

CMS

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER



ANNUAL REPORT 2014

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER

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ANNUAL REPORT 2014

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Dear supporters and friends,

In the Chamber Music Society's 45th season—our first as Chairman and Executive Director—we are pleased to report that CMS enjoyed enormous artistic success, record-breaking fundraising, increased ticket sales, and the expansion of its activities in New York and around the world.

The heart of the season was an extended festival, the *Unfolding of Music*, which led audiences on a journey through the history of music from the Baroque period to the present. At the center of the journey, the CMS Winter Festival, *The Incredible Decade, 1820–1830*, placed a spotlight on a remarkable period that produced more masterpieces than any other ten years in history. *The Incredible Decade* presented performances of pivotal works by Schubert, Beethoven, and Mendelssohn, performed by an intergenerational roster of CMS artists. Other season highlights: CMS honored legendary pianist Menahem Pressler with the Chamber Music Society's first CMS Award for Extraordinary Service to Chamber Music, presented an abundant, wide-ranging Baroque Festival, premiered seven new works by Sebastian Currier, Detlev Glanert, Lowell Liebermann, Zhou Long, Einojuhani Rautavaara, Christopher Theofanidis, and Huw Watkins, launched the new *Art of the Recital* series, added a fourth concert to the *New Music* series in the Kaplan Penthouse, gave the Chamber Music Society's first free concert in Central Park, and experienced explosive growth

in touring and residencies. For the first time, CMS presented *Meet the Music!* family concerts in Princeton, NJ as well as in Alice Tully Hall. CMS live-streamed 28 events, enabling online viewers to enjoy these programs in real time and for the following 24 hours. Continuing the expansion of CMS media activities, CMS produced 78 videos and doubled the CMS national radio series from 26 to 52 programs, and also introduced a new weekly CMS streaming radio program. Two critically acclaimed ensembles, the Danish String Quartet and the Amphion String Quartet, began their three-year residency in the highly regarded CMS Two program for talented young musicians in the early stages of already-impressive careers. CMS also conducted rigorous auditions and selected eight individual artists who will begin their CMS Two residency in 2015–16.

In summary, CMS experienced both strong momentum and exciting new growth in 2013–14. During its 45th season, the Chamber Music Society served some 30,000 New Yorkers and an equal number on tour across the U.S., Europe, and Asia; reached out to young audiences with *CMS Now* and *Chamber Music 360* programs and special events; and provided education programs for 10,000 listeners of all ages. With increased ticket sales, a spectacularly successful Spring Gala, the growth of the Annual Fund, and prudent management of expenses, CMS ended the season in sound financial health.

We thank our Artistic Directors, musicians, and staff for this splendid season, and we extend heartfelt gratitude to our loyal friends and supporters for making the accomplishments of 2013–14 possible.

James P. O'Shaughnessy
Chairman

Suzanne Davidson
Executive Director

ARTISTS OF THE SEASON 2013–2014

Inon Barnatan, PIANO
Alessio Bax, PIANO
Gloria Chien, PIANO*
Gilbert Kalish, PIANO
Soyeon Kate Lee, PIANO*
Anne-Marie McDermott, PIANO
Juho Pohjonen, PIANO
Gilles Vonsattel, PIANO
Wu Han, PIANO
Shmuel Ashkenasi, VIOLIN
Benjamin Beilman, VIOLIN/VIOLA*
Nicolas Dautricourt, VIOLIN*
Daniel Hope, VIOLIN
Bella Hristova, VIOLIN
Ani Kavafian, VIOLIN
Ida Kavafian, VIOLIN
Erin Keefe, VIOLIN
Kristin Lee, VIOLIN
Sean Lee, VIOLIN*
Yura Lee, VIOLIN/VIOLA
Daniel Phillips, VIOLIN
Philip Setzer, VIOLIN
Alexander Sitkovetsky, VIOLIN*
Arnaud Sussmann, VIOLIN/VIOLA
Areta Zhulla, VIOLIN*
David Aaron Carpenter, VIOLA
Mark Holloway, VIOLA
Hsin-Yun Huang, VIOLA
Pierre Lapointe, VIOLA
Paul Neubauer, VIOLA
Richard O'Neill, VIOLA
Cynthia Phelps, VIOLA
Steven Tenenbom, VIOLA
Andreas Brantelid, CELLO
Nicholas Canellakis, CELLO
Colin Carr, CELLO
David Finckel, CELLO
Dane Johansen, CELLO
Mihai Marica, CELLO*
Daniel McDonough, CELLO
Fred Sherry, CELLO
Paul Watkins, CELLO
Kurt Muroki, DOUBLE BASS
Sooyun Kim, FLUTE
Tara Helen O'Connor, FLUTE
Ransom Wilson, FLUTE

James Austin Smith, OBOE*
Stephen Taylor, OBOE
Romie de Guise-Langlois, CLARINET*
David Shifrin, CLARINET
Peter Kolkay, BASSOON
Bram van Sambeek, BASSOON*
Radovan Vlatković, HORN
Ian David Rosenbaum, PERCUSSION*

AMPHION STRING QUARTET*
Katie Hyun, VIOLIN
David Southorn, VIOLIN
Wei-Yang Andy Lin, VIOLA
Mihai Marica, CELLO

DANISH STRING QUARTET*
Frederik Øland, VIOLIN
Rune Tonsgaard Sørensen, VIOLIN
Asbjørn Nørgaard, VIOLA
Fredrik Sjölin, CELLO

ESCHER STRING QUARTET
Adam Barnett-Hart, VIOLIN
Aaron Boyd, VIOLIN
Pierre Lapointe, VIOLA
Dane Johansen, CELLO

ORION STRING QUARTET
Daniel Phillips, VIOLIN
Todd Phillips, VIOLIN
Steven Tenenbom, VIOLIN
Timothy Eddy, CELLO

* designates a CMS Two Artist

GUEST ARTISTS 2013–2014

Dawn Upshaw, SOPRANO
Sasha Cooke, MEZZO-SOPRANO
Menahem Pressler, PIANO
Peter Serkin, PIANO
Huw Watkins, PIANO
Orion Weiss, PIANO
Pedja Muzijevic, HARPSICHORD
Gabriel Shuford, HARPSICHORD

Kenneth Weiss, HARPSICHORD
Jorja Fleezanis, VIOLIN
Pamela Frank, VIOLIN
Soovin Kim, VIOLIN
Jessica Lee, VIOLIN
Cho-Liang Lin, VIOLIN
Joseph Lin, VIOLIN

Elmar Oliveira, VIOLIN
Dmitry Sitkovetsky, VIOLIN
Nicolas Altstaedt, CELLO
Dmitri Atapine, CELLO
Gary Hoffman, CELLO
Jakob Koranyi, CELLO
Li-Wei Qin, CELLO
Keith Robinson, CELLO
Torleif Thedéen, CELLO
Timothy Cobb, DOUBLE BASS
Edgar Meyer, DOUBLE BASS

Randall Ellis, OBOE
Chad Burrow, CLARINET
Alexander Fiterstein, CLARINET
Jose Franch-Ballester, CLARINET
Wai Lau, CLARINET
Anthony McGill, CLARINET
Ashley William Smith, CLARINET

Jörg Widmann, CLARINET
Julie Landsman, HORN
Jennifer Montone, HORN
Julia Pilant, HORN
Stewart Rose, HORN
David Washburn, TRUMPET
Bridget Kibbey, HARP

EMERSON STRING QUARTET
Eugene Drucker, VIOLIN
Philip Setzer, VIOLIN
Lawrence Dutton, VIOLA
Paul Watkins, CELLO

JUPITER STRING QUARTET
Nelson Lee, VIOLIN
Meg Freivogel, VIOLIN
Liz Freivogel, VIOLA
Daniel McDonough, CELLO

MIRÓ QUARTET
Daniel Ching, VIOLIN
William Fedkenheuer, VIOLIN
John Largess, VIOLA
Joshua Gindele, CELLO

OPUS ONE PIANO QUARTET
Anne-Marie McDermott, PIANO
Ida Kavafian, VIOLIN
Steven Tenenbom, VIOLA
Peter Wiley, CELLO



The Incredible Decade.

REPORT ON THE SEASON



Ida Kavafian and Peter Serkin.

