

# Charleston Symphony Orchestra

Report on Financial Statements

Years Ended June 30, 2022 and 2021



**Charleston Symphony Orchestra**  
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## ***Independent Auditor's Report***

Board of Directors of  
Charleston Symphony Orchestra  
Charleston, South Carolina

### ***Opinion***

We have audited the financial statements of Charleston Symphony Orchestra, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Charleston Symphony Orchestra as of June 30, 2022 and 2021, 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Charleston Symphony Orchestra and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Charleston Symphony Orchestra's ability to continue as a going concern for one year after the date that the financial statements are issued.

## ***Auditor's Responsibility***

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 GAAS 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 GAAS, 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 Charleston Symphony 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 Charleston Symphony 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.

## ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the supplementary schedules of revenues presented for purposes of additional analysis but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Veris LLC*

Mount Pleasant, South Carolina  
January 17, 2023



**Charleston Symphony Orchestra**  
**Statements of Financial Position**  
**June 30, 2022 and 2021**

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	2022	2021
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 1,699,020	\$ 1,763,540
Cash - operating reserve fund	122,538	123,090
Current portion of unconditional promises to give, net	342,493	25,000
COVID relief grants receivable	910,878	696,718
Prepaid expenses and other assets	39,572	59,886
Total Current Assets	3,114,501	2,668,234
Noncurrent Assets		
Non-depreciable property and equipment	334,504	334,504
Depreciable property and equipment, net	18,296	35,750
Total Property and Equipment, Net	352,800	370,254
Long-term investments	3,770,683	834,970
Unconditional promises to give, net of current portion	868,667	26,750
Total Noncurrent Assets	4,992,150	1,231,974
<b>Total Assets</b>	<b>\$ 8,106,651</b>	<b>\$ 3,900,208</b>

**Charleston Symphony Orchestra**  
**Statements of Financial Position**  
**June 30, 2022 and 2021**

	2022	2021
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable	\$ 89,449	\$ 33,768
Accrued payroll	70,000	173,389
Accrued expenses	53,343	9,089
Deferred revenue	659,726	793,172
Current portion of notes payable	20,835	16,721
Current portion of deferred pension settlement	15,934	14,783
Total Current Liabilities	909,287	1,040,922
Noncurrent Liabilities		
Notes payable, net of current portion	-	468,760
Deferred pension settlement, net of current portion	254,984	270,918
Total Noncurrent Liabilities	254,984	739,678
<b>Total Liabilities</b>	1,164,271	1,780,600
Net Assets		
Without Donor Restrictions		
Board designated - endowments	4,261,681	660,803
Board designated - operating reserve fund	20,879	21,432
Undesignated	1,435,681	1,114,347
Total Net Assets Without Donor Restrictions	5,718,241	1,796,582
With Donor Restrictions		
Other net assets with donor restrictions	1,122,480	221,368
Operating reserve fund	101,659	101,658
Total Net Assets With Donor Restrictions	1,224,139	323,026
Total Net Assets	6,942,380	2,119,608
<b>Total Liabilities and Net Assets</b>	\$ 8,106,651	\$ 3,900,208

**Charleston Symphony Orchestra**  
**Statement of Activities**  
**Year Ended June 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue</b>			
Support			
General contributions	\$ 1,359,305	\$ 100,000	\$ 1,459,305
Endowment contributions	4,019,922	849,917	4,869,839
Grants	408,634	-	408,634
Total Support	5,787,861	949,917	6,737,778
Concert revenue	1,451,805	-	1,451,805
Miscellaneous income	32,064	-	32,064
Net assets released from restrictions	27,950	(27,950)	-
<b>Total Operating Revenue</b>	7,299,680	921,967	8,221,647
<b>Operating Expenses</b>			
Program Services			
Artistic costs	2,000,713	-	2,000,713
Production costs	797,865	-	797,865
Educational costs	258,978	-	258,978
Total Program Services	3,057,556	-	3,057,556
Supporting Services			
General and administrative	324,004	-	324,004
Fundraising expenses	468,021	-	468,021
Total Supporting Services	792,025	-	792,025
<b>Total Operating Expenses</b>	3,849,581	-	3,849,581
<b>Total Operating Income</b>	3,450,099	921,967	4,372,066
<b>Non-operating Income (Expense)</b>			
COVID relief grants	470,308	-	470,308
Gain on PPP loan forgiveness	447,988	-	447,988
Investment loss, net	(407,658)	(20,854)	(428,512)
Depreciation	(17,454)	-	(17,454)
Interest	(21,624)	-	(21,624)
Total Non-operating Income (Expense)	471,560	(20,854)	450,706
<b>Total Expenses</b>	3,378,021	20,854	3,398,875
<b>Change in Net Assets</b>	3,921,659	901,113	4,822,772
Beginning Net Assets	1,796,582	323,026	2,119,608
<b>Ending Net Assets</b>	\$ 5,718,241	\$ 1,224,139	\$ 6,942,380

See notes to financial statements and independent auditor's report.



