

**PEOPLE'S THEATRE PROJECT, INC.
FINANCIAL REPORT
JUNE 30, 2014**

PEOPLE'S THEATRE PROJECT, INC.

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Kevin J. McCoy, CPA
Thomas W. Donovan, CPA
Frank S. Venezia, CPA
James E. Amell, CPA
Carol A. Hausamann, CPA
Daniel J. Litz, CPA
Karl F. Newton, CPA
Kevin P. O'Leary, CPA
Timothy A. Reynolds, CPA
Martin D. Hull, CPA
Thomas J. Ross, CPA
Heather D. Patten, CPA

Independent Accountant's Review Report

To the Board of Directors of
People's Theatre Project, Inc.

We have reviewed the accompanying statements of financial position of People's Theatre Project, Inc. (a non-profit organization) as of June 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended. 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 as a whole. Accordingly, we do not express such an opinion.

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.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, 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.

Marvin and Company, P.C.

October 10, 2014

**PEOPLE'S THEATRE PROJECT, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013**

	ASSETS	
	<u>2014</u>	<u>2013</u>
Current Assets		
Cash	\$ 18,004	\$ 7,479
Accounts receivable	5,855	3,258
Grants receivable	11,980	10,515
Total Current Assets	<u>35,839</u>	<u>21,252</u>
 TOTAL ASSETS	 <u>\$ 35,839</u>	 <u>\$ 21,252</u>
 LIABILITIES AND NET ASSETS		
Liabilities	<u>\$ -</u>	<u>\$ -</u>
Net Assets		
Unrestricted	<u>35,839</u>	<u>21,252</u>
Total Net Assets	<u>35,839</u>	<u>21,252</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 35,839</u>	 <u>\$ 21,252</u>

See independent accountant's review report and accompanying notes to financial statements.

PEOPLE'S THEATRE PROJECT, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Support and Revenue		
Program services	\$ 38,770	\$ 55,248
Government grants	67,730	62,305
Contributions	28,255	11,268
Nonprofit organization grants	6,500	10,086
Foundation grants	25,055	31,000
Gross Sales	<u>75</u>	<u>505</u>
Total Support and Revenue	<u>166,385</u>	<u>170,412</u>
Expenses		
Program services	105,623	117,701
Management and general	27,256	30,389
Fundraising	<u>18,919</u>	<u>26,547</u>
Total Expenses	<u>151,798</u>	<u>174,637</u>
Change in Net Assets	14,587	(4,225)
Net Assets, at Beginning of Year	<u>21,252</u>	<u>25,477</u>
Net Assets, at End of Year	<u>\$ 35,839</u>	<u>\$ 21,252</u>

See independent accountant's review report and accompanying notes to financial statements.

PEOPLE'S THEATRE PROJECT, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities		
Change in net assets	\$ 14,587	\$ (4,225)
Adjustments to reconcile change in net assets to net cash flow provided (used) by operating activities:		
(Increase)/Decrease in:		
Accounts receivable	(2,597)	3,786
Grants receivable	(1,465)	(4,950)
Pledges receivable	-	812
Increase/(Decrease) in:		
Accounts payable	-	(1,146)
Accrued expenses	-	(164)
Due to employees	-	(1,347)
Net Cash Provided (Used) by Operating Activities	10,525	(7,234)
Net Increase (Decrease) in Cash	10,525	(7,234)
Cash, Beginning of Year	7,479	14,713
Cash, End of Year	\$ 18,004	\$ 7,479

See independent accountant's review report and accompanying notes to financial statements.

PEOPLE'S THEATRE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

1. NATURE OF ORGANIZATION

People's Theatre Project, Inc. (the Project) is a community-based 501(c)(3) not-for-profit organization formed in 2009. The Project's team of teaching artists facilitate the creation of social justice theatre with groups of children, teens, and adults in northern Manhattan schools and community centers as a creative vehicle for the participants' self discovery and a platform to have their voices heard on issues affecting their community. The Project derives most of its revenues through billings for the services it provides in community centers, contributions and through city and state agency grants.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the People's Theatre Project, Inc. are prepared using 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 requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Bad Debts

The People's Theatre Project, Inc. uses the direct write-off method to account for bad debts. Management believes that any allowance would be immaterial and that all amounts reported as receivable are due within the next twelve months. Bad debt expense was \$247 and \$500 for the years ended June 30, 2014 and 2013, respectively.

Contributions

Unrestricted grants and contributions are recognized as revenue when received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

As of June 30, 2014 and 2013, the Project has no restrictions on net assets.

Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted revenue.

Donated Services

No amounts have been reflected in the financial statements for donated services; however, a number of volunteers have donated their time to assist in the Project's operations, events, and fund-raising efforts.

**PEOPLE'S THEATRE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Advertising Costs

Advertising costs are expensed as incurred because they are not expected to result in future benefits beyond the time period of the event being advertised. Total advertising costs for the years ended June 30, 2014 and 2013 were \$300 and \$464, respectively.

Income Taxes

The People's Theatre Project, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been determined to be an organization other than a private foundation. Under Accounting Standards Codification Section 740, the tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize their tax-exempt status. Management is not aware of any events that could jeopardize tax exempt status; therefore, no liability or provision for income tax has been reflected in the financial statements. The Project is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for fiscal years prior to 2011.

3. CONCENTRATION OF CREDIT RISK

The People's Theatre Project, Inc. had funds on deposit at local banks of approximately \$18,000 at June 30, 2014. These deposits are fully insured by the Federal Deposit Insurance Corporation.

4. SUBSEQUENT EVENTS

Management has evaluated all events subsequent to the statement of financial position date of June 30, 2014 through October 10, 2014, which is the date these financial statements were available to be issued, and has determined that there are no subsequent events that require recording or disclosure.