The Chamber Music Society achieved enormous artistic success, winning high critical praise and ending the season in sound financial health. CMS served some 30,000 New Yorkers, presenting 53 concerts in Alice Tully Hall, the Rose Studio, and the Kaplan Penthouse, its first free concert in Central Park, and education programs for over 10,000 listeners of all ages. CMS also launched a new series, *Art of the Recital*, in addition to the ongoing Rose Studio, Late Night Rose, and expanded New Music series. An international, intergenerational roster of 126 musicians presented over 150 works and 7 premieres in New York, and CMS performed 60 concerts in some 30 cities across the U.S. and around the globe for an additional 30,000 listeners. The core of the season was an extended festival, *The Unfolding of Music*, which reached from December through April. The Festival led audiences on a chronological journey from the Baroque period to the present with an in-depth focus on *The Incredible Decade, 1820–1830*, a period that witnessed a tremendous outpouring of pivotal works by Beethoven, Schubert, and Mendelssohn. The explosive growth in CMS digital media activity continued; CMS produced 28 live-streamed events, 52 national radio programs, and more. Two highly celebrated young ensembles, the Danish String Quartet and the Amphion String Quartet, began their three-year CMS Two residencies with critically acclaimed performances, and the auditions for the next CMS Two class of individual artists brought a record number of applicants to CMS from around the world. Three days of rigorous auditions resulted in the acceptance of eight masterful young artists to the roster, with their three-year residencies to begin in 2015–16.



Watch a Season Overview on Youtube at
<http://bit.ly/1H7j9b2>

STRINGS CELEBRATION

Seventeen CMS artists opened the season with works by Mendelssohn, Tchaikovsky, and Bartók, and their performance received a joyful response: “The audience greeted the players like rock stars as they took their bows; it’s nice to see

so many young people among the crowd and to hear great music (and great musicians) hailed with such open-hearted joy” (*Oberon’s Grove*, 10.17.13).



THE VIRTUOSO CLARINETIST

Master clarinetist David Shifrin brought musical colleagues and protégés together for a clarinet-centered program ranging from Mozart to new works that Mr. Shifrin inspired. CMS premiered Christopher Theofanidis' new composition, *Quasi Una Fantasia*

for Two Clarinets and String Quartet and Lowell Liebermann's *Four Seasons*, based on poems of Edna St. Vincent Millay, which was sung by mezzo-soprano Sasha Cooke. The composers attended the performance and gave a pre-concert chat.

THE MASTER PIANIST, PRESSLER AT 90

The legendary Menahem Pressler performed with longtime colleagues Wu Han (piano), Daniel Hope (violin), David Finckel (cello), and the Emerson

String Quartet. On this festive occasion, CMS honored Mr. Pressler with the first CMS Award for Extraordinary Service to Chamber Music.



Top: David Shifrin, Anne-Marie McDermott, Romie de-Guise Langlois; Bottom Left: Daniel Hope, Menahem Pressler, David Finckel; Bottom Right: The Emerson Quartet, Wu Han, Daniel Hope, and Menahem Pressler.



BAROQUE FESTIVAL

CMS presented treasures from the seemingly limitless riches of the Baroque period in performances that introduced audiences to composers and works they may never have heard before and cast a new light on beloved gems of the repertoire. In five concerts (two of the three programs were repeated), CMS presented an opulent and wide-ranging Baroque Collection, Bach's "Goldberg Variations" and Fifteen Sinfonias stunningly transcribed for string trio and performed by violinist Dmitri Sitkovetsky, and the complete *Brandenburg Concertos*, which have become a cherished December tradition.



Watch a preview of the Baroque Festival on Youtube at <http://bit.ly/1EVBSW>



Top Left: Tara Helen O'Connor; Top Right: The Danish String Quartet; Bottom: Daniel Phillips.

WINTER FESTIVAL: THE INCREDIBLE DECADE, 1820-1830

The annual Winter Festival placed the spotlight on a ten-year period that famously produced more musical masterpieces than any other decade in history. The festival presented works by Beethoven, Schubert, and Mendelssohn, all of which were among the most celebrated of the repertoire, and every performance was preceded by a pre-concert lecture by musician and educator Michael Parloff. Ticket demand was so strong that CMS added two "encore" performances in the Rose Studio. After hearing the *Beethoven Reflected* concert on February 9, 2014, *New York Times* critic Anthony Tommasini described the Danish String Quartet's performance as "insightful, sensitive and exciting" and wrote: "The playing was so direct, confident and engrossing I almost forgot to notice that technical matters, like intonation, blending and balance, were impeccable" (*The New York Times*, 2.10.2014).



Watch a preview of the Winter Festival on Youtube at <http://bit.ly/1EVBWIX>

RUSSIAN TWILIGHT AND FRENCH REVELATIONS

These concerts highlighted distinctive contributions by two different cultures at critical points in music history; both were part of the *Unfolding of Music* festival. In *Russian Twilight*, Wu Han (piano), David Finckel (cello), and the Escher String Quartet performed

works by Rachmaninov, Tanayev, and others that conveyed the strong emotions of the period. *French Revelations* presented colorful works by Ravel, Debussy, Françaix, Roussel, Tournier, and Fauré-inspired Belgian composer Jongen.



Left: The Escher String Quartet, Wu Han; Right: Gilbert Kalish, Dawn Upshaw.



ROMANTIC TRANSFORMATIONS

Soprano Dawn Upshaw and pianist Gilbert Kalish, who are frequent collaborators, performed songs by Charles Ives and Béla Bartók. This concert, a continuation of the *Unfolding of Music* festival, presented works that illustrated late Romanticism and the emergence of new approaches to composition. *New York Times* critic Zachary Woolfe

wrote: “Mr. Kalish played with subtle grace, and Ms. Upshaw was in superb voice, strong and flexible, her diction pungent and her interpretations passionate” (*The New York Times*, 4.1.2014). Mr. Woolfe also gave high praise to the Amphion String Quartet’s performance of works by Webern, Berg, and Elgar.



QUARTET FOR THE END OF TIME

This concert was named for its keynote work, Messiaen's haunting and ethereal masterpiece, *Quatuor pour la fin du temps*, written in a prisoner-of-war camp. Critic Sophie Vastek wrote that "violinist Nicolas Dautricourt, clarinetist Jörg Widmann, cellist Nicholas Canellakis, and pianist Gilles Vonsattel were remarkably successful in creating the proper atmosphere and maintaining it to

the coda" (*The Classical Review*, 4.12.2014). The program brought the *Unfolding of Music* into the present with performances of works by Elliott Carter, Pierre Jalbert (who attended), and Jörg Widmann (who performed), and the New York premiere of a new CMS co-commission, *Variations for Five*, Quintet No. 2 for Two Violins, Viola, and Two Cellos, by Finnish composer Einojuhani Rautavaara.



Clockwise from Top: Benjamin Beilman, Inon Barnatan, Torleif Thedéen; Ian David Rosenbaum; Tara Helen O'Connor, Romie de-Guise Langlois; Philip Setzer, Shmuel Ashkenasi, Paul Watkins, Arnaud Sussman, Richard O'Neill.

MUSIC FROM THREE CENTURIES

Music from Three Centuries presented works by Brahms, Kodály, Schumann, and a new CMS co-commission by Zhou Long; pianist Inon Barnatan, violinist Benjamin Beilman, violist Paul Neubauer, cellist Torleif Thedéen, and clarinetist David Shifrin performed. Zhou Long, winner of the 2013 Stoeger Prize for achievement in

chamber music composition, gave a pre-concert chat about his new work, *Tales From the Nine Bells* for Clarinet, Violin, and Piano, which critic Eric C. Simpson wrote, "vividly displays his distinctive and compelling musical language" (*The Classical Review*, 5.7. 2014).

MENDELSSOHN & BRAHMS

CMS closed the season with Romantic works by these monumental composers. In introductory program notes, CMS Co-Artistic Directors David Finckel and Wu Han wrote: "Separated by only a generation, their music nonetheless captures the essences of the beginning and end of their era: Mendelssohn's pristinely crafted works brimming with youthful passion, and Brahms's equally rigorous

masterpieces glowing with the nostalgia that bade farewell to the 19th century," and they expressed gratitude that Mendelssohn and Brahms left us chamber music works that are "both intimate and overwhelming." An accomplished cast of CMS musicians including pianist Gilbert Kalish, violinists Shmuel Ashkenasi and Philip Setzer, violists Richard O'Neill and Arnaud Sussmann, and cellist Paul Watkins performed.