**Charleston Symphony Orchestra**  
**Statement of Activities**  
**Year Ended June 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Revenue</b>			
Support			
General contributions	\$ 1,466,115	\$ 28,185	\$ 1,494,300
Endowment contributions	10,000	-	10,000
Grants	270,797	-	270,797
Total Support	1,746,912	28,185	1,775,097
Concert revenue	808,862	-	808,862
Miscellaneous income	1,554	-	1,554
Net assets released from restrictions	50,000	(50,000)	-
<b>Total Operating Revenue</b>	2,607,328	(21,815)	2,585,513
<b>Operating Expenses</b>			
Program Services			
Artistic costs	1,606,972	-	1,606,972
Production costs	441,688	-	441,688
Educational programs	225,952	-	225,952
Total Program Services	2,274,612	-	2,274,612
Supporting Services			
General and administrative	219,993	-	219,993
Fundraising	273,308	-	273,308
Total Supporting Services	493,301	-	493,301
<b>Total Operating Expenses</b>	2,767,913	-	2,767,913
<b>Total Operating Loss</b>	(160,585)	(21,815)	(182,400)
<b>Non-operating Income (Expense)</b>			
COVID relief grants	699,879	-	699,879
Gain on PPP loan forgiveness	448,000	-	448,000
Interest	(31,368)	-	(31,368)
Investment income, net	169,713	-	169,713
Depreciation	(22,244)	-	(22,244)
Total Non-operating Income (Expense)	1,263,980	-	1,263,980
<b>Total Expenses</b>	1,503,933	-	1,503,933
<b>Change in Net Assets</b>	1,103,395	(21,815)	1,081,580
Beginning Net Assets	693,187	344,841	1,038,028
<b>Ending Net Assets</b>	\$ 1,796,582	\$ 323,026	\$ 2,119,608

**Charleston Symphony Orchestra  
Statement of Functional Expenses  
Year Ended June 30, 2022**

	Program			Supporting Services		Total
	Artistic Costs	Production Costs	Education Costs	General and Administrative	Fundraising Expenses	
Core musicians salaries and benefits	\$ 957,001	\$ -	\$ 46,765	\$ -	\$ -	\$ 1,003,766
Guest musicians salaries and benefits*	549,836	-	19,630	-	-	569,466
General and administrative staff salaries and benefits	84,040	-	86,004	84,040	84,040	338,124
Artistic staff salaries and benefits	274,925	-	48,516	-	-	323,441
Miscellaneous departmental expenses	-	29,328	-	236,838	-	266,166
Marketing	-	239,763	1,750	-	-	241,513
Stage crews	-	199,327	13,342	-	-	212,669
Donor stewardship and development	-	-	-	-	201,543	201,543
Developmental salaries and benefits	-	-	-	-	179,312	179,312
Guest artists and conductors*	113,026	-	5,070	-	-	118,096
Production salaries and benefits	-	86,213	28,738	-	-	114,951
Indirect production*	-	96,617	2,306	-	-	98,923
Hall rental	-	49,309	3,255	-	-	52,564
Occupancy and related costs	21,885	15,000	3,126	3,126	3,126	46,263
Music rental	-	37,754	476	-	-	38,230
Box office	-	33,266	-	-	-	33,266
Licensing	-	11,288	-	-	-	11,288
<b>Total Functional Expenses</b>	<b>\$ 2,000,713</b>	<b>\$ 797,865</b>	<b>\$ 258,978</b>	<b>\$ 324,004</b>	<b>\$ 468,021</b>	<b>\$ 3,849,581</b>

\*COVID-19 significantly impacted artistic operations of the Charleston Symphony Orchestra. In the fiscal year ended June 30, 2022, the Charleston Symphony Orchestra returned to a normal schedule of activities.

**Charleston Symphony Orchestra  
Statement of Functional Expenses  
Year Ended June 30, 2021**

	Program			Supporting Services		Total
	Artistic Costs	Production Costs	Education Costs	General and Administrative	Fundraising Expenses	
Core musicians salaries and benefits	\$ 990,681	\$ -	\$ 25,302	\$ -	\$ -	\$ 1,015,983
Guest musicians salaries and benefits	251,212	-	-	-	-	251,212
General and administrative staff salaries and benefits	75,627	-	89,292	92,127	62,960	320,006
Artistic staff salaries and benefits	261,337	-	69,322	-	-	330,659
Miscellaneous departmental expenses	-	13,222	-	125,709	-	138,931
Marketing	-	57,764	-	-	-	57,764
Stage crews	-	181,188	2,178	-	-	183,366
Donor stewardship and development	-	-	-	-	56,400	56,400
Developmental salaries and benefits	-	-	-	-	151,791	151,791
Guest artists and conductors	13,019	-	-	-	-	13,019
Production salaries and benefits	-	98,614	32,871	-	-	131,485
Indirect production	-	23,509	-	-	-	23,509
Hall rental	-	21,010	4,500	-	-	25,510
Occupancy and related costs	15,096	-	2,157	2,157	2,157	21,567
Music rental	-	8,646	90	-	-	8,736
Box office	-	18,832	240	-	-	19,072
Licensing	-	18,903	-	-	-	18,903
<b>Total Functional Expenses</b>	<b>\$ 1,606,972</b>	<b>\$ 441,688</b>	<b>\$ 225,952</b>	<b>\$ 219,993</b>	<b>\$ 273,308</b>	<b>\$ 2,767,913</b>

