

**PEOPLE'S THEATRE PROJECT, INC.
FINANCIAL REPORT
JUNE 30, 2015**

PEOPLE'S THEATRE PROJECT, INC.

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Independent Accountant's Review Report

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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, 2015 and 2014, 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's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 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 as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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.

September 24, 2015

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PEOPLE'S THEATRE PROJECT, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 AND 2014

	ASSETS	
	<u>2015</u>	<u>2014</u>
Current Assets		
Cash	\$ 31,500	\$ 18,004
Accounts receivable	1,760	5,855
Grants receivable	26,200	11,980
Pledges receivable	50	-
Total Current Assets	<u>59,510</u>	<u>35,839</u>
TOTAL ASSETS	<u>\$ 59,510</u>	<u>\$ 35,839</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 329	\$ -
Total Current Liabilities	<u>329</u>	<u>-</u>
Net Assets		
Net Assets - Unrestricted	45,681	35,839
- Temporarily restricted	13,500	-
Total Net Assets	<u>59,181</u>	<u>35,839</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 59,510</u>	<u>\$ 35,839</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, 2015 AND 2014

	2015			2014
	Unrestricted	Temporarily Restricted	Total	
Support and Revenue				
Program services	\$ 68,306	\$ -	\$ 68,306	\$ 38,770
Government grants	97,614	13,500	111,114	67,730
Contributions	12,275	-	12,275	28,255
Nonprofit organization grants	5,000	-	5,000	6,500
Foundation grants	7,505	-	7,505	25,055
Gross Sales	-	-	-	75
Special event revenue	7,711	-	7,711	-
Less: Costs of direct benefits to donors	(9,393)	-	(9,393)	-
Net revenues from special events	(1,682)	-	(1,682)	-
Total Support and Revenue	<u>189,018</u>	<u>13,500</u>	<u>202,518</u>	<u>166,385</u>
Expenses				
Program services	129,812	-	129,812	105,623
Management and general	31,806	-	31,806	27,256
Fundraising	17,558	-	17,558	18,919
Total Expenses	<u>179,176</u>	<u>-</u>	<u>179,176</u>	<u>151,798</u>
Change in Net Assets	9,842	13,500	23,342	14,587
Net Assets, at Beginning of Year	<u>35,839</u>	<u>-</u>	<u>35,839</u>	<u>21,252</u>
Net Assets, at End of Year	<u>\$ 45,681</u>	<u>\$ 13,500</u>	<u>\$ 59,181</u>	<u>\$ 35,839</u>

PEOPLE'S THEATRE PROJECT, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash Flows From Operating Activities		
Change in net assets	\$ 23,342	\$ 14,587
Adjustments to reconcile change in net assets to net cash flow provided by operating activities:		
(Increase)/Decrease in:		
Accounts receivable	4,095	(2,597)
Grants receivable	(14,220)	(1,465)
Pledges receivable	(50)	-
Increase/(Decrease) in:		
Accounts payable	329	-
Net Cash Provided by Operating Activities	<u>13,496</u>	<u>10,525</u>
Net Increase in Cash	13,496	10,525
Cash, Beginning of Year	<u>18,004</u>	<u>7,479</u>
Cash, End of Year	<u>\$ 31,500</u>	<u>\$ 18,004</u>

PEOPLE'S THEATRE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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 \$23 and \$247 for the years ended June 30, 2015 and 2014, 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.

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, 2015 AND 2014

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, 2015 and 2014 were \$115 and \$300, 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 2012.

3. TEMPORARILY RESTRICTED NET ASSETS

People's Theatre Project, Inc. received a grant during the year ended June 30, 2015 from the New York State Council on the Arts to support their mission for community-based theatre making. The grant is restricted for the contract term of January 1, 2015 – December 31, 2016. The total amount of the grant was for \$18,000, of which \$4,500 relates to the year ended June 30, 2015 and \$13,500 is restricted for subsequent years.

4. CONCENTRATION OF CREDIT RISK

The People's Theatre Project, Inc. had funds on deposit at local banks of approximately \$31,500 at June 30, 2015. These deposits are fully insured by the Federal Deposit Insurance Corporation.

5. SUBSEQUENT EVENTS

Management has evaluated events subsequent to the statement of financial position date of June 30, 2015 through September 24, 2015, 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.