

WORCESTER CHAMBER MUSIC SOCIETY, INC.

FINANCIAL STATEMENTS

TWO MONTHS ENDED AUGUST 31, 2010

WORCESTER CHAMBER MUSIC SOCIETY, INC.

AUGUST 31, 2010

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ACCOUNTANT'S REPORT

To the Board of Directors
Worcester Chamber Music Society, Inc.
Harvard, MA

I have reviewed the accompanying statement of financial position of Worcester Chamber Music Society, Inc. (a nonprofit organization) as of August 31, 2010, and the related statements of activities and changes in net assets, and cash flows for the two month period then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in the financial statements is the representation of the management of Worcester Chamber Music Society, Inc.

A review consists principally of inquiries of Organization personnel and analytic procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Worcester, Massachusetts
October 26, 2010

WORCESTER CHAMBER MUSIC SOCIETY, INC.
Statement of Financial Position
August 31, 2010

Assets:

Cash	\$ 28,355
Prepaid expenses	380
Total Assets	<u>\$ 28,735</u>

Liabilities and Net Assets

Liabilities:

Deferred Revenue	\$ 1,589
Total Liabilities	<u>1,589</u>

Unrestricted net assets

27,146

Total Liabilities and Net Assets

\$ 28,735

See accompanying notes and independent accountant's review report.

WORCESTER CHAMBER MUSIC SOCIETY, INC.

Statement of Activities and Changes in Net Assets

For the Two Months Ended August 31, 2010

Operating Revenue:

Ticket sales	\$	150
Sponsorships		2,200
Public support		23,805
Festival income		8,423
Grants		5,700
Advertising		1,100
Other income		550
Total operating revenue		<u>41,928</u>

Operating Expenses:

Artist fees		3,229
Venue costs		9,165
Advertising		407
Office expense		282
Miscellaneous		590
Printing and postage		1,109
Total operating expenses		<u>14,782</u>

Change in Net Assets 27,146

Unrestricted net Assets, beginning 0

Unrestricted net Assets, ending \$ 27,146

See accompanying notes and independent accountant's review report.

WORCESTER CHAMBER MUSIC SOCIETY, INC.
Statement of Cash Flows
For the Two Months Ended August 31, 2010

Cash Flow From Operating Activities:	
Change in net assets	\$27,146
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Increase in prepaid expenses	(380)
Increase in deferred revenues	<u>1,589</u>
Net Cash Provided by Operating Activities	<u>28,355</u>
Net Increase in Cash	28,355
Cash, beginning	<u>0</u>
Cash, ending	<u><u>\$28,355</u></u>

See accompanying notes and independent accountant's review report.

WORCESTER CHAMBER MUSIC SOCIETY, INC.
Notes to Financial Statements
August 31, 2010

Summary of Significant Accounting Policies

Date of Management's Review

Management has evaluated subsequent events through October 26, 2010, the date on which the financial statements were available to be issued.

Organization and Purpose

Worcester Chamber Music Society, Inc. is a nonprofit corporation, established in 2010 to perform chamber music and to make performances accessible to the greater Worcester, Massachusetts community. It is dedicated to increasing public awareness and support for chamber music through concerts and educational and community outreach programs, and to nurturing and encouraging young musicians through educational, performance, training, and scholarship opportunities.

The Corporation is exempt from Federal income taxes as an organization (not a private foundation) under Section 501(c)(3) of the Internal Revenue Code. There are no uncertain tax positions or open tax years.

Basis of Accounting and Revenue Recognition

The Organization's policy is to prepare its financial statements on the accrual basis of account. It records revenues when earned. Its primary sources of revenues are concert ticket sales, public contributions, educational programs, sponsorships, grants, and advertising. All grant income is unrestricted.

Cash

For the purpose of the statement of cash flows, cash consists of two general checking accounts and a savings account.

WORCESTER CHAMBER MUSIC SOCIETY, INC.
Notes to Financial Statements
August 31, 2010

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Related Party Transactions

There were no related party transactions during the two month period ended August 31, 2010.

Advertising and Marketing

The Company expenses advertising and marketing costs as they are incurred. Advertising and marketing expenses for the two month period ended August 31, 2010 was \$407.

See independent accountant's review report.