**Charleston Symphony Orchestra**  
**Statements of Cash Flows**  
**Years Ended June 30, 2022 and 2021**

	2022	2021
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 4,822,772	\$ 1,081,580
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	17,454	22,244
Gain on PPP loan forgiveness	(447,988)	(448,000)
Investment loss (income), net	428,512	(169,713)
Change in:		
Unconditional promises to give, net	(1,159,410)	50,000
COVID relief grants receivable	(214,160)	(696,718)
Prepaid expenses and other assets	20,314	11,052
Accounts payable	55,681	560
Accrued payroll	(103,389)	127,132
Accrued expenses	44,254	426
Deferred revenue	(133,446)	76,147
Net Cash Provided by Operating Activities	3,330,594	54,710
<b>Cash Flows from Investing Activities</b>		
Sale of investments	12,211	43,540
Purchase of investments	(3,376,436)	(50,000)
Net Cash Used in Investing Activities	(3,364,225)	(6,460)
<b>Cash Flows from Financing Activities</b>		
Proceeds from note payable	-	447,988
Principal payments on note payable	(16,658)	(18,803)
Payments on the deferred pension settlement	(14,783)	(17,002)
Net Cash (Used in) Provided by Financing Activities	(31,441)	412,183
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(65,072)	460,433
<b>Cash and Cash Equivalents, Beginning of Year</b>	1,886,630	1,426,197
<b>Cash and Cash Equivalents, End of Year</b>	\$ 1,821,558	\$ 1,886,630
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid for interest	\$ 21,624	\$ 31,368

## Charleston Symphony Orchestra Notes to Financial Statements

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### **Note A – Nature of Operations and Summary of Significant Accounting Policies**

#### Nature of Organization

The Charleston Symphony Orchestra, (the Symphony) founded in 1936, is a professional performing arts organization that serves South Carolina’s Tri-County area with performances of symphonic and chamber music, educational programs, and community engagement activities. The Symphony prioritizes artistic excellence, community impact, inclusivity, and long-term financial sustainability in all its pursuits. The Symphony’s Vision is to be “Charleston’s Symphony, For All of Charleston”.

The Symphony has developed and matured a unique artistic and financial model in which it employs twenty-four full-time and nationally auditioned “Core Musicians” who serve as the heart of its programming. Artistic leadership is provided by Yuriy Bekker, who was appointed as Artistic Director in 2022. The Symphony attracts professional “Guest Musicians” from around the country to perform with our “Core Musicians” for our flagship series, Masterworks and Pops and other instances where the organization needs additional professional performers. Twelve full-time staff members provide professional support for the Symphony’s operations with oversight from its Board of Directors.

In the decade leading up to the Covid-19 pandemic, the Symphony fulfilled its mission of inspiring and engaging our community through exceptional musical performances and educational programs, while completing each year with modest operating surpluses. The pandemic was a global disruption that significantly impacted the Symphony, but the Symphony remained committed to serving its community through partnerships and innovation. The Symphony is one of very few orchestras in the United States that ultimately continued performing live symphonic music to reduced and socially distanced, but live audiences throughout the pandemic. In fiscal year ended June 30, 2022 and 2021, Covid restrictions limited our ability to serve patrons beyond our subscriber base. This reduction in single ticket sales significantly impacted the financial results in both years. In fiscal year ended June 30, 2023 the Symphony will put a significant effort into rebuilding our pipeline of patrons and donors for the future as Covid restrictions have waned. In addition to live performances, the Symphony developed and launched a “virtual concert hall” for those who were not able to participate in person and to ensure continued connections with students in tri-county classrooms. Due to the pandemic, the Symphony was forced to reduced its in-person educational activities in tri-county schools. This resulted in a reduction in educational investment from a pre-pandemic level of approximately \$500,000 to approximately \$259,000 during the year ended June 30, 2022. The Symphony intends to return to pre-pandemic levels of investment in education in fiscal year ended June 30, 2023 and beyond.

The decision to continue robust operations throughout the pandemic was well received in our community, evidenced by the tremendous outpouring of support received during the year ended June 30, 2022. This support from our patrons in combination with governmental Covid Relief funding has positioned the Symphony to emerge from the pandemic a stronger organization both financially and artistically. It has fueled the vision to be an orchestra for all of Charleston.

## Charleston Symphony Orchestra Notes to Financial Statements

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The Symphony is grateful to an anonymous donor who challenged and inspired the Symphony to secure its financial future and the wellbeing of its employees through a 401k match, by offering a \$2,000,000 matching gift for endowment. With this gift, the Symphony invested in and launched its first-ever endowment campaign in 2021. As a result of this effort and as of January 2023, the Symphony has raised approximately \$7.8 million in cash and pledges to be received over the next five years and approximately \$5.4 million in future planned estate gifts, totaling approximately \$13.2 million. The success of this campaign will be transformational for the Symphony and its employees. On July 1, 2022, the Symphony launched a 6% 401k match for all full time Symphony employees. More than 90% of employees have taken advantage of this benefit.

As the Symphony recovers from the pandemic and grows its financial resources, it is investing in its future through bold programming that deeply connects and reflects the Charleston community, on the stage, in the community, and in tri-county classrooms. The average size of the orchestra for Masterworks and Pops, has increased from 65 musicians to 80 musicians, significantly improving the overall sound of the orchestra. In fiscal year ending June 30, 2023, the Symphony will welcome internationally renowned conductors, including Charleston's own, Jonathon Heyward, and guest artists that will push the orchestra to new artistic heights. To deepen connections within the community, the Symphony performed a free community concert in celebration of Independence Day in partnership with the City of Charleston to more than 3,500 Lowcountry citizens. The Symphony launched an administrative fellowship program in fiscal year ended June 30, 2022 in partnership with the College of Charleston, bringing on two Executive Fellows that represent individuals who have been traditionally underrepresented in our field. The Symphony plans to grow this program to include musician fellows in fiscal year ended June 30, 2023 as well as other programming that deepens our commitment to Diversity, Equity, and Inclusion.

