year                                           | <u>\$ 8,954</u>     | <u>\$978</u>                  | <u>\$ 9,932</u> |

# SWAN: SCALING WALLS A NOTE AT A TIME

## STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS – (Continued)

Years Ended December 31, 2016 And 2015

|                                                       | 2015                |                               |                  |
|-------------------------------------------------------|---------------------|-------------------------------|------------------|
|                                                       | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u>     |
| <b>Cash Receipts</b>                                  |                     |                               |                  |
| Donations                                             | \$ 19,332           | \$ 4,000                      | \$ 23,332        |
| Grant Income                                          | 10,147              | -                             | 10,147           |
| Other Income                                          | 104                 | -                             | 104              |
| Cash Released from Restrictions                       | <u>3,725</u>        | <u>(3,725)</u>                | <u>-</u>         |
| <b>Total Cash Receipts</b>                            | 33,308              | 275                           | 33,583           |
| <b>Cash Disbursements</b>                             |                     |                               |                  |
| <b>Program Services</b>                               |                     |                               |                  |
| Office Manager                                        | 12,441              | -                             | 12,441           |
| Voice and Instrument Coaching                         | 11,692              | -                             | 11,692           |
| Performance Expenses                                  | 2,289               | -                             | 2,289            |
| Music Books and Materials                             | 1,933               | -                             | 1,933            |
| Insurance Expense                                     | 2,895               | -                             | 2,895            |
| Instrument Repairs                                    | 377                 | -                             | 377              |
| Business Meeting Expenses                             | 935                 | -                             | 935              |
| Conference Expenses                                   | 549                 | -                             | 549              |
| Volunteer Background Checks                           | 37                  | -                             | 37               |
| Postage                                               | 639                 | -                             | 639              |
| Miscellaneous Program Services                        | <u>241</u>          | <u>-</u>                      | <u>241</u>       |
| <b>Total Program Services</b>                         | 34,028              | -                             | 34,028           |
| <b>Management and General</b>                         |                     |                               |                  |
| Office Manager                                        | 12,441              | -                             | 12,441           |
| Computer Expenses                                     | 92                  | -                             | 92               |
| Office Rent                                           | -                   | -                             | -                |
| Advertising                                           | 5,488               | -                             | 5,488            |
| Office Supplies                                       | 504                 | -                             | 504              |
| Printing Expenses                                     | 87                  | -                             | 87               |
| Accounting and Legal                                  | 2,275               | -                             | 2,275            |
| Consulting Services                                   | 500                 | -                             | 500              |
| State Filing Fees                                     | 100                 | -                             | 100              |
| Bank Fees                                             | <u>-</u>            | <u>-</u>                      | <u>-</u>         |
| <b>Total Management and General</b>                   | 21,487              | -                             | 21,487           |
| <b>Total Disbursements</b>                            | <u>55,515</u>       | <u>-</u>                      | <u>55,515</u>    |
| <b>Excess Receipts Over (Less than) Disbursements</b> | (22,207)            | 275                           | (21,932)         |
| <b>Cash In Bank</b>                                   |                     |                               |                  |
| Beginning of year                                     | <u>33,243</u>       | <u>-</u>                      | <u>33,243</u>    |
| End of year                                           | <u>\$ 11,036</u>    | <u>\$ 275</u>                 | <u>\$ 11,311</u> |

# SWAN: SCALING WALLS A NOTE AT A TIME

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016 And 2015

---

### (1) SIGNIFICANT ACCOUNTING POLICIES

#### ***NATURE OF ACTIVITIES***

SWAN: Scaling Walls a Note at a Time (“SWAN”) seeks to provide free private music lessons, ensemble training, performance opportunities and various mentoring programs for children and youth whose parent(s) have been incarcerated or have a history of incarceration. SWAN’s operations in 2016 were primarily in Pennsylvania and Texas, and during 2016, SWAN discontinued its Texas activities.

#### ***BASIS OF ACCOUNTING***

The financial statements are presented on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. The primary differences between the SWAN’s accounting basis and generally accepted accounting principles is that activity is recorded when a cash transaction occurs rather than when income and expenses are incurred. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows in conformity with generally accepted accounting principles.

#### ***INCOME TAXES***

SWAN is an organization exempt from United States federal income tax under Section 501(c)(3) of the Internal Revenue Code. Management has reviewed the tax positions for each of the open tax years (2013 – 2015) or expected to be taken in SWAN’s 2016 tax return and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

#### ***CASH RECEIPTS***

The majority of SWAN’s support and revenue comes from private contributions. All contributions are considered to be used for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted donations whose restrictions are met in the same reporting period are accounted for as unrestricted net assets.

#### ***DONATED SERVICES***

A number of volunteers have made significant contributions of their time to various programs. The value of this contributed time is not reflected in these statements because SWAN recognizes support and revenue on the cash basis of accounting.

#### ***DONATED MATERIALS***

Annually, individuals and businesses donate items to SWAN to support the community events and other program activities. The value of all donated materials is not reflected in these statements because the SWAN recognizes support and revenue on the cash basis of accounting.

# SWAN: SCALING WALLS A NOTE AT A TIME

## *NOTES TO FINANCIAL STATEMENTS – (Continued)*

**December 31, 2016 And 2015**

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### ***FINANCIAL STATEMENT PRESENTATION***

SWAN reports information regarding its cash receipts and disbursements, according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are reported as part of the unrestricted class.

### ***CONCENTRATIONS OF CREDIT RISK***

Financial instruments that potentially subject SWAN to concentrations of credit risk consist principally of temporary cash investments. SWAN maintains its cash balances in one financial institution. The balances are subject to limitations established by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2016 and 2015 the amounts on deposit are fully insured.

### ***CASH AND CASH EQUIVALENTS***

SWAN considers all highly liquid investments with a maturity of three months or less when purchased to be equivalents.

### ***MAJOR CONTRIBUTORS***

For the year ended December 31, 2016, SWAN received \$10,126 in support from one major contributor. This support represented 15.81% of the SWAN's total support and revenues for the year ended December 31, 2016. For the year ended December 31, 2015, SWAN received \$15,239 in support from two major contributors. This support represents 45.37% of the SWAN's total support and revenues for the year ended December 31, 2015.

### ***RELATED PARTY***

The total contributions of all board members totaled \$5,375 in 2016 and \$8,750 in 2015.

## **(2) TEMPORARILY RESTRICTED NET ASSETS**

For the years ended December 31, 2016 and 2015, there was \$978 and \$275 in temporarily restricted net assets, respectively, which were available for repairs and maintenance of SWAN's music instruments.

## **(3) SPECIAL EVENTS**

Special events receipts are shown net of direct expenses in the statement of cash receipts and disbursements. For the year ended December 31, 2016, expenses of \$7,173 were incurred in connection with SWAN's special events.

## **(4) SUBSEQUENT EVENTS**

Subsequent events after year-end through the date that the financial statements were available for issuance, January 26, 2017, have been evaluated in the preparation of the financial statements.