

Financial Statements

Florida Symphony Youth Orchestra, Inc.

June 30, 2025 and 2024

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Financial Statements

June 30, 2025 and 2024

(With Independent Auditor's Report Thereon)

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

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Independent Auditor's Report

The Board of Directors
Florida Symphony Youth Orchestra, Inc.
Orlando, Florida

Opinion

We have audited the accompanying financial statements of Florida Symphony Youth Orchestra, Inc. which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Florida Symphony Youth Orchestra, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Florida Symphony Youth Orchestra and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida Symphony Youth Orchestra's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Florida Symphony Youth Orchestra's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida Symphony Youth Orchestra's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Schaefer, Tschoy, Whittemut, Mitchell & Shuilen, LLP

December 19, 2025
Maitland, Florida

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Statements of Financial Position

June 30, 2025 and 2024

Assets

	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and equivalents	\$ 36,849	28,686
Accounts receivable	9,565	9,890
Investments (note 3)	643,413	636,768
Total current assets	<u>689,827</u>	<u>675,344</u>
Property and equipment, net (note 7)	2,308	6,356
Deposit	1,155	1,155
Right-of-Use Asset	29,702	-
Other assets:		
FSYO Fund	16,315	15,360
Joseph Wise Scholarship Fund	13,455	12,652
Charles Gottschalk Scholarship Fund	12,968	12,186
Carl Rendek Scholarship Fund	13,755	12,948
Total other assets	<u>56,493</u>	<u>53,146</u>
Total assets	<u>\$ 779,485</u>	<u>736,001</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued expenses	\$ 21,174	38,090
Unearned Revenue	71,295	-
Lease Liability, current	28,224	-
Total current liabilities	<u>120,693</u>	<u>38,090</u>
Lease Liability, net of current portion	<u>1,478</u>	<u>-</u>
Total liabilities	<u>122,171</u>	<u>38,090</u>
Net assets:		
Without donor restrictions	642,479	685,876
With donor restrictions (note 6)	14,835	12,035
Total net assets	<u>657,314</u>	<u>697,911</u>
Total liabilities and net assets	<u>\$ 779,485</u>	<u>736,001</u>

See accompanying notes to financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Statements of Activities

Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Changes in net assets without donor restrictions:		
Revenue and public support:		
Membership fees and admissions	\$ 402,439	361,909
Corporate support	5,029	7,169
Foundation support	75,384	61,536
Other private support and fundraising	126,805	151,645
In-kind contributions	68,829	73,636
Investment income	74,992	82,187
Other revenue	15,557	15,680
	<u>769,035</u>	<u>753,762</u>
Net assets released from restrictions:		
Satisfaction of program restrictions	900	1,000
	<u>769,935</u>	<u>754,762</u>
Total revenue and public support		
Expenses:		
Program services	563,200	587,259
Management and general	122,567	107,763
Fundraising	123,865	129,396
Total expenses	<u>809,632</u>	<u>824,418</u>
Change in net assets without donor restrictions	(39,697)	(69,656)
Changes in net assets with donor restrictions:		
Net assets released from restrictions (note 6)	<u>(900)</u>	<u>(1,000)</u>
Change in net assets with donor restrictions	<u>(900)</u>	<u>(1,000)</u>
Change in net assets	(40,597)	(70,656)
Net assets, beginning of year	<u>697,911</u>	<u>768,567</u>
Net assets, end of year	<u>\$ 657,314</u>	<u>697,911</u>

See accompanying notes to financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Statement of Functional Expenses

Year ended June 30, 2025

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Administrative personnel	\$ 86,223	93,176	98,739	278,138
Artistic personnel	117,857	-	-	117,857
Technical personnel	9,867	-	-	9,867
Contract artistic personnel	12,763	-	-	12,763
Ensemble, performance and dues	6,996	-	-	6,996
Tour expenses	88,752	-	-	88,752
Rental	88,837	2,949	2,948	94,734
Marketing	17,056	-	-	17,056
Scholarship awards	21,710	-	-	21,710
Travel	935	-	-	935
In-kind services: artistic personnel	40,138	-	-	40,138
In-kind goods: music/orchestra	28,691	-	-	28,691
Instruments	1,409	-	-	1,409
Payroll taxes	7,229	7,811	8,279	23,319
Medical stipend	3,861	4,174	4,422	12,457
Accounting fees	-	9,755	-	9,755
Copier expenses	3,022	376	376	3,774
Food and beverage	1,401	174	174	1,749
Insurance	4,706	586	586	5,878
Internet/website	1,624	203	203	2,030
Office supplies	496	62	62	620
Miscellaneous	14,068	-	-	14,068
Workers compensation	4,279	533	533	5,345
Fundraising expense	-	-	5,085	5,085
Bad debt expense	-	-	2,458	2,458
Depreciation	1,280	2,768	-	4,048
Total expenses	<u>\$ 563,200</u>	<u>122,567</u>	<u>123,865</u>	<u>809,632</u>