The Symphony has a receivable on its Statement of Financial Position as of June 30, 2022 and 2021 of approximately \$910,000 and \$696,718 related to the Employee Retention Tax Credit issued as part of the CARES Act and is waiting for this to be funded by the IRS.

The Symphony has the following educational programs:

**Charleston Symphony Youth Orchestra Program:** The Charleston Symphony Youth Orchestra (CSYO) program is a core educational program of the Symphony. With artistic leadership by CSYO Music Director, Kellen Gray, CSYO offers middle and high school musicians an opportunity to perform symphonic music with a high standard of musical excellence. This is the third year of Charleston Symphony Youth Strings (CSYS), a training string orchestra to help better prepare young musicians for CSYO. Both ensembles resumed weekly in-person rehearsals on October 10th. This year, we are serving over 100 students from grades 3-12 through the CSYO program. They have performed two concerts at the Charleston Gaillard Center and have their final concert at the Music Hall. We held our first CSYO retreat in January since pre-pandemic.

**Young People's Concert -Carnegie Hall Link Up:** This year, the Symphony offered a Young People's Concert in partnership with the Charleston Gaillard Center and Carnegie Hall, and Dance Laugh Learn, to present *The Orchestra Moves*. Due to challenges faced by Covid-19, we performed for both a live audience and streamed our performance virtually. Approximately 1,600 students participated in the program from 21 schools. Title I schools were offered free tickets and transportation to the performance. All participating teachers attended a teacher accredited workshop on the Link Up curriculum.

## Charleston Symphony Orchestra Notes to Financial Statements

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**Musicians in Schools:** Charleston Symphony Musicians perform at local schools throughout the tri-county region free of charge, eliminating barriers of access such as affordability and transportation. These performances enhance the teachers' curricula, bringing musical elements students learn in their classroom to life. CSO musicians, many of whom are music educators themselves, curate each performance based on the age and knowledge level of their audience. For many students, this is their first experience and only opportunity to see a live musical performance. For older students, Symphony musicians visit their band or orchestra programs to provide coachings and sectionals on the repertoire they are working on in their school ensemble.

We encountered many challenges of serving students in person due to Covid-19 restrictions. In the 2021-2022 season, the Symphony provided 6 performances at 4 schools, for 460 students.

**Allegro Charter School of Music Partnership:** The Symphony offered sectionals to string and band ensemble students throughout the year.

**ARTS Charleston:** The Symphony re-entered a partnership with the Charleston Gaillard Center, Engaging Creative Minds, and Spoleto Festival USA to provide arts integrated workshops for teachers. This year, the Symphony offered one workshop on Music Therapy and its impact on social emotional learning in the classroom. There were 14 teachers who participated in the workshop and attended the CSO's final Masterworks concert.

**College of Charleston Opera:** The Symphony performed side by side with the students at the College of Charleston to present Mozart's Magic Flute. This collaboration was an invaluable musical experience for participating undergraduate and graduate musicians.

### Basis of Accounting

The Symphony's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles of the United States of America (U.S. GAAP), and accordingly reflect all significant receivables, payables, and other liabilities. Under this basis, revenue is recognized when earned and expenditures are recognized when incurred.

### Basis of Presentation

The Symphony's financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) of the United States of America in its Accounting Standards Codification (ASC) 958 – 205, *Not-For-Profit Entities – Presentation of Financial Statements*. These standards require classification of net assets and changes in net assets as net assets without donor restrictions and net assets with donor restrictions as follows:

Net assets without donor restrictions - Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

## Charleston Symphony Orchestra Notes to Financial Statements

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Revenue and 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. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the 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. The Symphony has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

### Use of Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

The Symphony considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

### Cash - Operating Reserve Fund

An operating reserve fund was established with Board designated and donor restricted funds reserved by the Symphony to support the Symphony's day-to-day operations in the event of unforeseen and significant shortfalls.

### Long-term Investments

The Symphony carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair market value based on quoted market prices. Unrealized and realized gains and losses, interest and dividends, and investment expenses are included in the Statements of Activities as Investment income, net. Investment income, net is reported as unrestricted and temporarily restricted, depending on the nature of investment.

### Unconditional Promises to Give

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met, and the promises become unconditional. Unconditional promises to give due in subsequent years are reported at present value of their net realizable value, using the allowance method to determine uncollectible promises to give when deemed necessary. The allowance is based on prior years' experience and Management's analysis of specific amounts.

### COVID Relief Grants Receivable and Grant Revenue

COVID grants receivable consist of Employee Retention Tax Credit receivable from government agencies for COVID relief and no allowance for doubtful grants receivable was deemed necessary by management. Government grants are recorded as revenues in the period the Symphony meets the conditions for revenue recognition, namely when expenses have been incurred for the purposes specified by the contracts. COVID relief grants included \$231,979 and \$696,718 of Employee Retention Tax Credits and \$238,329 and \$0 of Shuttered Venue Operator Grant funds for the years ended June 30, 2022 and 2021, respectively.



