

ODC AND ODC THEATER
(NONPROFIT PUBLIC BENEFIT CORPORATION)

REPORT ON AUDIT OF COMBINED FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION

YEAR ENDED DECEMBER 31, 2019
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018)

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INDEPENDENT AUDITOR'S REPORT

July 31, 2020

Board of Directors
ODC and ODC Theater
San Francisco, California

I have audited the combined financial statements of ODC and ODC Theater (nonprofit organizations), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, cash flows, and functional expenses for the year 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion

Opinion

In my opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of ODC and ODC Theater as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The separate financial statements presented in pages 21-28 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

ODC and ODC Theater's combined 2018 financial statements were audited by me and I expressed an unmodified audit opinion on those audited financial statements in my report dated May 30, 2019. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Healy and Associates
Concord, California

ODC AND ODC THEATER

COMBINED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018)

	December 31	
	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 665,028	\$ 1,056,888
Accounts receivable	28,825	82,941
Grants and pledges receivable, current portion	1,238,198	1,462,148
Prepaid expenses	49,191	66,705
Investments	4,731,310	2,792,296
Inventory	8,595	11,152
TOTAL CURRENT ASSETS	6,721,147	5,472,130
Real property, furniture and equipment, net	10,441,386	10,929,293
Grants and pledges receivable, non-current portion	63,025	1,214,339
Deposits	33,638	58,138
TOTAL ASSETS	\$ 17,259,196	\$ 17,673,900
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 288,281	\$ 304,447
Deferred revenue	335,648	316,497
Deposits held for others	7,000	6,500
Line of credit	-	-
TOTAL CURRENT LIABILITIES	630,929	627,444
TOTAL LIABILITIES	630,929	627,444
CONTINGENCIES AND COMMITMENTS		
NET ASSETS		
Without donor restrictions:		
Designated fund	12,952,792	13,532,267
Undesignated	11,536	3,440
	12,964,328	13,535,707
With donor restrictions:		
Specific in nature	1,017,514	1,150,904
Permanent restriction	2,646,425	2,359,845
	3,663,939	3,510,749
TOTAL NET ASSETS	16,628,267	17,046,456
TOTAL LIABILITIES AND NET ASSETS	\$ 17,259,196	\$ 17,673,900

See Notes to Financial Statements

ODC AND ODC THEATER

COMBINED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Without Donor Restrictions		With Donor Restrictions	Total All Funds	
	General	Designated Fund		Year Ended December 31	
				2019	2018
REVENUE					
Performances	\$ 450,814	\$ -	\$ -	\$ 450,814	\$ 389,742
Interest and dividend income		39,960	73,945	113,905	78,676
Theater revenue	181,589	-	-	181,589	408,804
School revenue	2,629,714	-	-	2,629,714	2,458,413
Merchandise & concessions	4,365	-	-	4,365	4,133
Space rental	354,404	-	-	354,404	161,762
Unrealized gain/(loss) on investments	-	164,263	315,916	480,179	(281,578)
Other revenue and fees	15,748	11	-	15,759	295,165
	<u>3,636,634</u>	<u>204,234</u>	<u>389,861</u>	<u>4,230,729</u>	<u>3,515,117</u>
PUBLIC SUPPORT					
Government grants	150,000	-	156,200	306,200	262,980
Foundation grants	729,300	-	301,000	1,030,300	4,246,500
Corporate contributions	87,097	500	-	87,597	76,826
Individual contributions	1,164,096	61,608	14,915	1,240,619	1,244,912
In-kind	18,294	-	-	18,294	12,775
	<u>2,148,787</u>	<u>62,108</u>	<u>472,115</u>	<u>2,683,010</u>	<u>5,843,993</u>
	5,785,421	266,342	861,976	6,913,739	9,359,110
Net assets released from restriction and designation	<u>980,402</u>	<u>(271,616)</u>	<u>(708,786)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>6,765,823</u>	<u>(5,274)</u>	<u>153,190</u>	<u>6,913,739</u>	<u>9,359,110</u>
EXPENSES:					
Program	4,947,628	495,957	-	5,443,585	4,590,560
General and administrative	1,280,711	78,244	-	1,358,955	2,319,291
Fundraising	529,388	-	-	529,388	485,759
	<u>6,757,727</u>	<u>574,201</u>	<u>-</u>	<u>7,331,928</u>	<u>7,395,610</u>
Change in net assets	8,096	(579,475)	153,190	(418,189)	1,963,500
NET ASSETS, beginning of year	<u>3,440</u>	<u>13,532,267</u>	<u>3,510,749</u>	<u>17,046,456</u>	<u>15,082,956</u>
NET ASSETS, end of year	<u>\$ 11,536</u>	<u>\$ 12,952,792</u>	<u>\$ 3,663,939</u>	<u>\$ 16,628,267</u>	<u>\$ 17,046,456</u>