Clockwise from Top Left: Nicolas Dautricourt, Benjamin Beilman, James Austin Smith, Mihai Marica, Paul Neubauer; Benjamin Beilman, Gloria Chien; Benjamin Beilman, Paul Neubauer, Gloria Chien, Mihai Marica.



ROSE STUDIO CONCERTS AND LATE NIGHT ROSE

The intimate Rose Studio provided the perfect setting for five concerts, each performed twice, at 6:30 P.M. with traditional seating and at 9:00 P.M. with a host and café-style seating. “Late is the new on time,” wrote *Wall Street Journal* reporter Corinne Ramey in a November 12, 2013 feature about *Late Night Rose’s* appeal to listeners who enjoy its casual atmosphere. The series presented classics such as Beethoven’s “Ghost” Trio, and lesser-known gems that CMS performed for the first time, such as Szymanowski’s virtuosic Nocturne and Tarantella for Violin and Piano. The series showcases young CMS Two artists, who performed this season with master musicians such as Gilbert Kalish (piano) and David Finckel (cello).



NEW MUSIC IN THE KAPLAN PENTHOUSE

Attending a CMS *New Music* concert inspired critic George Grella to describe the experience as “a reminder of both how chamber music has been at the core of innovation in composition since the Classical era, and how the challenges of writing music in which every part is exposed appeals to the finest composers” (*The Classical Review*, 2.14. 2014). The series has become a “must see and hear” for so many loyal listeners that CMS expanded it in 2013–14 from three to four concerts annually. These eclectic *New Music* programs present many works by living composers who often attend the concerts and participate in post-concert discussions — as did Mario Davidovsky, Sebastian Currier, and Huw Watkins. Series highlights included a program of percussion and premieres of *Parallel Worlds* for Flute, Two Violins, Viola, and Cello, a CMS co-commission by Mr. Currier, and Huw Watkins’ *Blue Shadows Fall* for Cello and Piano, performed by the composer, who is also a pianist, and his brother, cellist Paul Watkins of the Emerson String Quartet. CMS streamed all four concerts live and for the following 24 hours.



New Music Performances on Youtube at <http://bit.ly/1lpzgPQ> and <http://bit.ly/1cgY00z>

Ian David Rosenbaum.



Gloria Chien, Anthony McGill.

CHAMBER MUSIC FOR YOUNG ADULTS

The keys to engaging younger audiences are favorable ticket prices and opportunities to socialize with their peers. *CMS Now* and *Chamber Music 360* offer these benefits to New York's young adults. The *CMS Now* membership program continued to build on its successful launch in 2012–13, with a private gallery concert and reception, reduced-price tickets to Alice Tully Hall concerts, and invitations to post-concert receptions with the artists, including the Brandenburg Concertos post-concert holiday party. The *Chamber Music 360* program, which offers listeners ages 21–39 three tickets to Alice Tully Hall concerts for \$60, grew by 19% in 2013–14.



Paul Huang, Adam Barnett-Hart, Aaron Boyd, and friends.

ART OF THE RECITAL

The new *Art of the Recital* series enables artists to curate and perform their own programs in the Rose Studio, an ideal space for the intimacy, dialogue, and virtuosity of chamber music. Clarinetist Anthony McGill and pianist Gloria Chien presented a varied program, while pianist Alessio Bax chose to perform two monumental works: Beethoven's "Hammerklavier" and Mussorgsky's *Pictures at an Exhibition*. Violinist Ida Kavafian and pianist Peter Serkin showcased a lesser-known work by 20th-century composer Stefan Wolpe, among others. Two of the three recitals were streamed live and for the following 24 hours, enabling local and far-flung audiences who could not attend in person to enjoy the performances.

 Watch Art of the Recital Performances on Youtube at <http://bit.ly/1lpzNBA> and <http://bit.ly/1bE0ipK>

MEDIA

CMS increased access to its performances with live webcasts of 28 events, streamed for the following 24 hours for convenient viewing in any time zone, as well as the opportunity to watch the concert again. Viewers around the world watched over 280,000 minutes of CMS live streamed events, an increase of 173% over the previous year. CMS doubled its radio series (broadcast and streamed to over five million listeners) from 26 to 52 programs, and expanded distribution into European markets. American Public Radio's *Performance Today* program brought CMS performances to an additional 1.3 million listeners.



CMS ON TOUR

CMS also introduced a new weekly online radio series this season. *BBC Music Magazine* distributed a CD of a new CMS recording of Schumann and Mendelssohn to its 41,000 monthly subscribers in its April, 2014 issue, and CMS also released three *CMS Live!* downloads of works by Korngold, Hummel, and Bruce Adolphe. Video plays an increasingly important role in CMS communications; in 2013–14, CMS released 78 videos, including Season Preview videos, artist interviews, performance excerpts, promotional videos, lectures, and master classes. Social media grew substantially, with YouTube views surpassing 350,000, and increased activity on Facebook and Twitter.



Top: David Finckel, Wu Han; Bottom: Kristin Lee, Nicholas Canellakis, Yura Lee.

In 2013–14, CMS gave 60 touring performances for 30,000 listeners outside of New York City, at the Mecklenburg-Vorpommern Festival in Germany; the Dresden Music Festival in Germany, Wigmore Hall, London; Augsburg, Germany; Merano, Italy; Tokyo, Japan; Hsing Chu City, Taiwan; Seoul, South Korea; Vancouver, BC; Columbus, OH; Madison, NJ; La Jolla, CA; Washington, DC; Atherton, CA, and more. French pianist Jean-Efflam Bavouzet toured again with CMS artists in a *Pianos In Paris* program. CMS brought its *Brandenburg Concertos* to Princeton, NJ and Chicago, IL, and gave concerts during cruises to the Caribbean and Mediterranean. For the first time, CMS gave two performances of *Meet the Music!* family concerts in Princeton, NJ. CMS was pleased to announce a new summer residency at the Saratoga Performing Arts Center, beginning in August, 2014, a new residency at Purchase College, SUNY beginning in October, 2014, and the expansion of its Chicago residency at the Harris Theater in from three concerts in 2013–14 to five concerts in 2014–15.



EDUCATION

CMS served over 10,000 New Yorkers in 2013–14 with a variety of educational programs for listeners of all ages, from New York City elementary school students to adults.



The *Chamber Music Beginnings* program provided over 4,500 children in grades 3–5 with a solid base of musical knowledge, in alignment with the NYC Blueprint for the Arts, including classroom instruction and concerts in classrooms and professional performing arts spaces.

Meet the Music! family concerts drew strong attendance, filling Alice Tully Hall to an average 89% capacity. For each concert, 60 tickets were set aside for underserved families. CMS also brought *Meet the Music!* to Princeton, NJ for the first time, performing two concerts to sold-out audiences there.



The *Young Musicians* program for high school students and Young Ensembles program for middle school students provided professional coachings culminating in student concerts in Alice Tully Hall and the Rose Studio. High school students attended *Music Up Close!* open rehearsals, where they observed a working rehearsal, followed by Q&A with the artists.

Student Producers, high school students from tri-state area schools, met weekly with CMS staff and learned the inner workings of an arts institution through hands-on activities. The students also produced three pre-concert events for their peers at Alice Tully Hall.

Top: *Meet the Music!* Instrument Petting Zoo; Left: Chamber Music Beginnings, Right: *Meet the Music!*



In 2013–14, CMS welcomed **two new CMS Two** ensembles: the Danish String Quartet and the Amphion String Quartet. Both quartets received high critical praise and a warm reception from audiences as they performed alongside older CMS colleagues. CMS also held auditions and selected eight new individual **CMS Two** artists, who will begin their residencies in 2015–16.

The *Inside Chamber Music* series by Bruce Adolphe, CMS Resident Lecturer, examined Classical compositional form in four fall lectures, and explored how composers such as Beethoven entered new emotional and compositional territory in four spring lectures. CMS artists performed in all eight lectures, which were live-streamed and recorded for viewing by the public on the CMS website.



CMS artists Anne-Marie McDermott (piano), Shmuel Ashkenasi (violin), Kurt Muroki (double bass), and the Miró Quartet offered five *Master Classes* for conservatory students, attended by live audiences and also live-streamed. Like CMS lectures, these master classes are archived on the CMS website as resources for all who are interested in watching and learning.