See accompanying notes to financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Statement of Functional Expenses

Year ended June 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Administrative personnel	\$ 73,760	79,708	84,467	237,935
Artistic personnel	183,652	-	-	183,652
Technical personnel	11,532	-	-	11,532
Contract artistic personnel	18,075	-	-	18,075
Ensemble, performance and dues	14,735	-	-	14,735
Tour expenses	81,226	-	-	81,226
Rental	83,854	2,784	2,783	89,421
Marketing	14,112	-	-	14,112
Scholarship awards	22,875	-	-	22,875
Travel	8,825	-	-	8,825
Instruments	625	-	-	625
Payroll taxes	6,630	7,164	7,593	21,387
Medical stipend	4,408	4,766	5,049	14,223
Accounting fees	-	8,347	-	8,347
Copier expenses	3,038	378	378	3,794
Food and beverage	2,989	372	372	3,733
Insurance	4,202	523	523	5,248
Internet/website	3,546	444	444	4,434
Office supplies	690	86	86	862
Music/orchestra	1,771	-	-	1,771
Miscellaneous	42,040	-	-	42,040
Workers compensation	3,394	423	423	4,240
Fundraising expense	-	-	4,564	4,564
Bad debt expense	-	-	22,714	22,714
Depreciation	1,280	2,768	-	4,048
Total expenses	<u>\$ 587,259</u>	<u>107,763</u>	<u>129,396</u>	<u>824,418</u>

See accompanying notes to financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Statements of Cash Flows

Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ (40,597)	(70,656)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	4,048	4,048
Unrealized gain on investments	(6,645)	(1,268)
Changes in operating assets and liabilities:		
Accounts receivable	325	12,685
Assets held by the Central Florida Foundation	(3,347)	(2,919)
Accounts payable and accrued expenses	(16,916)	36,224
Unearned Revenue	71,295	-
Cash provided by (used in) operating activities	<u>8,163</u>	<u>(21,886)</u>
Net increase (decrease) in cash	8,163	(21,886)
Cash at beginning of year	<u>28,686</u>	<u>50,572</u>
Cash at end of year	<u><u>\$ 36,849</u></u>	<u><u>28,686</u></u>

See accompanying notes to financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(1) Summary of Significant Accounting Policies

(a) General

The Florida Symphony Youth Orchestra, Inc. (the “Orchestra”), a nonprofit corporation, was organized in Florida in 1982. The objective of the Orchestra is to provide educational opportunities through specialized music programs to young performing artists in the Central Florida area.

(b) Basis of Accounting

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the Organization.

The Organization has adopted the provisions of FASB Accounting Standards Codification Topic 958, Not-for-Profit Entities.

The Organization prepares its financial statements on an entity wide basis, focusing on the organization as a whole and presents balances and transactions according to the existence or absence of donor-imposed restrictions. Net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations.
- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donor-imposed restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

Under generally accepted accounting principles, contributions are generally recognized as revenue when the gift is made and are recorded as with or without donor restrictions, depending on the presence or absence and type of donor-imposed restrictions or conditions.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(1) Summary of Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

The Organization displays revenue in the following two natural classifications:

- Revenue---Fees earned for the performance of Organization services.
- Public Support---Unconditional gifts to the Organization of cash or other assets in a voluntary nonreciprocal transfer by another entity.

Revenue and public support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expirations with donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as support without donor restrictions.

Contributions, including unconditional promises to give, are recognized as revenue in the period made or received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

(c) Income Taxes

The Orchestra is a not-for-profit organization and has been granted an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

The Orchestra has adopted provisions of the Income Tax Topic of the ASC. These provisions clarify the accounting for uncertainty in tax positions and prescribe guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the financial statements if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statement of activities. As of June 30, 2025, the Orchestra had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(1) Summary of Significant Accounting Policies (Continued)

(c) Income Taxes (Continued)

The Orchestra's income tax returns are subject to review and examination by federal authorities. The Orchestra is not aware of any activities that would jeopardize its tax-exempt status. The Orchestra is not aware of any activities that are subject to tax on unrelated business income, excise or other taxes. The tax returns for the fiscal years ended from 2022 to 2024 are open to examination by federal authorities.

(d) Investments

Investments are carried at fair market value; realized and unrealized gains and losses are included in the statement of activities.

(e) Property and Equipment

Property and equipment, which consists of office equipment and musical instruments, are stated at cost. Gains and losses resulting from sales or retirements are recorded as incurred, at which time related costs are removed from the accounts. All property expenditures in excess of \$500 are capitalized; expenditures for repairs and maintenance are charged to operations as paid.

Purchase of sheet music for the music library are charged to operations as paid.

(f) Cash Equivalents

For purposes of the financial statements, the Orchestra considers all investments with an original purchase maturity of three months or less to be cash equivalents.