## Charleston Symphony Orchestra Notes to Financial Statements

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### Property and Equipment

Purchased property, equipment, and musical instruments are recorded at cost. Donated property and equipment are recorded at approximate fair value at the date of donation. Expenditures for major additions and improvements, generally in excess of \$5,000, are capitalized and minor replacements, maintenance and repairs are charged to expense as incurred, with the exception of music. All music purchases are capitalized at their purchase price. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Useful lives of property and equipment are as follows:

Musical equipment	15 years
Other Equipment	5 years
Vehicles	5 years

The Symphony retains two grand pianos which are not expected to decrease in value and are not depreciated. The related maintenance and repairs are charged to expense as incurred. Additionally, the Symphony maintains a music library which consists of works of music and rights to certain collections. These items are capitalized at cost and are not depreciated as they do not lose their value over time and have an indefinite life.

### Endowment Funds

The state of South Carolina follows the State Prudent Management of Institutional Funds Act (SPMIFA). The Board of Directors of the Symphony has interpreted SPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Symphony classifies as net assets with donor restrictions in perpetuity (a) the original gifts donated to the permanent endowment, (b) subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is classified as donor restrictions for use or purpose until those amounts are appropriated for expenditure by the Symphony in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Symphony considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Symphony
- (7) The investment policies of the Symphony

## Charleston Symphony Orchestra

### Notes to Financial Statements

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#### *Return Objectives and Risk Parameters*

The Symphony has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Symphony must hold in perpetuity or for a donor-specified period.

#### *Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Symphony relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Symphony targets a diversified asset allocation that places an emphasis on equity-based investments and bond funds to achieve its long-term return objectives within prudent risk constraints.

#### *Spending Policy and How the Investment Objectives Relate to Spending Policy*

The Symphony has a policy of appropriating for distribution each year a percentage of its selected endowment fund's moving average fair value over the 12 months preceding the month in which the distribution is planned. In establishing this policy, the Symphony considered the long-term expected return on its endowment. Accordingly, over the long-term, the Symphony expects the current spending policy to allow its endowment to maintain its purchasing power or grow through new gifts.

#### Restricted and Unrestricted Revenue and Support

Contributions received are recorded in accordance with ASC 958 – 605, *Not-For-Profit Entities – Revenue Recognition*. These standards require that contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statements of Activities as net assets released from restrictions.

#### Functional Allocation of Expense

The Symphony allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to the appropriate expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases as determined by Management.

#### Net Operating Expenses

The Symphony has presented interest and depreciation expense as non-operating expenses on the Statements of Activities for the fiscal years ended June 30, 2022 and 2021. If these expenses had been presented functionally, \$39,078 and \$53,612 would have been included in general and administrative expenses for the fiscal years ended June 30, 2022 and 2021, respectively.

## Charleston Symphony Orchestra Notes to Financial Statements

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### Income Tax Status

The Symphony is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and exempt from state income taxes under the laws of South Carolina. Therefore, no provision for income taxes has been provided for. The Symphony qualifies for the charitable contribution deduction under Section 170(b)(1) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The FASB provides guidance on the Symphony's evaluation of accounting for uncertainty in income taxes. Management evaluated the Symphony's tax position and concluded that the Symphony had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

### Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of the donation. There were no donated assets during the years ended June 30, 2022 and 2021.

### Donated Services

Donated services are recognized as contributions in accordance with ASC 958 – 605, *Not-For-Profit Entities – Revenue Recognition* (ASC 958-605), if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Symphony. Volunteers provided many hours in program services and fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under ASC 958 – 605 are not met.

### In-kind Contributions and Expenses

The Symphony records various types of in-kind contributions which include donations of food, clothing, household items, advertising, space, and services. These items are recorded at the estimated fair value. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses. In-kind contributions totaled \$0 for both the years ended June 30, 2022 and 2021.

### Marketing Expenses

Costs of promotion and advertising are expensed as incurred. Advertising and promotion expense were \$240,214 and \$57,764 for the years ended June 30, 2022 and 2021, respectively.

### **Note B – Operating Reserve Fund**

The Symphony holds cash for an operating reserve fund which totaled \$122,538 and \$123,090 as of June 30, 2022 and 2021, respectively. The operating reserve fund consisted of donor restricted funds which totaled \$101,658 as of June 30, 2022 and 2021 and Board designated funds which totaled \$20,879 and \$21,480 as of June 30, 2022 and 2021, respectively.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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**Note C – Concentration of Credit Risk**

Financial instruments that potentially subject the Symphony to concentrations of credit risk consist of cash and cash equivalents in banks, investments managed by brokerage firms, and promises to give. The Symphony places its cash and cash equivalents and investments with reputable financial institutions and limits the amount of credit exposure for cash to any one financial institution. Accounts held by banking institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 and cash and cash equivalents in investment accounts are placed in US government or US government backed securities.

**Note D – Unconditional Promises to Give, Net**

Unconditional promises to give are estimated to be collected as follows:

	2022	2021
Unconditional promises to give expected to be collected in:		
Less than one year	\$ 342,493	\$ 25,500
One to five years	949,000	26,750
Total unconditional promises to give before discount	1,291,493	52,250
Less: discount at 2.65%	(80,333)	(500)
Total Unconditional Promises to Give, Net	\$ 1,211,160	\$ 51,750
Promises to give, current	\$ 342,493	\$ 25,000
Promises to give, long term - net	868,667	26,750
	\$ 1,211,160	\$ 51,750

Bad debt expense related to unconditional promises to give was \$0 for the years ended June 30, 2022 and 2021. There was no allowance for doubtful accounts as of June 30, 2022 and 2021.

