

FINANCIAL REPORT

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

June 30, 2010 and 2009

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
Notre Dame, Indiana

We have audited the accompanying statements of financial position of THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC. (the "Organization") as of June 30, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules of functional expenses on page 12 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Cullar & Associates, P.C.

November 17, 2010

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2010 and 2009

	2010				2009			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Assets:								
Current Assets:								
Cash and cash equivalents	\$ 11,573	\$ 46,140	\$ -	\$ 57,713	\$ 3,063	\$ 48,023	\$ -	\$ 51,086
Contributions and grants receivable	28,540	6,726	-	35,266	25,000	4,638	-	29,638
Other receivables	3,540	-	-	3,540	-	-	-	-
Prepaid expenses	9,352	-	-	9,352	1,298	-	-	1,298
<i>Total current assets</i>	<u>53,005</u>	<u>52,866</u>	<u>-</u>	<u>105,871</u>	<u>29,361</u>	<u>52,661</u>	<u>-</u>	<u>82,022</u>
Long-Term Assets:								
Contributions and grants receivable	-	11,723	-	11,723	-	14,449	-	14,449
Property and equipment	-	-	-	-	225	-	-	225
Long-term investments	-	-	70,000	70,000	-	-	95,000	95,000
Beneficial interests in assets held by others	318,259	-	50,000	368,259	240,830	-	25,000	265,830
<i>Total long-term assets</i>	<u>318,259</u>	<u>11,723</u>	<u>120,000</u>	<u>449,982</u>	<u>241,055</u>	<u>14,449</u>	<u>120,000</u>	<u>375,504</u>
<i>Total assets</i>	<u>\$ 371,264</u>	<u>\$ 64,589</u>	<u>\$ 120,000</u>	<u>\$ 555,853</u>	<u>\$ 270,416</u>	<u>\$ 67,110</u>	<u>\$ 120,000</u>	<u>\$ 457,526</u>
Liabilities and Net Assets:								
Current Liabilities:								
Accounts payable and accrued liabilities	\$ 7,126	\$ -	\$ -	\$ 7,126	\$ 6,721	\$ -	\$ -	\$ 6,721
Net Assets:								
Unrestricted	364,138	-	-	364,138	263,695	-	-	263,695
Temporarily restricted	-	64,589	-	64,589	-	67,110	-	67,110
Permanently restricted	-	-	120,000	120,000	-	-	120,000	120,000
<i>Total net assets</i>	<u>364,138</u>	<u>64,589</u>	<u>120,000</u>	<u>548,727</u>	<u>263,695</u>	<u>67,110</u>	<u>120,000</u>	<u>450,805</u>
<i>Total liabilities and net assets</i>	<u>\$ 371,264</u>	<u>\$ 64,589</u>	<u>\$ 120,000</u>	<u>\$ 555,853</u>	<u>\$ 270,416</u>	<u>\$ 67,110</u>	<u>\$ 120,000</u>	<u>\$ 457,526</u>

The accompanying notes are an integral part of these financial statements.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
Years Ended June 30, 2010 and 2009

	2010				2009			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues, Gains, and Other Support:								
Contributions:								
Cash and pledges	\$ 197,277	\$ 5,500	\$ -	\$ 202,777	\$ 160,375	\$ 19,087	\$ -	\$ 179,462
Services and facilities	70,890	-	-	70,890	44,079	-	-	44,079
Grants	58,150	73,000	-	131,150	44,072	61,100	-	105,172
Special events	17,665	-	-	17,665	12,335	-	-	12,335
Competition fees	16,520	-	-	16,520	16,440	-	-	16,440
Merchandise sales, net	696	-	-	696	1,114	-	-	1,114
Increase in beneficial interests in assets held by others	41,241	1,413	-	42,654	-	-	-	-
Interest income	430	1,006	-	1,436	-	4,056	-	4,056
Other	583	-	-	583	420	-	-	420
Net assets released from restrictions	83,440	(83,440)	-	-	80,687	(80,687)	-	-
<i>Total revenues, gains, and other support</i>	<u>486,892</u>	<u>(2,521)</u>	<u>-</u>	<u>484,371</u>	<u>359,522</u>	<u>3,556</u>	<u>-</u>	<u>363,078</u>
Expenses and Losses:								
Education and competition	253,756	-	-	253,756	214,488	-	-	214,488
Management and general	53,417	-	-	53,417	63,525	-	-	63,525
Fund raising	79,276	-	-	79,276	76,413	-	-	76,413
<i>Total expenses</i>	386,449	-	-	386,449	354,426	-	-	354,426
Decrease in beneficial interests in assets held by others	-	-	-	-	53,828	-	-	53,828
<i>Total expenses and losses</i>	<u>386,449</u>	<u>-</u>	<u>-</u>	<u>386,449</u>	<u>408,254</u>	<u>-</u>	<u>-</u>	<u>408,254</u>
Change in net assets	100,443	(2,521)	-	97,922	(48,732)	3,556	-	(45,176)
Net assets, beginning of year	263,695	67,110	120,000	450,805	312,427	63,554	120,000	495,981
<i>Net assets, end of year</i>	<u>\$ 364,138</u>	<u>\$ 64,589</u>	<u>\$ 120,000</u>	<u>\$ 548,727</u>	<u>\$ 263,695</u>	<u>\$ 67,110</u>	<u>\$ 120,000</u>	<u>\$ 450,805</u>