In addition to five *pre-concert lectures* by musician and educator Michael Parloff that preceded each concert in the CMS Winter Festival: *The Incredible Decade, 1820–1830*, CMS offered *Pre-Concert Composer Chats* with composers Lowell Liebermann, Christopher Theofanidis, and Zhou Long, whose works were featured during the season.

The new CMS educational publication *Building a Chamber Music Program: A Teacher's Guide*, neared completion and will be released in 2014–15.



Watch CMS Education videos on Youtube at <http://bit.ly/1PCR4aU>
<http://bit.ly/1HavEQg> and <http://bit.ly/1EueycP>

Top: Master Class with Anne-Marie McDermott; Bottom: *Inside Chamber Music* lecture with Bruce Adolphe.

“As I wrap up my third and final year of my CMS Two residency, I am still shocked by how much this organization provides its members. In addition to the high-profile performing opportunities in New York and abroad, exposure to audiences in person and via broadcast, and meaningful partnerships with musical icons of all generations, an association with The Chamber Music Society of Lincoln Center offers an in-depth view of how a successful and evolving classical music organization works. David and Wu Han are always eager to discuss personal and career development one-on-one as well as share ideas on how to engage new audiences. For all these reasons, there is no other career development program that offers the same comprehensive and concrete opportunities to help a young musician transform into an important advocate for the arts.”

—Benjamin Beilman, CMS Two violinist



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A SEASON OF GIVING



Arnaud Sussmann, Mark Holloway.

The Chamber Music Society is grateful to the many contributors listed on the following pages who provided essential support for our wide-ranging artistic and educational programs through gifts to the Annual Fund, Opening Night, Spring Gala, the Endowment and Planned Giving. We acknowledge these individuals, foundations, corporations, and government agencies for their generosity. We would also like to thank those donors who support the Chamber Music Society through the Lincoln Center Corporate Fund.

ANNUAL FUND

GIFTS OF \$50,000 OR MORE

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 Jonathan Brezin, Sharon Griffin,
 Robert and Suzanne Hoglund,
 Linda Keen;
 Kristin Lee, Nicholas Canellakis.

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ENDOWMENT

ENDOWMENT

Mr. and Mrs. Paul B. Gridley
 Estate of Arlette B. Stern

SPECIAL EVENTS

The Chamber Music Society hosted Spring Gala at The Allen Room, Jazz at Lincoln Center's Frederick P. Rose Hall on Tuesday, March 11, 2014 and honored Frederick Iseman, Founder of CI Capital, with an Award for his creative and powerful impact on the Performing Arts; and Peter Frelinghuysen for his nineteen years of extraordinary leadership and service to CMS.

The evening included a concert with artists Gilbert Kalish, Ani Kavafian, Kristin Lee, Paul Neubauer, and Nicholas Canellakis performing Brahms' *Allegro non troppo* from the Quintet in F minor for Piano, Two Violins, Viola, and Cello, Op. 34, and a selection of salon music featuring Paul Neubauer.

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James and Melissa O'Shaughnessy

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Joyce B. Cowin
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SILVER

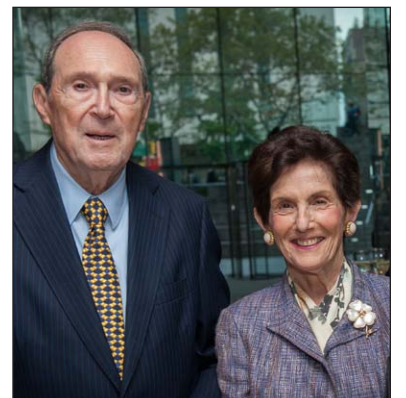
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Suzanne and David Simon;
 Edwin and Kathe Williamson;
 Gustave and Rita Hauser;
 Florence Davis, Tony Gooch.



Top: Suzanne Davidson, James P. O'Shaughnessy, Jed Bernstein.



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Ward Woods, Maisie Houghton, Barrett Frelinghuysen, Jamie Houghton, Bobo Devens.



Spring Gala.



INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS



Shmuel Ashkenasi, Pamela Frank, Andreas Brantelid, Benjamin Beilman, Yura Lee.

December 8, 2014

**CONDON
O'MEARA
MCGINTY &
DONNELLY LLP**

Certified Public Accountants

One Battery Park Plaza
New York, NY 10004-1405
Tel: (212) 661 - 7777
Fax: (212) 661 - 4010

Independent Auditor's Report

To The Board of Directors of
The Chamber Music Society of Lincoln Center, Inc.

We have audited the accompanying financial statements of The Chamber Music Society of Lincoln Center, Inc. which comprise the statement of financial position as of June 30, 2014 and June 30, 2013 and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Chamber Music Society of Lincoln Center, Inc. as of June 30, 2014 and June 30, 2013 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Condon O'Meara McGinty & Donnelly LLP

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Statements of Financial Position

Assets

	June 30	
	2014	2013
Current assets		
Cash and cash equivalents	\$ 1,608,282	\$ 1,099,161
Contributions receivable	228,848	157,244
Prepaid expenses and other current assets	389,857	275,344
Total current assets	<u>2,226,987</u>	<u>1,531,749</u>
Property and equipment, net of accumulated depreciation and amortization	6,687,920	6,775,975
Investments, at fair value	<u>36,884,648</u>	<u>35,127,580</u>
Total assets	\$ 45,799,555	\$ 43,435,304

Liabilities and Net Assets

Current liabilities		
Accounts payable, taxes payable and accrued expenses	\$ 498,341	\$ 968,289
Advance box office receipts	799,545	673,493
Total current liabilities	<u>1,297,886</u>	<u>1,641,782</u>
Net assets		
Unrestricted		
Operating	762,316	659,683
Other	13,694,500	13,217,767
Total unrestricted	<u>14,456,816</u>	<u>13,877,450</u>
Temporarily restricted	13,299,453	11,170,672
Permanently restricted	16,745,400	16,745,400
Total net assets	<u>44,501,669</u>	<u>41,793,522</u>
Total liabilities and net assets	\$ 45,799,555	\$ 43,435,304

See notes to financial statements.



THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Statements of Activities
Year Ended June 30, 2014
(with Summarized Comparative Information for the year ended June 30, 2013)

	Unrestricted		Total	Temporarily Restricted	Permanently Restricted	2014 Total	2013 Total
	Operating	Other					
Support and revenue							
Contributions	\$ 1,735,103	\$ 34,203	\$ 1,769,306	\$ 441,041	\$ -	\$ 2,210,347	\$ 1,750,034
Donated services	86,072	-	86,072	-	-	86,072	-
Box office receipts	1,286,620	-	1,286,620	-	-	1,286,620	1,254,404
Touring	735,280	-	735,280	-	-	735,280	546,450
Long-term investment return designated for current operations	1,493,961	-	1,493,961	-	-	1,493,961	1,633,227
Long-term investment return in excess of spending rate	-	720,853	720,853	1,958,973	-	2,679,826	2,039,586
Other investment return	65,157	184	65,341	-	-	65,341	64,605
Gain on sale of property and equipment	-	67,025	67,025	-	-	67,025	-
Rent, royalties and miscellaneous	62,806	-	62,806	-	-	62,806	90,964
Benefits	1,176,621	-	1,176,621	-	-	1,176,621	911,747
Less: Direct benefits expenses	(240,735)	-	(240,735)	-	-	(240,735)	(153,370)
Sub-total	6,400,885	822,265	7,223,150	2,400,014	-	9,623,164	8,137,647
Net assets released from restrictions	70,000	201,233	271,233	(271,233)	-	-	-
Total support and revenue	6,470,885	1,023,498	7,494,383	2,128,781	-	9,623,164	8,137,647
Expenses							
Program services							
Performances	3,244,466	321,986	3,566,452	-	-	3,566,452	3,338,893
Touring	803,741	14,852	818,593	-	-	818,593	673,595
Education	528,108	42,117	570,225	-	-	570,225	472,532
Commissioning new music	34,915	-	34,915	-	-	34,915	7,534
Recording-production/distribution	360,057	94,686	454,743	-	-	454,743	394,936
Stoeger Prize for composers	-	25,000	25,000	-	-	25,000	8,120
Total program services	4,971,287	498,641	5,469,928	-	-	5,469,928	4,895,610
Supporting services							
Management and general	772,465	16,252	788,717	-	-	788,717	1,076,772
Fundraising	624,500	31,872	656,372	-	-	656,372	626,062
Total supporting services	1,396,965	48,124	1,445,089	-	-	1,445,089	1,702,834
Total expenses	6,368,252	546,765	6,915,017	-	-	6,915,017	6,598,444
Increase in net assets	102,633	476,733	579,366	2,128,781	-	2,708,147	1,539,203
Net assets, beginning of year	659,683	13,217,767	13,877,450	11,170,672	16,745,400	41,793,522	40,254,319
Net assets, end of year	\$ 762,316	\$ 13,694,500	\$ 14,456,816	\$ 13,299,453	\$ 16,745,400	\$ 44,501,669	\$ 41,793,522

See notes to financial statements.



THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Statement of Activities
Year Ended June 30, 2013

	Operating	Unrestricted Other	Total	Temporarily Restricted	Permanently Restricted	2013 Total
Support and revenue						
Contributions	\$ 1,435,034	\$ 135,000	\$ 1,570,034	\$ 180,000	\$ -	\$ 1,750,034
Box office receipts	1,254,404	-	1,254,404	-	-	1,254,404
Touring	546,450	-	546,450	-	-	546,450
Long-term investment return designated for current operations	1,633,227	-	1,633,227	-	-	1,633,227
Long-term investment return in excess of spending rate	-	557,586	557,586	1,482,000	-	2,039,586
Other investment return	64,517	88	64,605	-	-	64,605
Rent, royalties and miscellaneous	90,964	-	90,964	-	-	90,964
Benefits	911,747	-	911,747	-	-	911,747
Less: Direct benefits expenses	(153,370)	-	(153,370)	-	-	(153,370)
Sub-total	5,782,973	692,674	6,475,647	1,662,000	-	8,137,647
Net assets released from restrictions	66,500	170,406	236,906	(236,906)	-	-
Total support and revenue	5,849,473	863,080	6,712,553	1,425,094	-	8,137,647
Expenses						
Program services						
Performances	3,023,980	314,913	3,338,893	-	-	3,338,893
Touring	659,551	14,044	673,595	-	-	673,595
Education	433,148	39,384	472,532	-	-	472,532
Commissioning new music	7,534	-	7,534	-	-	7,534
Recording-production/distribution	308,336	86,600	394,936	-	-	394,936
Stoeger Prize for composers	-	8,120	8,120	-	-	8,120
Total program services	4,432,549	463,061	4,895,610	-	-	4,895,610
Supporting services						
Management and general	670,603	406,169	1,076,772	-	-	1,076,772
Fundraising	597,688	28,374	626,062	-	-	626,062
Total supporting services	1,268,291	434,543	1,702,834	-	-	1,702,834
Total expenses	5,700,840	897,604	6,598,444	-	-	6,598,444
Increase (decrease) in net assets	148,633	(34,524)	114,109	1,425,094	-	1,539,203
Net assets, beginning of year	511,050	19,608,356	20,119,406	3,389,513	16,745,400	40,254,319
Reclassification	-	(6,356,065)	(6,356,065)	6,356,065	-	-
Net assets, beginning of year, as reclassified	511,050	13,252,291	13,763,341	9,745,578	16,745,400	40,254,319
Net assets, end of year	\$ 659,683	\$ 13,217,767	\$ 13,877,450	\$ 11,170,672	\$ 16,745,400	\$ 41,793,522

See notes to financial statements.

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

**Statements of Functional Expenses
Year Ended June 30, 2014
(with Summarized Comparative Information for year ended June 30, 2013)**

	2014							2013				
	Program Services						Supporting Services					
	Performances	Touring	Education	Commissioning New Music	Recording- Production/ Distribution	Stoeger Prize	Total	Management and General	Fund- Raising	Total	Total	Total
Salaries and benefits	\$1,200,693	\$ 168,096	\$ 230,768	\$ -	\$ 177,593	\$ -	\$1,777,150	\$ 353,053	\$ 411,301	\$ 764,354	\$2,541,504	\$2,340,136
Artists' fees	481,850	495,850	102,910	34,871	3,750	-	1,119,231	750	8,250	9,000	1,128,231	927,021
Travel	147,108	112,265	7,724	-	-	-	267,097	13,839	1,710	15,549	282,646	202,940
Marketing and promotion	485,553	7,328	6,750	-	32,781	-	532,412	-	-	-	532,412	473,824
Box office	31,540	-	-	-	-	-	31,540	-	-	-	31,540	27,193
Hall rental and labor	471,634	-	102,850	-	36,750	-	611,234	-	11,013	11,013	622,247	650,208
Music purchase and rental	3,385	216	60	-	-	-	3,661	-	-	-	3,661	4,947
Programs, brochures and inserts	126,743	-	20,645	-	-	-	147,388	-	7,315	7,315	154,703	151,606
Professional fees	59,358	1,634	9,350	-	73,333	-	143,675	141,211	40,532	181,743	325,418	583,224
Dues, conferences, subscriptions	-	1,375	284	-	-	-	1,659	4,356	1,690	6,046	7,705	5,566
Catering and hospitality	9,632	98	7,732	-	-	-	17,462	37,633	82,512	120,145	137,607	160,746
Supporting services	-	-	-	-	-	-	-	29,094	-	29,094	29,094	30,080
Honorariums and music awards	17,044	-	-	-	-	-	17,044	-	-	-	17,044	-
Insurance	-	-	-	-	-	-	-	37,782	-	37,782	37,782	32,024
Messengers, postage, mailing	37,471	575	8,582	-	-	-	46,628	8,269	5,175	13,444	60,072	57,228
Software	-	-	-	-	-	-	-	49,271	-	49,271	49,271	26,592
Telephone	-	-	-	-	-	-	-	21,653	-	21,653	21,653	20,680
Furniture, equipment and maintenance	6,040	-	-	-	2,413	-	8,453	16,788	-	16,788	25,241	20,223
Stoeger prize	-	-	-	-	-	25,000	25,000	-	-	-	25,000	8,120
Depreciation and amortization	321,986	14,852	42,117	-	94,686	-	473,641	15,708	31,872	47,580	521,221	497,643
Rose Studio maintenance	115,950	7,318	16,595	-	13,531	-	153,394	12,911	26,219	39,130	192,524	191,714
Tuning and other production	42,496	7,622	13,396	-	19,906	-	83,420	-	275	275	83,695	81,673
CDs, materials, and reference	595	-	86	-	-	-	681	7,153	15,036	22,189	22,870	21,294
Office supplies and miscellaneous	7,374	1,364	376	44	-	-	9,158	39,246	13,472	52,718	61,876	55,312
Contributions	-	-	-	-	-	-	-	-	-	-	-	25,000
Bad debt expense	-	-	-	-	-	-	-	-	-	-	-	3,450
Total functional expenses	\$3,566,452	\$ 818,593	\$ 570,225	\$ 34,915	\$ 454,743	\$ 25,000	\$5,469,928	\$ 788,717	\$ 656,372	\$1,445,089	\$6,915,017	\$6,598,444

See notes to financial statements.



THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Statement of Functional Expenses
Year Ended June 30, 2013

	2013						Total	Supporting Services			Total
	Program Services				Recording- Production/ Distribution	Stoeger Prize		Management and General	Fund- Raising	Total	
	Performances	Touring	Education	Commissioning New Music							
Salaries and benefits	\$1,118,195	\$ 164,379	\$ 198,641	\$ -	\$ 127,019	\$ -	\$1,608,234	\$ 327,830	\$ 404,072	\$ 731,902	\$2,340,136
Artists' fees	463,200	378,886	67,435	7,500	4,500	-	921,521	-	5,500	5,500	927,021
Travel	100,491	94,497	4,884	-	-	-	199,872	1,245	1,823	3,068	202,940
Marketing and promotion	445,289	7,132	45	-	21,358	-	473,824	-	-	-	473,824
Box office	27,193	-	-	-	-	-	27,193	-	-	-	27,193
Hall rental and labor	509,896	-	90,420	-	35,155	-	635,471	-	14,737	14,737	650,208
Music purchase and rental	4,597	300	50	-	-	-	4,947	-	-	-	4,947
Programs, brochures and inserts	125,767	816	17,970	-	-	-	144,553	-	7,053	7,053	151,606
Professional fees	9,227	-	4,995	-	88,915	-	103,137	477,047	3,040	480,087	583,224
Dues, conferences, subscriptions	-	1,750	284	-	-	-	2,034	2,077	1,455	3,532	5,566
Catering and hospitality	9,228	143	5,452	-	516	-	15,339	44,120	101,287	145,407	160,746
Supporting services	-	-	-	-	-	-	-	30,080	-	30,080	30,080
Non-staff compensation	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	32,024	-	32,024	32,024
Messengers, postage, mailing	37,937	23	9,309	-	-	-	47,269	5,371	4,588	9,959	57,228
Software	-	-	-	-	-	-	-	26,592	-	26,592	26,592
Telephone	-	-	-	-	-	-	-	20,680	-	20,680	20,680
Furniture, equipment and maintenance	3,365	-	-	-	1,919	-	5,284	14,939	-	14,939	20,223
Stoeger prize	-	-	-	-	-	8,120	8,120	-	-	-	8,120
Depreciation and amortization	314,913	14,044	39,384	-	86,600	-	454,941	14,328	28,374	42,702	497,643
Rose Studio maintenance	115,320	7,336	16,035	-	11,758	-	150,449	13,846	27,419	41,265	191,714
Tuning and other production	43,886	3,700	17,385	34	16,593	-	81,598	-	75	75	81,673
CDs, materials, and reference	196	-	97	-	-	-	293	7,152	13,849	21,001	21,294
Office supplies and miscellaneous	10,193	589	146	-	603	-	11,531	30,991	12,790	43,781	55,312
Contributions	-	-	-	-	-	-	-	25,000	-	25,000	25,000
Bad debt expense	-	-	-	-	-	-	-	3,450	-	3,450	3,450
Total functional expenses	\$3,338,893	\$ 673,595	\$ 472,532	\$ 7,534	\$ 394,936	\$ 8,120	\$4,895,610	\$1,076,772	\$ 626,062	\$1,702,834	\$6,598,444

See notes to financial statements.



Statements of Cash Flows

Notes to Financial Statements
June 30, 2014

	Years Ended June 30	
	2014	2013
Cash flows from operating activities		
Increase in net assets	\$ 2,708,147	\$ 1,539,203
Adjustments to reconcile increase in net assets to net cash (used in) operating activities		
Depreciation and amortization	521,221	497,643
(Gain) on sale of property and equipment	(67,025)	-
Net realized and unrealized (gain) on long-term investments	(4,191,054)	(3,669,195)
(Increase) in assets		
Contributions receivable	(71,604)	(57,959)
Prepaid expenses and other current assets	(114,513)	(116,486)
Increase (decrease) in liabilities		
Accounts payable, taxes payable and accrued expenses	(469,948)	455,665
Advance box office receipts	126,052	23,033
Net cash (used in) operating activities	(1,558,724)	(1,328,096)
Cash flows from investing activities		
Proceeds from sale of investments	9,003,387	5,836,601
Purchase of investments	(6,569,401)	(5,283,967)
Proceeds from sale of property and equipment	108,000	-
Purchases of property and equipment	(474,141)	(54,622)
Net cash provided by investing activities	2,067,845	498,012
Net increase (decrease) in cash and cash equivalents	509,121	(830,084)
Cash and cash equivalents, beginning of year	1,099,161	1,929,245
Cash and cash equivalents, end of year	\$ 1,608,282	\$ 1,099,161

Note 1 – Organization and summary of significant accounting policies

Nature of organization

The Chamber Music Society of Lincoln Center, Inc. (the “Society”) seeks to stimulate and support the production, performance, and composition of chamber music through live concerts (local and tours), education, maintenance of a music library, and commissioning new works.

Net asset classifications

The Society reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

- Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have been fulfilled. As reflected in the accompanying statement of financial position, the Society has designated unrestricted net assets to operating and other unrestricted net assets. The operating net assets consist primarily of ongoing activities of the Society. At the Society’s year-end of June 30th, the balance of operating net assets consists of the historical cumulative increase in net assets.
- Temporarily restricted net assets contain donor-imposed restrictions that permit the Society to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by action of the Society.
- Permanently restricted net assets contain donor-imposed restrictions that stipulate the principal be maintained permanently, but permit the Society to use, or expend part or all of the investment return derived from the donated assets for either specified or unspecified purposes.

Reclassification

Effective for the 2014 fiscal year, in accordance with the New York Prudent Management of Institutional Funds Act (NYPMIFA), the Society retroactively reclassified, as of July 1, 2012, \$6,356,065 from unrestricted net assets to temporarily restricted net assets. This amount represents the unspent investment return earned on permanently restricted net assets and temporarily restricted net assets. This investment return will be recorded as temporarily restricted net assets until such time as appropriated by the Board of Directors. In connection with this reclassification, the overall net assets of the Society did not change.

Contributions

Unconditional promises to contribute are recognized as revenue at their fair value.

The Society records contributions and investment return as temporarily restricted if they are received with donor stipulations that limit their use, either through purpose or time restrictions and those stipulations have not been fulfilled. When donor restrictions are fulfilled in subsequent years, that is, when a purpose restriction is met or a time restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions and investment return received with donor stipulations that limit their uses, which are fulfilled in the same reporting period, are recorded as unrestricted contributions and investment return.

See notes to financial statements.



Notes to Financial Statements (continued)
June 30, 2014

Note 1 – Organization and summary of significant accounting policies (continued)Contributions (continued)

The Society has volunteers who provide periodic administrative support to the subscriptions and development department. Such in-kind services do not meet the criteria for recognition of in-kind services as prescribed by accounting principles generally accepted in the United States of America and, accordingly, are not reflected in the accompanying financial statements.

The Society is a beneficiary under various wills and trust agreements, the total realizable amounts of which are not presently determinable. Bequests are recorded as revenue when a legally binding obligation is received and when a fair value can reasonably be determined.

Donated services

The Society receives in-kind goods and services that are used in support of its activities. The goods and services are recorded at the fair value based on what it would have cost the Society if purchased independently. For the fiscal year ended June 30, 2014, the Society received donated legal services totaling \$86,072, which are reflected as donated services and a corresponding expense in the statement of functional expenses. In addition, the Society receives in-kind services rendered by volunteers including Board members who have donated significant amounts of their time to the Society's activities. These services do not meet the criteria for recognition under the accounting standards and accordingly, have not been reflected in the financial statements.

Cash equivalents

The Society considers all liquid financial instruments purchased with original maturity of three months or less to be cash equivalents.

Fair value of financial instruments

Investments in fixed income obligations are reported at fair value based on quoted market prices. Unrealized gains and losses are determined using quoted market prices at the respective statement of financial position dates. Realized gains and losses from sales of securities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. Investment transactions are accounted for on a trade-date basis. The Society also invests in Limited Partnerships. The value of the Limited Partnerships, which is adjusted for unrealized gains and losses, is based upon the most recent available information provided by management of the Limited Partnerships. There is uncertainty in determining fair value of limited partnerships arising from factors such as lack of active markets (primary and secondary), lack of transparency into underlying holdings, time lags associated with reporting by the investee companies, and the subjective evaluation of liquidity restrictions. As a result, the estimated fair values reported in the accompanying statement of financial position might differ from the values that would have been used had a ready market for the Limited Partnerships' interest existed. Furthermore, there is at least a reasonable possibility that estimates will change by material amounts in the near term.

Notes to Financial Statements (continued)
June 30, 2014

Note 1 – Organization and summary of significant accounting policies (continued)Fair value measurements

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted market prices and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs used to measure fair value are as follows:

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

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices of similar assets; quoted prices in markets with insufficient volume or infrequent transactions (less active markets).

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets.

Allowance for doubtful accounts

The Society has determined that an allowance for doubtful accounts is not required for any grants or contributions that may not be collectible. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Property and equipment

Property and equipment are capitalized at cost and depreciated and amortized using the straight-line method over the estimated useful lives of the assets. The Society capitalizes expenditures for assets in excess of a nominal amount with an estimated useful life of greater than one year.

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted support. It is the Society's policy to imply a time restriction, based on the assets' estimated useful lives, on donations of property and equipment that are not restricted as to their use by the donor. Accordingly, these donations are recorded as temporarily restricted support. The Society reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of the donated property and equipment's depreciation expense.