**Note E – COVID Relief Grants Receivable**

COVID relief grants receivable totaled \$910,878 and \$696,718 as of June 30, 2022 and 2021, respectively, related to the Employee Retention Tax Credit program. Bad debt expense was \$0 for the years ended June 30, 2022 and 2021. The allowance for doubtful accounts was \$0 as of June 30, 2022 and 2021.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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**Note F – Property and Equipment, Net**

Major classifications of property and equipment as of June 30, 2022 and 2021 are summarized below:

	2022	2021
Depreciable property and equipment:		
Musical instruments	\$ 74,010	\$ 74,010
Equipment	58,961	58,961
Vehicles	81,558	81,558
Total Depreciable Assets	214,529	214,529
Less: Accumulated depreciation	(196,233)	(178,779)
Total Depreciable Property and Equipment, Net	18,296	35,750
 Non-depreciable property and equipment:		
Grand pianos	155,300	155,300
Music library	179,204	179,204
Total Non-Depreciable Property and Equipment	334,504	334,504
Total Property and Equipment, Net	\$ 352,800	\$ 370,254

Depreciation expense for the years ended June 30, 2022 and 2021 totaled \$17,454 and \$22,244, respectively.

**Note G – Fair Value of Financial Assets and Liabilities**

The Symphony follows the provisions of ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets and liabilities. The Symphony is required to provide additional disclosures. ASC 820 clarifies that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Symphony utilizes market data or assumptions that market participants would use in pricing the asset or liability. ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Prices for certain cash equivalents, such as money market mutual funds and equity securities are readily available in the active markets in which those securities are traded, and the resulting fair values are categorized as Level 1.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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The Symphony does not have any financial assets or liabilities measured at fair value on a recurring basis categorized as Level 3, and there were no transfers in or out of Level 3 during the years ended June 30, 2022 and 2021. There were no changes during the years ended June 30, 2022 and 2021 to the Symphony's valuation techniques used to measure asset and liability fair values on a recurring basis.

The following tables present the assets measured at fair value on a recurring basis as of June 30, 2022 and 2021:

Fair Value Measurements at June 30, 2022			
	Level 1	Level 2	Level 3
Money market	\$ 353,496	\$ -	\$ -
Mutual funds	739,896	-	-
Equities	2,677,291	-	-
Total	\$ 3,770,683	\$ -	\$ -

Fair Value Measurements at June 30, 2021			
	Level 1	Level 2	Level 3
Money market	\$ 9,615	\$ -	\$ -
Mutual funds	303,210	-	-
Equities	522,145	-	-
Total	\$ 834,970	\$ -	\$ -

**Note H – Notes Payable**

During the year ended June 30, 2020, the Symphony took out a loan in conjunction with the Paycheck Protection Program in the amount of \$448,000. During the year ended June 30, 2021, the Symphony applied for loan forgiveness and had the full amount forgiven. In accordance with ASC 405-20, *Liabilities – Extinguishments of Liabilities*, the amount that has been forgiven is recognized in the Statements of Activities as a gain on PPP loan forgiveness.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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Notes payable consisted of the following as of June 30:

	2022	2021
<p>During the year ended June 30, 2021 the Symphony took out a loan in conjunction with the Paycheck Protection Program in the amount of \$447,998. During the year ended June 30, 2022, the Symphony applied for loan forgiveness and had the full amount forgiven. In accordance with ASC 405-20, <i>Liabilities - Extinguishments of Liabilities</i>, the amount that has been forgiven is recognized in the Statement of Activities as a gain on PPP loan forgiveness.</p>	\$ -	\$ 447,988
<p>Note payable with Toyota Commercial Finance with monthly payments of \$1,645, including interest at 4.99%, maturing April 5, 2023.</p>	20,835	37,493
<p>Total Notes Payable</p>	20,835	485,481
<p>Less: current portion of notes payable</p>	(20,835)	(16,721)
<p>Notes Payable, Net of Current Portion</p>	\$ -	\$ 468,760

The schedule of future minimum payments is \$20,835 for the year ended June 30, 2023.

Interest expense was \$1,433 and \$2,944 for the years ended June 30, 2022 and 2021, respectively.

**Note I – Deferred Revenue**

The Symphony received \$659,726 and \$793,172, on advance ticket sales, deferred CSYO tuition payments and monies restricted for a future recording project for the upcoming concert season for the years ended June 30, 2022 and 2021, respectively. As each production is presented, the portion of the advance sales collection and marketing expense that pertains to that production will be recognized. In the event any of the scheduled productions for the upcoming season are not presented, the ticket holder may either obtain a refund of the ticket price or contribute the ticket refund to the Symphony. The Symphony has retained in its cash balances, at June 30, 2022 and 2021, amounts in excess of these advanced ticket sales and advertising revenue.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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**Note J – Deferred Pension Settlement**

In October 2013, the musicians of the Symphony voted to decertify the Union, Local 502. This action caused the unfunded portion of the Plan allocated to the Symphony to become due. Management and the Board of Directors worked with Symphony counsel, actuaries, and representatives of the American Federation of Musicians and Employers' Pension Fund (AFM-EPF) to reach a settlement. On November 13, 2014, a settlement was reached. This agreement calls for a \$720,000 settlement to be paid to the AFM-EPF in quarterly installments of principal and interest of \$9,000 over a 20-year period, less \$46,939 in payments already made to this amount on June 30, 2014. This settlement was discounted at the Plan's stated discount rate of 7.50%. This discounted deferred pension obligation expense incurred by the Symphony associated with this settlement totaled \$379,696 for the year ended June 30, 2014. This was the full and final settlement of this deferred pension plan obligation which included a fixed amortization schedule.