The accompanying notes are an integral part of these financial statements.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2010 and 2009

Change in Cash and Cash Equivalents:	<u>2010</u>	<u>2009</u>
Cash Flows from Operating Activities:		
Cash received from contributors and others	\$ 366,489	\$ 299,756
Investment income received	16,661	19,305
Cash paid to employees, suppliers, and others	<u>(322,983)</u>	<u>(311,504)</u>
<i>Net cash provided by operating activities</i>	<u>60,167</u>	<u>7,557</u>
 Cash Flows from Investing Activities:		
Sale of long-term investments	25,000	50,000
Purchase of long-term investments	-	(25,000)
Transfer of assets to Community Foundation	<u>(75,000)</u>	<u>(25,000)</u>
<i>Net cash (used in) investing activities</i>	<u>(50,000)</u>	<u>-</u>
 Net change in cash and cash equivalents	10,167	7,557
Cash and cash equivalents, beginning of year	<u>51,086</u>	<u>43,529</u>
<i>Cash and cash equivalents, end of year</i>	<u>\$ 61,253</u>	<u>\$ 51,086</u>

Reconciliation of Change in Net Assets to Net Cash

Provided By Operating Activities:

Change in net assets	\$ 97,922	\$ (45,176)
Add (deduct) items not requiring (providing) cash:		
Depreciation	225	595
(Increase) in contributions and grants receivable	(2,902)	(15,187)
(Increase) in other receivables	(3,540)	-
(Increase) in prepaid expenses	(8,054)	(1,298)
Interest income restricted for long-term investment	-	151
(Increase) decrease in beneficial interests in assets held by others	(27,429)	68,926
Increase (decrease) in accounts payable and accrued liabilities	405	(454)
<i>Net cash provided by operating activities</i>	<u>\$ 56,627</u>	<u>\$ 7,557</u>

The accompanying notes are an integral part of these financial statements.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC. (the "Organization") is an Indiana nonprofit corporation organized to promote and encourage development, awareness, and appreciation of the art of chamber music and its role in our culture through educational programs, chamber music performances, and sponsorship of *The Fischoff National Chamber Music Competition*. The Organization's operations are supported primarily by contributions and grants from individuals and nonprofit organizations and by business underwriting of its annual competition.

Significant Accounting Policies:

Use of estimates:

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

The costs of providing program and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited based on management's best estimates.

Net asset classes:

The Organization reports its activities and financial position by the following classes of net assets:

Unrestricted net assets are those currently available for use by the Organization.

Temporarily restricted net assets are those received with donor stipulations that limit the use of the donated assets. When stipulated time restrictions expire or purpose restrictions are accomplished, these net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets are those received with permanent donor stipulations. Investment income from permanently restricted net assets that is available for distribution is recorded as an increase in temporarily restricted net assets.

Cash and cash equivalents:

The Organization considers all time and certificates of deposit and all other highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. However, permanently restricted cash and cash equivalents are excluded from cash and cash equivalents and are reported as long-term investments.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

Property and equipment:

Property and equipment is stated at cost, if acquired, or at fair value at the date of receipt if donated, less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which is generally from three to five years.