(g) Functional Allocation of Expenses

The costs of providing Organization programs and the administration of the Organization have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related payroll expenses are allocated among functional categories based on the estimated proportion of time spent for each function. All other expenses are distributed based on management's estimate of the relative functional activity.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(1) **Summary of Significant Accounting Policies (Continued)**

(h) **Subsequent Events**

In preparing these financial statements, the Orchestra has evaluated subsequent events and transactions for potential recognition and disclosure through December 19, 2025, which is the date the financial statements were available to be issued.

(2) **Liquidity and Availability**

As of June 30, 2025, the Organization has \$731,785 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. Financial assets subject to donor or other restrictions that make them unavailable for general expenditure within one year of the balance sheet date were \$14,835 as of June 30, 2025. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Organization's financial assets as of June 30, 2025 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

Cash and cash equivalents	\$ 36,849
Investments	643,413
Accounts receivable	9,565
Other assets	56,493
Total financial assets	746,320
Other assets – donor restricted	(14,835)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 731,485</u>

(3) **Investments**

Accounting principles generally accepted in the United States of America ("GAAP") defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(3) Investments (Continued)

GAAP describes three levels of inputs used to measure fair value:

Level 1: quoted prices in active markets for identical assets or liabilities

Level 2: quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3: inputs that are unobservable (for example, cash flow modeling based on assumptions)

The Orchestra did not change its valuation techniques during the year.

The following table summarizes the valuation of the Orchestra’s financial assets measured at fair value on a recurring basis as of June 30, 2025 and 2024, based on the level of input utilized to measure fair value:

	Fair Value Measurement Level	2025		2024	
		Cost	Market Value	Cost	Market Value
Mutual funds	1	\$623,796	\$643,413	472,361	636,768

(4) In-Kind Contributions

Contributions of assets, materials and facilities are recorded at their estimated fair value at the date of gift. Such values are recorded in the financial statements as an asset or revenue and expense. For the years ended June 30, 2025 and 2024, in-kind contributions consisted of donated goods of \$28,691 and \$29,243, respectively.

In addition, the Orchestra recognizes donated services that create or enhance non-financial assets. The Orchestra also recognizes donated services for specialized skills that would typically need to be purchased if not acquired by donation provided that the services are performed by individuals possessing those skills. The Orchestra has recorded \$40,138 and \$44,393 in donated services in 2025 and 2024, respectively.

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(5) **Transfer of Assets**

The Orchestra has transferred certain assets to the Central Florida Foundation (Foundation) under Agency Endowment Agreements. The Board of Directors of the Central Florida Foundation shall have the power to modify or eliminate any restriction, limitation, or condition on the distribution of funds, including their use for any specified purposes or their distribution to specific organizations, if the Board of Directors determines that such restriction, limitation or condition becomes by material and significant change of circumstances in effect unnecessary, incapable of fulfillment, or inconsistent with the proper charitable, religious, scientific, literary, cultural or educational uses and purposes of the Central Florida area. These funds are accounted for as an interest in the net assets of the Foundation and include the following:

- The Florida Symphony Youth Orchestra Fund was established in 2003 by transferring \$11,000 received from the estate of Germaine B. Hasserot. The Board established the fund as an endowment to support general programs of the Orchestra.
- The Joseph Wise Scholarship Fund was established in 2005 by transferring \$10,000 using a combination of restricted funds received previously and Symphony funds. The Board established the fund as an endowment to fund a student scholarship.
- The Gottschalk Scholarship Fund was established in 2007 via a donation from an anonymous donor in the amount of \$10,000. The fund was established as an endowment to fund a student scholarship.
- The Carl Rendek Scholarship Fund was established in 2012 thru donations from several donors in the aggregate amount of \$18,285. The fund was established as an endowment to fund a student scholarship.

(6) **Net Assets With Donor Restrictions**

Restricted net assets include the following:

	<u>2025</u>	<u>2024</u>
Funds received from an anonymous donor to establish an endowment to fund the Charles Gottschalk Scholarship Award.	\$ 550	500
Funds received for the Carl Rendek Scholarship.	11,085	11,535
Funds received for the Ursula Oyler Scholarship.	3,200	-
	<u>\$ 14,835</u>	<u>12,035</u>

FLORIDA SYMPHONY YOUTH ORCHESTRA, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(6) Net Assets With Donor Restrictions (Continued)

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes as follows:

	<u>2025</u>	<u>2024</u>
Scholarships	\$ 900	1,000

(7) Property and Equipment

Property and equipment consists of the following assets:

	<u>2025</u>	<u>2024</u>
Furniture and fixtures	\$ 35,946	35,946
Office equipment	16,910	16,910
Computer equipment	17,766	17,766
Musical instruments	28,252	28,252
	98,874	98,874
Accumulated depreciation	<u>(96,566)</u>	<u>(92,518)</u>
	<u>\$ 2,308</u>	<u>6,356</u>