The deferred pension settlement balance was as follows as of June 30, 2022 and 2021:

	2022	2021
Deferred pension settlement	\$ 270,918	\$ 285,701
Less: current portion of deferred pension settlement	(15,934)	(14,783)
Deferred Pension Settlement, Net of Current Portion	\$ 254,984	\$ 270,918

The schedule of future minimum payments is as follows:

Year ending June 30,		
2023	\$	15,934
2024		17,125
2025		18,509
2026		19,950
2027		21,504
Thereafter		177,896
	\$	270,918

Imputed interest under this agreement totaled \$20,191 and \$28,424 for the years ended June 30, 2022 and 2021, respectively.

The AFM-EPF notified all participants and beneficiaries of the Plan, that the funding status of the Plan was considered "critical and declining" status for the Plan year ending March 31, 2022.



## Charleston Symphony Orchestra Notes to Financial Statements

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### **Note K – Endowments**

The Symphony's endowments consist of several funds established for a variety of purposes. Two of the funds, The Charleston Symphony Orchestra Endowment Fund and The David Stahl Education Through Music Endowment, are endowments with assets held by the Symphony and included on the Statements of Financial Position. The Symphony's other endowment funds, the Symphony Orchestra Permanent Endowment Fund and three other funds noted as Other Endowment Funds are donor advised funds held and managed by the Coastal Community Foundation for two of the funds and by the American Gift Fund for the third fund and, therefore, are not include in the Symphony's Statements of Financial Position. The Symphony's endowments include permanent endowments, donor restricted endowments, and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

#### **The Charleston Symphony Orchestra Endowment Fund**

The Charleston Symphony Orchestra Endowment Fund was created by the Symphony Board of Directors in 1995 and is considered a board designated endowment fund. The primary purpose of this endowment is to provide income to the Symphony in support of its mission. Annual disbursements are generally 3% of the Endowment Fund balance over the previous twelve quarters. The Symphony received disbursements of \$24,004 and \$0 from this fund for the years ending June 30, 2022 and 2021, respectively.

#### **The David Stahl Education Through Music Endowment**

The David Stahl Education Through Music Endowment is a donor restricted endowment fund consisting of an endowment established by the donor in 2014. The endowment was restricted by the donor to be used for the purpose of music education. Annual disbursements are generally 3% of the Endowment Fund balance over the previous twelve quarters. The Symphony received disbursements of \$0 from this fund for both the years ending June 30, 2022 and 2021.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

The following are the endowment net asset composition by type of fund as of fiscal year ended June 30, 2022 and 2021:

		2022		
Endowment Description	Purpose	Without Donor Restrictions	With Donor Restrictions	Total
The Charleston Symphony Orchestra Endowment Fund	Operating	\$ 4,261,681	\$ 849,917	\$ 5,111,598
The David Stahl Education Through Music Endowment	Education	-	153,313	153,313
		\$ 4,261,681	\$ 1,003,230	\$ 5,264,911

		2021		
Endowment Description	Purpose	Without Donor Restrictions	With Donor Restrictions	Total
The Charleston Symphony Orchestra Endowment Fund	Operating	\$ 660,803	\$ -	\$ 660,803
The David Stahl Education Through Music Endowment	Education	-	174,167	174,167
		\$ 660,803	\$ 174,167	\$ 834,970

Changes in endowment net assets for the fiscal year ended June 30, 2022 and 2021:

		2022		
		Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of the Year		\$ 660,803	\$ 174,167	\$ 834,970
Contributions		4,019,922	849,917	4,869,839
Investment loss, net		(419,044)	(20,854)	(439,898)
Endowment Net Assets, End of Year		\$ 4,261,681	\$ 1,003,230	\$ 5,264,911

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of the Year	\$ 517,864	\$ 140,933	\$ 658,797
Contributions	10,000	-	10,000
Investment income, net	132,939	33,234	166,173
Endowment Net Assets, End of Year	\$ 660,803	\$ 174,167	\$ 834,970

**Symphony Orchestra Permanent Endowment Fund**

The Symphony Orchestra Permanent Endowment Fund was established in 2002. This fund is held and managed by the Coastal Community Foundation and is excluded from the financial statements of the Symphony as a result of the Coastal Community Foundation's variance power over the funds. The primary purpose of this fund is to provide income to the Symphony in support of its mission. The Symphony received disbursements in the amounts of \$0 and \$29,586 for the years ended June 30, 2022 and 2021, respectively. The disbursement amounts were 4% of the fund's average market value over the previous twenty quarters at March 31, 2022 and 2021, respectively. The original donor who established the fund, and the Coastal Community Foundation, intend for this fund to be available to receive additional property from the Symphony and other donors. The Coastal Community Foundation determines annual distributions. The balance of the fund as of June 30, 2022 and 2021 was \$847,911 and \$949,283, respectively.