Beneficial interests in assets held by others:

The beneficial interests in assets held by others are stated at fair value, based on the present value of future distributions expected to be received, and increases in that value are included in revenues, and decreases in that value are included in expenses and losses, in the statements of activities. The Organization recognizes its beneficial rights in assets held by others unless the donor has granted the recipient organization variance power. However, those rights are recognized as assets even if the recipient organization has been granted variance power if the Organization is both the donor and the beneficiary of the assets.

Gifts and grants:

The Organization reports gifts and grants of cash and other assets as revenue when unconditionally promised, and considers such gifts to be available for unrestricted use unless specifically restricted by donor. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Amortization of the discounts is included in contributions revenue. Conditional promises to give are not recognized as revenue until the conditions are substantially met.

Contributed services are recognized if the services create or enhance non-financial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Such services are recorded at their estimated fair value. For the years ended June 30, 2010 and 2009, the Organization recognized \$57,194 and \$30,383, respectively, of contributed advertising and printing services.

Under an agreement with the University of Notre Dame, the Organization receives office space and performance facilities free of charge. The value of such contributed facilities is recorded at its estimated fair value, which was \$13,696 for both years ended June 30, 2010 and 2009.

Advertising costs:

Advertising costs are expensed when incurred. Total advertising expenses were \$60,965 and \$35,899 for the years ended June 30, 2010 and 2009, respectively.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

Income taxes:

The Organization is exempt from income tax under Internal Revenue Code Section 501(c)(3) and a similar section of the Indiana Code, except for taxes on unrelated business income. Consequently, the accompanying financial statements generally contain no provision for income taxes. The Internal Revenue Service classifies the Organization as other than a private foundation under Internal Revenue Code Section 509(a)(1).

The Organization classifies interest and penalties, if any, associated with uncertain tax positions as a component of income tax expense. Management has not identified any uncertain tax positions taken or expected to be taken in a tax return. In addition, there were no accrued interest or penalties related to unrecognized tax benefits at either June 30, 2010 or 2009 or any interest or penalties expense related to unrecognized tax benefits for the years then ended. The Organization is no longer subject to examination by the Internal Revenue Service or the State of Indiana for years prior to June 30, 2007.

NOTE 2. CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable at both June 30, 2010 and 2009 consist of unconditional promises to give and grants in which conditions have been satisfied, and are due as follows at June 30, 2010:

Due in less than one year	\$ 35,540
Due in one to five years	<u>12,000</u>
	47,540
Less unamortized discount	<u>(551)</u>
	46,989
Less long-term portion	<u>(11,723)</u>
<i>Net current portion</i>	<u>\$ 35,266</u>

No allowance for uncollectibles was considered necessary at either June 30, 2010 or 2009, and there was a discount of \$913 at June 30, 2009. The effective interest rate used in computing the discount was 1.89% at both June 30, 2010 and 2009.

NOTE 3. PROPERTY AND EQUIPMENT

The cost of property and equipment and the related accumulated depreciation are as follows at June 30, 2010 and 2009, respectively:

	<u>2010</u>	<u>2009</u>
Office equipment	\$ 6,291	\$ 6,291
Less accumulated depreciation	<u>(6,291)</u>	<u>(6,066)</u>
<i>Net property and equipment</i>	<u>\$ -</u>	<u>\$ 225</u>

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2010 and 2009

NOTE 4. LONG-TERM INVESTMENTS

Long-term investments at both June 30, 2010 and 2009 consist of cash and cash equivalents, which are permanently restricted.

NOTE 5. BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS

The Organization is the beneficiary of two funds held by Community Foundation of St. Joseph County, Inc. (the "Foundation"), for which the Organization was the donor. The Organization has granted the Foundation variance power in the determination of annual distributions and transfer of the accounts to other community organizations in the event of certain circumstances.

The value of the funds was \$368,259 and \$265,830 at June 30, 2010 and 2009, respectively. Total accumulated contributions by the Organization to the fund at June 30, 2010 were \$351,216, of which \$75,000 was made in 2010, \$25,000 was made in 2009, and \$251,216 was made prior to 2008. The change in the funds' value for year ended June 30, 2010 was \$42,654, which is included in revenues in the accompanying 2010 statement of activities. The change in the funds' value for year ended June 30, 2009 was \$(53,828), which is included expenses and losses in the accompanying 2009 statement of activities. Distributions of \$15,225 and \$15,098 were received from the funds in the years ended June 30, 2010 and 2009, respectively.

