

ELLIS MARSALIS CENTER FOR MUSIC, INC.

NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

AS OF AND

FOR THE YEAR ENDED

DECEMBER 31, 2022



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Ellis Marsalis Center for Music, Inc.
New Orleans, Louisiana

Management is responsible for the accompanying financial statements of Ellis Marsalis Center for Music, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in Schedule 1, as required by Louisiana Revised Statute 24:513 A.(3), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

June 26, 2023
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

ELLIS MARSALIS CENTER FOR MUSIC, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

(See Independent Accountants' Compilation Report)

ASSETS:

Cash and cash equivalents	\$ 303,900
Unconditional promises to give, net of discount	1,320,360
Investments	706,235
Prepaid expenses	89,674
Property and equipment, net	8,597,686
Deposits	<u>6,121</u>
 Total assets	 <u>\$ 11,023,976</u>

LIABILITIES:

Accounts payable	\$ 681
Accrued liabilities	24,001
Accrued payroll	28,694
Long-term debt	<u>500,000</u>
 Total liabilities	 <u>553,376</u>

NET ASSETS:

Without donor restrictions	9,109,006
With donor restrictions	<u>1,361,594</u>
 Total net assets	 <u>10,470,600</u>
 Total liabilities and net assets	 <u>\$ 11,023,976</u>

ELLIS MARSALIS CENTER FOR MUSIC, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

(See Independent Accountants' Compilation Report)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>SUPPORT AND OTHER REVENUES:</u>			
Grants	\$ 1,198,732	\$ 1,088,004	\$ 2,286,736
Contributions	301,706	-	301,706
Program income	35,440	-	35,440
Investment (loss), net	(49,433)	-	(49,433)
Other income	124,534	-	124,534
Net assets released from restrictions	<u>268,472</u>	<u>(268,472)</u>	<u>-</u>
 Total support and other revenues	 <u>1,879,451</u>	 <u>819,532</u>	 <u>2,698,983</u>
<u>EXPENSES:</u>			
Program activities	1,908,200	-	1,908,200
Management and general	189,826	-	189,826
Fundraising	<u>65,623</u>	<u>-</u>	<u>65,623</u>
 Total expenses	 <u>2,163,649</u>	 <u>-</u>	 <u>2,163,649</u>
 Change in net assets	 (284,198)	 819,532	 535,334
Net assets, beginning of year	<u>9,393,204</u>	<u>542,062</u>	<u>9,935,266</u>
Net assets, end of year	<u>\$ 9,109,006</u>	<u>\$ 1,361,594</u>	<u>\$ 10,470,600</u>

ELLIS MARSALIS CENTER FOR MUSIC, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

(See Independent Accountants' Compilation Report)

	<u>Program Activities</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 777,517	\$ 50,708	\$ 16,902	\$ 845,127
Payroll taxes and employee benefits	<u>98,106</u>	<u>6,398</u>	<u>2,133</u>	<u>106,637</u>
Total salaries and related expenses	875,623	57,106	19,035	951,764
Student activities	10,786	-	-	10,786
Insurance expense	120,177	13,353	-	133,530
Contract labor	15,841	227	-	16,068
Professional fees	33,933	63,217	40,904	138,054
Repairs and maintenance	67,994	7,555	-	75,549
Supplies	31,337	404	-	31,741
Promotions	13,659	-	-	13,659
Travel, meals, and meetings	5,543	7,990	-	13,533
Computer expenses	15,368	1,708	-	17,076
Utilities	81,536	6,697	-	88,233
Concert expenses	30,640	-	4,817	35,457
Office expenses	3,950	10,500	867	15,317
Security	15,091	794	-	15,885
Interest expenses	-	18,073	-	18,073
Depreciation	566,239	-	-	566,239
Equipment expense	19,742	-	-	19,742
Miscellaneous	<u>741</u>	<u>2,202</u>	<u>-</u>	<u>2,943</u>
Total functional expenses	<u>\$ 1,908,200</u>	<u>\$ 189,826</u>	<u>\$ 65,623</u>	<u>\$ 2,163,649</u>

ELLIS MARSALIS CENTER FOR MUSIC, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

(See Independent Accountants' Compilation Report)

CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:

Change in net assets	\$ 535,334
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation expense	566,239
Realized (gains) on investments	(1,210)
Unrealized losses on investments	56,528
Change in discount on unconditional promises to give	31,748
Changes in assets and liabilities:	
(Increase) decrease in	
Unconditional promises to give	(818,442)
Prepaid expenses	(12,342)
Increase (decrease) in	
Accounts payable	(16,702)
Accrued liabilities	15,866
Accrued payroll	4,518
	<hr/>
Net cash from operating activities	<hr/> 361,537

CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:

Purchases of investments	(583,636)
Proceeds from sales of investments	36,934
Purchases of property and equipment	<hr/> (89,586)
	<hr/>
Net cash (used for) investing activities	<hr/> (636,288)
	<hr/>
Net (decrease) in cash and cash equivalents	(274,751)
	<hr/>
Cash and cash equivalents, beginning of year	578,651
	<hr/>
Cash and cash equivalents, end of year	<u>\$ 303,900</u>

ELLIS MARSALIS CENTER FOR MUSIC, INC.
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
DECEMBER 31, 2022

(See Independent Accountants' Compilation Report)

	Lisa Dabney
Time served	01/01/22 through 12/31/22
Salary	\$ -
Benefits - insurance (health and dental)	- <hr style="width: 100%;"/>
Total compensation, benefits, and other payments	\$ - <hr style="width: 100%; border-top: 3px double black;"/>

*Note: Lisa Dabney does not receive salary or related benefits from public sources.

ELLIS MARSALIS CENTER FOR MUSIC, INC.
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022

We have compiled the financial statements of Ellis Marsalis Center for Music, Inc. as of and for the year ended December 31, 2022, and have issued our report thereon dated June 26, 2023. We conducted our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We did not audit or review the financial statements and, accordingly, did not express an opinion or provide any assurance about whether the financial statements of Ellis Marsalis Center for Music, Inc. were in accordance with accounting principles generally accepted in the United States of America.

During our engagement to compile the financial statements, we did not become aware of any matters that we deemed reportable to the management of Ellis Marsalis Center for Music, Inc.

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

NOT APPLICABLE

SECTION II – MANAGEMENT LETTER

NOT APPLICABLE

ELLIS MARSALIS CENTER FOR MUSIC, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

NOT APPLICABLE

SECTION II – MANAGEMENT LETTER

NOT APPLICABLE