During the 2014 fiscal year, property and equipment with a net book value of \$40,975 was sold for \$108,000, resulting in a gain on sale of \$67,025.

Notes to Financial Statements (continued)
June 30, 2014

Note 1 – Organization and summary of significant accounting policies (continued)

Advertising costs

Except for certain telemarketing costs for the subscription concert series, which are deferred until the following year, advertising costs are expensed as incurred and amounted to \$389,715 and \$386,673 in the 2014 and 2013 fiscal years, respectively.

Functional classification of expenses

The costs of providing program and supporting services have been summarized in the accompanying statement of activities. Program services include costs of performances, touring, educational, broadcasting, recording, and commissioning of new chamber music. Management and general expenses include executive and financial administration, and an allocable portion of building maintenance and security.

Fundraising activities of the Society includes salaries and employee benefits of program staff who develop proposals for fundraising; solicit contributions for those needs and for endowment purposes from individuals, corporations, government agencies and foundations; and conduct special fundraising events. Fundraising costs are expensed as incurred except for certain telemarketing costs for the subscription concert series, which are deferred until the following year.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

The Society's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents, investments, contributions and grants receivable and other receivables. The Society places its cash and cash equivalents with what it believes to be quality financial institutions. At times, bank balances exceed the FDIC insurance limit. However, the Society has not experienced any losses in these bank balances to date. The Society's investments consist of debt obligations, equities and limited partnerships. Investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at June 30, 2014. The Society routinely assesses the financial strength of its cash, cash equivalents and investment portfolio. Management of the Society monitors the collectibility of contributions and grants receivable and other receivables. As a consequence, management believes that concentrations of credit risk are limited.

Notes to Financial Statements (continued)
June 30, 2014

Note 1 – Organization and summary of significant accounting policies (continued)

Subsequent events

The Society has evaluated events and transactions for potential recognition or disclosure through December 8, 2014, which is the date the financial statements were available to be issued.

Note 2 – Contributions receivable

Contributions receivable as of June 30, 2014 and June 30, 2013 are as follows:

	<u>2014</u>	<u>2013</u>
2014	\$ -	\$ 157,244
2015	162,760	-
2016	33,573	-
2017	<u>32,515</u>	<u>-</u>
Total	<u>\$ 228,848</u>	<u>\$ 157,244</u>

Note 3 – Investments

Investments as of June 30, 2014 and June 30, 2013 consisted of the following:

	<u>2014</u>		<u>2013</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Fixed income obligation and other	\$ 4,716,889	\$ 4,850,935	\$ 3,493,495	\$ 3,205,548
Investments in limited partnerships and other*				
U.S. equities	3,200,000	8,603,200	1,700,000	6,036,104
International equities**	-	5,156,758	550,000	4,604,742
Fixed income	2,200,000	5,695,996	3,200,000	6,551,728
Multi-strategy	5,872,484	8,137,105	7,072,704	8,963,911
Economic hedges/ real assets	-	-	1,000,000	858,740
Private equity and other	<u>2,741,226</u>	<u>4,440,654</u>	<u>4,863,314</u>	<u>4,906,807</u>
Total long-term investments	<u>\$ 18,730,599</u>	<u>\$ 36,884,648</u>	<u>\$ 21,879,513</u>	<u>\$ 35,127,580</u>

* Interest in oil/gas leases is reflected at their donated value.

** The cost basis is zero because the Society has redeemed its original investment from the limited partnership.

The Society invests in limited partnerships that invest in stocks, bonds, options, and other financial instruments. The investment objectives are to preserve capital and provide a satisfactory return with an effort to maintain a low risk profile, through various hedging strategies.

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Notes to Financial Statements (continued)
June 30, 2014

Note 3 – Investments (continued)

The following table presents the Society's financial assets that are measured at fair value on a recurring basis at June 30, 2014 and 2013:

Description	Fair value measurements at June 30, 2014			
	Total	Level 1	Level 2	Level 3
Fixed income obligations and other	\$ 4,850,935	\$ 4,850,935	\$ -	\$ -
Limited partnerships and other:				
U.S. equities	8,603,200	-	7,557,908	1,045,292
International equities	5,156,758	-	5,156,758	-
Fixed income	5,695,996	-	3,220,842	2,475,154
Multi-strategy	8,137,105	-	4,766,808	3,370,297
Private equity and other	4,440,654	-	-	4,440,654
Total investments	\$ 36,884,648	\$ 4,850,935	\$ 20,702,316	\$ 11,331,397

Description	Fair value measurements at June 30, 2013			
	Total	Level 1	Level 2	Level 3
Fixed income obligations and other	\$ 3,205,548	\$ 3,205,548	\$ -	\$ -
Limited partnerships and other:				
U.S. equities	6,036,104	-	6,036,104	-
International equities	4,604,742	-	4,604,742	-
Fixed income	6,551,728	-	4,344,496	2,207,232
Multi-strategy	8,963,911	-	4,283,699	4,680,212
Economic hedges/ real assets	858,740	-	858,740	-
Private equity and other	4,906,807	-	-	4,906,807
Total investments	\$ 35,127,580	\$ 3,205,548	\$ 20,127,781	\$ 11,794,251

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Notes to Financial Statements (continued)
June 30, 2014

Note 3 – Investments (continued)

The following is a summary of changes in the fair value of the Society’s Level 3 investments for the years ended June 30, 2014 and June 30, 2013:

	U.S. Equities	Fixed Income	Multi- Strategy	Private Equity and Other	Total
Balance, July 1, 2012	\$ -	\$ 1,820,461	\$ 2,399,454	\$ 4,979,569	\$ 9,199,484
Transfers out	-	-	(500,000)	(845,676)	(1,345,676)
Net unrealized gain	-	386,771	380,758	452,914	1,220,443
Purchases	-	-	2,400,000	320,000	2,720,000
Balance, June 30, 2013	-	2,207,232	4,680,212	4,906,807	11,794,251
Transfers out	-	-	(1,145,777)	(1,555,566)	(2,701,343)
Net realized and unrealized gain (loss)	45,292	267,922	(164,138)	699,534	848,610
Purchases	1,000,000	-	-	389,879	1,389,879
Balance, June 30, 2014	\$ 1,045,292	\$ 2,475,154	\$ 3,370,297	\$ 4,440,654	\$ 11,331,397

The Society uses NAV, or its equivalent, to determine the fair value of all the underlying investments which: (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists such investments by major class:

Strategies of Limited Partnerships	Notice	Redemption Frequency	Next Withdrawal Date
U.S. Equities - 2	2 funds with 60 days	Quarterly	12/31/2014
International Equities – 1	10 days	Monthly	12/31/2014
Fixed Income – 3	1 fund with 45 days	Quarterly	12/31/2014
	1 funds with 65 days	Semi-Annually	8/31/2015
	1 fund with 90 days	Annual	Redeemed 7/1/2014
Hedge Funds – 4	2 funds with 60 days	Quarterly	12/31/2014
	1 fund with 65 days	Quarterly	12/31/2014
	1 fund with 90 days	Quarterly	3/31/2015
Other - 1	120 days	Semi-Annual	4/30/2015
Private Equity - 3	Capital is returned by each partnership over its contractual life		



Notes to Financial Statements (continued)
June 30, 2014

Note 3 – Investments (continued)

Level 3 valuation technique

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2014 and June 30, 2013.

Fair value measurements allows for the use of a practical expedient for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value. The practical expedient used by the Society to value private investments is the Net Asset Value (NAV) per share, or its equivalent. Valuations provided by fund administrators consider variables such as the financial performance of underlying investments, recent sales prices of underlying investments and other pertinent information. The Society reviews valuations and assumptions provided by fund administrators for reasonableness and believes that the carrying amounts of these financial instruments are reasonable estimates of fair value.