The Organization is also the beneficiary of other funds held by Community Foundation of St. Joseph County, Inc. and Elkhart Community Foundation (the "Foundations") that were created by other donors. The Organization does not record these funds as assets because other donors established the funds and granted the Foundations variance power in the determination of annual distributions and transfer of the funds to other community organizations in the event of certain circumstances. The Organization periodically receives distributions in the form of grants from these funds. The total value of these funds at June 30, 2010 and 2009 was \$107,264 and \$93,809, respectively. Distributions of \$5,373 and \$5,226 were received from the funds in the years ended June 30, 2010 and 2009, respectively, which are included in contributions revenue.

NOTE 6. NET ASSETS INFORMATION

Temporarily restricted net assets are available for the following purposes or periods at June 30, 2010 and 2009, respectively:

	<u>2010</u>	<u>2009</u>
For future periods	\$ 18,449	\$ 19,087
For Arts in Education Residency program	26,013	48,023
For music educator awards	<u>20,127</u>	<u>-</u>
<i>Total temporarily restricted net assets</i>	<u>\$ 64,589</u>	<u>\$ 67,110</u>

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

Permanently restricted net assets are available for the following purposes at June 30, 2010 and 2009, respectively:

	<u>2010</u>	<u>2009</u>
Endowment for Competition prizes	\$ 60,000	\$ 60,000
Endowment to sustain residency programs	50,000	50,000
Education Circle endowment	<u>10,000</u>	<u>10,000</u>
<i>Total permanently restricted net assets</i>	<u>\$ 120,000</u>	<u>\$ 120,000</u>

Net assets were released from restrictions by the expiration of time or by incurring expenses satisfying restricted purposes for the years ended June 30, 2010 and 2009, respectively, as follows:

Expiration of time restrictions	\$ 4,638	\$ -
Satisfaction of purpose restrictions:		
Arts in Education Residency program	59,567	64,090
Mentoring Program	1,500	1,500
Competition prizes	862	1,097
Competition	12,000	14,000
Music educator awards	<u>4,873</u>	<u>-</u>
<i>Total net assets released from restrictions</i>	<u>\$ 83,440</u>	<u>\$ 80,687</u>

NOTE 7. ENDOWMENT FUNDS INFORMATION

The Organization follows the provisions of Accounting Standards Codification (ASC) Section 958, which provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the *Uniform Prudent Management of Institutional Funds Act of 2006* (UPMIFA). The State of Indiana enacted UPMIFA effective July 1, 2007, the provisions of which apply to endowment funds existing on or established after that date. The Board of Directors and management have determined that certain net assets meet the definition of endowment funds under UPMIFA. A summary of the endowment funds composition is presented in Note 6 under permanently restricted net assets.

Changes in the endowments for the years ended June 30, 2009 and 2010 are as follows:

Balances June 30, 2008	\$ 120,000
Net investment income	4,056
Appropriated for future expenditure	(2,959)
Expended	<u>(1,097)</u>
<i>Balances June 30, 2009</i>	120,000
Net investment income	2,419
Appropriated for future expenditure	(1,557)
Expended	<u>(862)</u>
<i>Balances June 30, 2010</i>	<u>\$ 120,000</u>

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

Endowment funds for competition prizes and the education circle, and (for 2009 only) 50% of the endowment for residency programs are invested in cash equivalents to ensure a predictable return on investment and ensure safety. 50% of the endowment for residency programs was transferred to the Community Foundation of St. Joseph County in June 2009, with the remainder transferred subsequent to June 30, 2009. Endowment funds at the Community Foundation are subject to the Foundation's investment and spending policies and are subject to the Foundation's variance power, as discussed in Note 5.

The Organization's spending policy is to appropriate endowment income in the year it is earned.