**Other Endowment Funds**

During the year ended June 30, 2019, the Symphony was named the beneficiary of two donor advised endowment funds held and managed by the Coastal Community Foundation. The donors have granted the Coastal Community Foundation variance power over the funds. As such, the funds have been excluded from the financial statements of the Symphony. The primary purpose of these funds is to provide income to the Symphony in support of its mission. The Symphony received disbursements in the amount of \$0 during the year ended June 30, 2022 and \$14,588 during the year ended June 30, 2021. The disbursement amounts were 4% of the fund's average market value over the previous twenty quarters. The Coastal Community Foundation determines annual distributions. The balance of these funds as of June 30, 2022 was \$122,784 and \$510,797 and as of June 30, 2021 was \$137,508 and \$510,132.

During the year ended June 30, 2020, the Symphony was named the beneficiary of a donor advised endowment fund held and managed by the American Gift Fund. The donors have granted the American Gift Fund variance power over the funds. As such, the funds have been excluded from the financial statements of the Symphony. The primary purpose of these funds is to provide income to the Symphony in support of its mission. The Symphony will not be receiving any disbursements from the fund until September 30, 2023 in an effort to build up the total value of the fund. Beginning on September 30, 2023, the fund will disburse annually an amount equal to 3% of the fund's market value on that date and may disburse additional amounts at the discretion of the donor-adviser. The balance of this fund as of June 30, 2022 and 2021 was \$509,938 and \$346,195, respectively.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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**Note L – Net Assets with Donor Restrictions**

The Symphony's net assets with donor restrictions are restricted for the following purposes as of June 30:

	2022	2021
Subject to Time Restrictions	\$ 869,167	\$ 52,250
Subject to Purpose Restrictions		
Operating reserve	101,659	101,658
Music recording	-	2,950
Pops concert sponsorship	100,000	-
David Stahl Endowment restricted for education	153,313	166,168
Total Subject to Purpose Restrictions	354,972	270,776
Total	\$ 1,224,139	\$ 323,026

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by the donors. The net assets released from restrictions for the years ended June 30, 2022 and 2021 totaled \$27,950 and \$50,000, respectively.

**Note M – Retirement Plan**

The Symphony provides a salary reduction 401(k) plan to eligible employees. The Symphony may provide a discretionary matching contribution. For the years ended June 30, 2022 and 2021, there were no discretionary matching contributions.

**Note N – Affiliated Organizations**

The Charleston Symphony Orchestra League, Inc. (a separate 501(c)(3) organization) is a group of volunteers whose purpose is to support the Symphony through music education programs, audience development, and providing financial assistance through fundraising projects. During the years ended June 30, 2022 and 2021, the League contributed \$182,750 and \$174,000, respectively, to the Symphony.

The Charleston Symphony Orchestra Chorus (a separate 501(c)(3) organization) is a group of auditioned, volunteer singers whose purpose is to promote enjoyment and appreciation of choral music in the Lowcountry of South Carolina. The Charleston Symphony Orchestra Chorus provides choral components for the Symphony throughout the year.

**Note O – Related Party Transactions**

The Symphony received \$1,774,816 and \$222,179 in contributions, pledge payments, and ticket sales from members of its Board of Directors for the years ended June 30, 2022 and 2021, respectively.

**Charleston Symphony Orchestra**  
**Notes to Financial Statements**

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**Note P – Liquidity and Availability of Financial Assets**

The Symphony's working capital and cash flows have variations throughout the year attributable to the timing of support, concert revenue, and expenses. To manage liquidity, the Symphony evaluates cash on a regular basis as part of the monthly review of the internal financial statements, and estimates cash needs based on budgeted and current expenses.

The following reflects the Symphony's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. Needs for expenditures within one year will be utilized fully for program services and general and administrative costs.

	2022	2021
Cash and cash equivalents	\$ 1,699,020	\$ 1,763,540
Cash - operating reserve fund	122,538	123,090
Unconditional promises to give, net	1,211,160	51,750
COVID relief grants receivable	910,878	696,718
Long-term investments	3,770,683	834,970
Total Financial Assets	7,714,279	3,470,068
Less: Amounts not available to be used within one year:		
Cash designated by Board for operating reserve	20,879	(21,432)
Board designated - endowments	(4,261,681)	(660,803)
Net assets with donor restrictions	(1,224,139)	(323,026)
Add back: net assets with purpose or time restrictions to be met in less than a year	232,058	27,950
Total Amounts Not Available to be Used Within One Year	(5,232,883)	(977,311)
Total Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$ 2,481,396	\$ 2,492,757

**Note Q – Subsequent Events**

Management has evaluated subsequent events through the date which the financial statements were available to be issued. Based upon this evaluation, there were no material adjustments to these financial statements.

**Charleston Symphony Orchestra**  
**Supplementary Schedules of Revenues**  
**Years Ended June 30, 2022 and 2021**

	2022	2021
<b>Funds Raised</b>		
Support		
Contributions	\$ 1,459,305	\$ 1,494,300
Endowment contributions	4,869,839	10,000
Grants	408,634	270,797
<b>Total Funds Raised</b>	6,737,778	1,775,097
<b>Earned Revenue</b>		
<b>Concert Revenue</b>		
Season ticket sales		
Masterworks	589,605	502,651
Pops	187,525	135,957
Chamber music	700	-
Single ticket sales		
Masterworks	199,382	13,164
Pops	201,375	40,687
Chamber music	21,125	6,170
Special events	35,707	-
Education		
CSYO	48,055	24,041
Sold services	168,331	31,867
Ticketing fees	-	54,325
<b>Total Concert Revenue</b>	1,451,805	808,862
Miscellaneous income	32,064	1,554
<b>Total Operating Revenue</b>	\$ 8,221,647	\$ 2,585,513