The preceding methods described for the limited partnerships and similar type investments may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment return and its classification in the statement of activities for the year ended June 30, 2014 were as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Dividends and interest	\$ 57,330	\$ -	\$ 57,330
Royalties from oil/gas leases	64,504	-	64,504
Net realized and unrealized gain	<u>2,232,081</u>	<u>1,958,973</u>	<u>4,191,054</u>
Net return on long-term investments	2,353,915	1,958,973	4,312,888
Interest on short-term investments	<u>652</u>	<u>-</u>	<u>652</u>
Net return on investments	2,354,567	1,958,973	4,313,540
Less: Amounts designated for current operations			
Long-term investment return	(1,493,961)	-	(1,493,961)
Other investment return	(65,341)	-	(65,341)
Investment advisory fees	(73,526)	-	(73,526)
Unrelated business income taxes	<u>(886)</u>	<u>-</u>	<u>(886)</u>
Long-term investment return after deduction of amounts designated for current operations	<u>\$ 720,853</u>	<u>\$ 1,958,973</u>	<u>\$ 2,679,826</u>

Notes to Financial Statements (continued)
June 30, 2014

Note 4 – Property and equipment

Property and equipment consisted of the following as of June 30, 2014 and June 30, 2013:

	<u>Useful Life</u>	<u>2014</u>	<u>2013</u>
Furniture, pianos and equipment	5-20 years	\$1,484,377	\$1,235,467
Rose Building: interior	20 years	2,550,139	2,534,630
Rose Building: core and shell	20-40 years	2,602,929	2,556,192
Alice Tully Hall leasehold improvements and other improvements	3-30 years	<u>5,158,176</u>	<u>5,092,291</u>
Sub-total		11,795,621	11,418,580
Less: Accumulated depreciation and amortization		<u>5,388,348</u>	<u>4,923,252</u>
Sub-total		6,407,273	6,495,328
Land		<u>280,647</u>	<u>280,647</u>
Total		<u>\$6,687,920</u>	<u>\$6,775,975</u>

Note 5 – Commitments

The Society entered into various commitments for compositions, hall rentals, and artists' contracts. As of June 30, 2014 the following is a summary of the annual future commitments:

<u>Fiscal year</u>	<u>Amount</u>
2015	\$2,110,272

During May 2009, the Society entered into a Constituency Agreement with Lincoln Center for the Performing Arts, Inc. ("LCPA") for space in the newly-renovated Alice Tully Hall. The term of this agreement is 25 years from the date of inception. During this term, both parties agree to fully perform all of their obligations under the lease, except to the extent that such obligations have been modified. Under this agreement, the Society has agreed to pay certain rental and administrative fees, as well as its pro-rata share of any deficit and capital renewals and renovations, which may result from the yearly operation of Alice Tully Hall. The Society's share of the surplus in fiscal year 2014 amounted to \$25,074 and its share of the cost of the 2013 deficit was \$54,939.

The Society is a party to the Final Participants Agreement (the "Agreement"), dated May 19, 1987. As a part of the Agreement, the Society has a proprietary lease agreement with the LCPA for its occupancy in the Rose Building. The lease continues through December 31, 2085, at which time the Society has the option to renew. Under the agreement, the Society is obligated to pay its share of the costs of operating the building. Such costs totaled \$155,842 and \$162,116 in the 2014 and 2013 fiscal years, respectively.

Notes to Financial Statements (continued)
June 30, 2014

Note 6 – Pension and retirement plans

Multiple-employer defined benefit pension plan

The Society participates in a multiple-employer defined benefit pension plan maintained by LCPA along with certain of its Constituents, which covers substantially all full-time non-union employees. Employers' contributions to the plan are commingled and available to pay the benefits of all plan participants. For fiscal years 2014 and 2013, the Society contributed \$86,700 and \$85,000, respectively, to the nonunion pension plan, although no contributions were required by the Employee Retirement Income Security Act.

Multiple-employer defined contribution plan

The Society also participates in a non-contributory multiple-employer defined contribution plan maintained by Lincoln Center. Employees can contribute to the Plan in accordance with the Internal Revenue Code. The Society did not contribute to the Plan for the 2014 or 2013 fiscal years, respectively.

Note 7 – Net assets

The Society reports its restricted net assets in accordance with accounting standards topic 958 – Endowments (formerly FSP 117-1).

Effective September 10, 2010, the State of New York enacted NYPMIFA, the provisions of which apply to endowment funds existing on or established after that date. In accordance with NYPMIFA, during the 2014 fiscal year the Society reviewed its investment income and reclassified the portion attributable to its endowment funds into temporarily restricted net assets, accordingly. There was no change to the Society's net assets in total. The Society has adopted the policy that investment income generated from permanently restricted funds is to be recorded as temporarily restricted until such time as appropriated by the Board of Directors.

The Society's endowment consists of several individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and a fund designated by the Board of Directors. The Society acts prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds. The Society classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment. The portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as unrestricted and temporarily restricted net assets based on donor stipulations.

Measure of operations

The Society's measure of operations is its operating results from revenues and expenses that are an integral part of its programs and supporting activities. The measure of operations includes investment return equal to \$1,493,961 and \$1,633,227 for fiscal 2014 and 2013, respectively, as determined by a spending rate policy of 4.5% in 2014 and 5% in 2013 of a twelve-quarter rolling average of the fair value of the endowment. The measure of operations excludes investment return in excess of that amount, bequests in excess of \$25,000 unless approved otherwise by the Board or unrestricted net assets that are board designated, depreciation on property and equipment, investment expenses, unrelated business income taxes and expenses related to the Stoeger Prize.

Notes to Financial Statements (continued)
June 30, 2014

Note 7 – Net assets (continued)

The following is a summary of the temporarily restricted net assets as of and for the year ended June 30, 2014:

	Balance June 30, 2013	Contributions and Investment Return	Net Assets Released from Restrictions	Balance June 30, 2014
A combination of new productions, new performances, tours, educational or audience outreach programs	\$ 2,358,038	\$ -	\$ -	\$ 2,358,038
Time restricted/donor designated for activities in future years	886,276	441,041	246,233	1,081,084
Stoeger Prize for composers	135,860	50,843	25,000	161,703
Unspent investment return earned on endowment funds	<u>7,790,498*</u>	<u>1,908,130</u>	<u>-</u>	<u>9,698,628</u>
Total temporarily restricted net assets	<u>\$ 11,170,672</u>	<u>\$ 2,400,014</u>	<u>\$ 271,233</u>	<u>\$ 13,299,453</u>

* As reclassified

The Society may expend the restricted net assets for program activities shown in the first line above, subject to certain conditions, including there being an extraordinary need and meeting certain matching gift requirements.

The Society's investment policy is structured in order to ensure that the future growth of the endowment is sufficient to offset normal inflation plus reasonable spending; to preserve the constant dollar value and purchasing power of the endowment for future generations; and to preserve the principal of operating cash and reserves while producing market-level income. In addition, this policy outlines appropriate risk and return objectives, offers asset allocation guidelines, describes suitable investments, and defines the responsibilities of the Finance Committee and any investment consultant with respect to the investment of the Society's assets.

THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER, INC.

Notes to Financial Statements (continued)
June 30, 2014

Note 7 – Net assets (continued)

Permanently restricted net assets as of June 30, 2014 and June 30, 2013 consisted of the following endowment funds:

	<u>2014</u>	<u>2013</u>
A combination of new productions, new performances, tours, educational or audience outreach programs	\$ 9,432,151	\$ 9,432,151
Chairs	1,729,494	1,729,494
Stoeger Prize for composers	445,692	445,692
Media	500,000	500,000
Taplin commissioning	461,054	461,054
Rose building maintenance	118,731	118,731
General	<u>4,058,278</u>	<u>4,058,278</u>
Total permanently restricted net assets	<u>\$ 16,745,400</u>	<u>\$ 16,745,400</u>

As of June 30, 2014 and 2013, there were no restricted or designated funds with deficiencies.

Note 8 – Tax status

The Society is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Society has been classified by the Internal Revenue Service as an organization, which is not a private foundation within the meaning of Section 509(a)(1) of the Code. The Society qualifies for the maximum charitable contribution deduction by donors. Certain of the Society’s investment income constitute unrelated business income. As of June 30, 2014, no amounts have been recognized for uncertain income tax positions. The Society’s tax returns for the 2011 fiscal year and forward are subject to the usual review by the appropriate authorities.





The Danish String Quartet.

Photography by Tristan Cook, Whitney Browne, Matthew Murphy, Hiroyuki Ito, Karli Cadel, and Amelia Panico.
Cover art: By Theo Noll; title: "Raumklang", 2012, oil on card stock, 30 x 20 cm.