NOTE 8. FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) Section 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the entity's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 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. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of assets measured on a recurring basis at June 30, 2010 and 2009, respectively, are as follows:

	Fair Value	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interests in assets held by others:				
For 2010	\$ 368,259	\$ -	\$ -	\$ 368,259
For 2009	\$ 265,830	\$ -	\$ -	\$ 265,830

Fair value for the beneficial interests in assets held by others (the Community Foundation funds discussed in Note 5) is determined by calculating the present value of the future distributions expected to be received using a 5% discount rate. Fair value for donated occupancy is estimated using comparable rents for similar facilities. Fair values for donated materials and equipment are estimated using purchase prices for similar items.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

The following is a reconciliation of beginning and ending balances of the fair value of assets measured by Level 3 inputs for the years ended June 30, 2009 and 2010, respectively:

Beneficial interests in assets held by others:	
Fair value at June 30, 2008	\$ 309,756
Investment	25,000
Change in value	(53,828)
Distributions received	<u>(15,098)</u>
<i>Fair value at June 30, 2009</i>	265,830
Investment	75,000
Change in value	42,654
Distributions received	<u>(15,225)</u>
<i>Fair value at June 30, 2010</i>	<u>\$ 368,259</u>

The change in value of the beneficial interest in assets held by others is reported as such in the statements of activities. All the above Level 3 changes in value are attributable to changes in the value of assets held by Community Foundation at June 30, 2010 and 2009.

NOTE 9. PENSION PLAN

The Organization maintains a defined-contribution pension plan covering all of its full-time employees. Pension expense was \$3,880 and \$3,579 for the years ended June 30, 2010 and 2009, respectively.

NOTE 10. CONCENTRATIONS

Financial instruments that expose the Organization to concentrations of credit risk consist primarily of cash and cash equivalents and contributions and grants receivable. The Organization has cash on deposit with financial institutions that, at times, may exceed the insurance limit of the Federal Deposit Insurance Corporation and has funds invested in money market accounts that are not covered by such insurance. At June 30, 2010, the Organization had approximately \$87,000 invested in money market accounts that were not covered by deposit insurance. In addition, of total contributions and grants receivable at June 30, 2010, 58% and 33%, respectively, were due from two organizations.

The Organization's operations are centered on its annual chamber music competition, which is held in facilities donated by the University of Notre Dame. Consequently, its contributions and other sources of revenue may be affected by events that adversely affect the competition or the donation of the performance facilities. In addition, the Organization received contributions from one donor in the year ended June 30, 2010 totaling approximately 11% of total revenues.

NOTE 11. SUBSEQUENT EVENTS INFORMATION

Management has evaluated the period subsequent to June 30, 2010 through November 17, 2010, the date the financial statements were available to be issued, for events that did not exist at June 30, 2010, but arose after that date.

THE FISCHOFF NATIONAL CHAMBER MUSIC ASSOCIATION, INC.
SCHEDULES OF FUNCTIONAL EXPENSES
Years Ended June 30, 2010 and 2009

	2010				2009			
	Education and Competition	Management and General	Fund Raising	Total	Education and Competition	Management and General	Fund Raising	Total
Personnel	\$ 89,208	\$ 26,606	\$ 41,225	\$ 157,039	\$ 79,034	\$ 31,226	\$ 48,382	\$ 158,642
Professional artistic services	43,051	-	2,100	45,151	32,208	-	601	32,809
Occupancy:								
Donated	11,634	815	1,247	13,696	11,634	815	1,247	13,696
Purchased	3,641	189	2,191	6,021	132	4,255	3,772	8,159
Insurance	-	2,187	-	2,187	-	2,200	-	2,200
Supplies	4,719	3,560	997	9,276	6,003	2,697	572	9,272
Food and catering	5,168	-	14,779	19,947	5,751	-	14,116	19,867
Postage and mailing	4,701	3,546	2,093	10,340	5,491	2,467	998	8,956
Printing and publications:								
Donated	-	-	2,502	2,502	1,906	-	-	1,906
Purchased	11,324	-	2,420	13,744	10,765	-	4,087	14,852
Advertising and promotion:								
Donated	48,392	-	6,300	54,692	23,063	5,000	414	28,477
Purchased	-	2,951	3,322	6,273	-	5,361	2,061	7,422
Travel	5,291	2,377	100	7,768	4,718	2,120	63	6,901
Prizes and scholarships	22,059	-	-	22,059	29,100	-	-	29,100
Professional fees	4,568	9,369	-	13,937	4,683	5,620	-	10,303
Depreciation	-	225	-	225	-	595	-	595
Other	-	1,592	-	1,592	-	1,169	100	1,269
<i>Totals</i>	<u>\$ 253,756</u>	<u>\$ 53,417</u>	<u>\$ 79,276</u>	<u>\$ 386,449</u>	<u>\$ 214,488</u>	<u>\$ 63,525</u>	<u>\$ 76,413</u>	<u>\$ 354,426</u>