See Notes to Financial Statements

ODC AND ODC THEATER

COMBINED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Total All Funds	
	Year Ended December 31	Year Ended December 31
	2019	2018
CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ (418,189)	\$ 1,963,500
ADJUSTMENTS TO RECONCILE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	537,174	533,496
Unrealized (gain)/loss on investments	(480,179)	281,578
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) decrease in:		
Grants and accounts receivable	1,429,380	(1,287,966)
Other current assets	20,071	43,979
Increase (decrease) in:		
Accounts payable and accrued liabilities	(16,166)	(33,253)
Deposits held for others	500	2,000
Deferred revenue	19,151	7,847
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,091,742</u>	<u>1,511,181</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase (decrease) in deposits	24,500	7,018
Increase in investments	(1,458,835)	(1,068,402)
Increase in furniture and equipment	(49,267)	(45,191)
NET CASH USED BY INVESTING ACTIVITIES	<u>(1,483,602)</u>	<u>(1,106,575)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment on line of credit	-	(250,000)
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>	<u>(250,000)</u>
NET CHANGE IN CASH	(391,860)	154,606
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,056,888</u>	<u>902,282</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 665,028</u>	<u>\$ 1,056,888</u>
Supplementary Information:		
Interest paid/Line of credit fees	<u>\$ -</u>	<u>\$ 2,847</u>

See Notes to Financial Statements

ODC AND ODC THEATER

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

EXPENDITURES:	Program	General and Administrative	Fundraising	Total All Funds	
				Year Ended December 31 2019	2018
Personnel	\$ 3,090,805	\$ 722,017	\$ 210,635	\$ 4,023,457	4,106,708
Production	984,407	5,974	232,933	1,223,314	1,062,218
Marketing	138,638	13,278	7,998	159,914	218,902
Operating	186,126	545,006	39,726	770,858	989,448
Depreciation	495,957	41,217	-	537,174	533,496
Professional services	110,268	31,463	38,096	179,827	147,308
Cost of merchandise sold	3,383	-	-	3,383	7,424
Rhythm & Motion expense	434,001	-	-	434,001	330,106
TOTAL OPERATING EXPENSES	\$ 5,443,585	\$ 1,358,955	\$ 529,388	\$ 7,331,928	\$ 7,395,610

See Notes to Financial Statements

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE A – NATURE OF ACTIVITIES

ODC (Organization) is a not-for-profit public benefit corporation, incorporated in 1976 to present performances of original dance works and to extend awareness of and participation in dance through education and training programs. ODC is supported through public support, tuition, ticket sales, and performances.

ODC is comprised of a company, school, theater, and general administrative offices, which are known collectively as ODC. ODC is in residence at the ODC Dance Commons and ODC Theater, two multi-use performing and training facilities. ODC operates under the names ODC Dance, ODC School, and ODC San Francisco. ODC Theater is a not-for-profit public benefit corporation that was incorporated in 2001 to empower and develop innovative artists. In September 2010, ODC Theater returned to the newly renovated performance and training facility.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method and Basis of Presentation

The accounting records of the Organization are maintained on the accrual basis of accounting. The financial statements of the Organization have been prepared in accordance with ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Principles of consolidation

The combined financial statements include the accounts of ODC and ODC Theater, which are 100% consolidated in the financial statements. All material inter-company accounts and transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months, which are neither held for nor restricted by donors for long term purposes. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Fair Value Measurements

The Organization's financial instruments include cash, cash equivalents, and investments measured using Level 1 inputs. The carrying amount of these financial instruments has been estimated by management to approximate fair value. Fair value is defined as "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." When determining the inputs used to measure fair value, the highest priority is given to observable inputs and lowest priority is given to unobservable inputs. ASC 820-10, *Fair Value Measurement*, establishes a fair value hierarchy to prioritize the inputs used in measuring fair value. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1— Quoted prices for identical assets and liabilities in active markets.

Level 2—Observable inputs other than Level 1, which include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument.

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

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory

Inventory is comprised of program-related merchandise held for sale, and is stated at the lower of cost or market determined by the first-in first-out method. Management performs periodic assessments to determine the existence of obsolete, slow moving and non-salable inventories, and records necessary provisions to reduce such inventories to net realizable value.

Fixed Assets

Fixed asset additions exceeding \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Property and equipment purchases are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Useful lives are estimated at 30 years for building, 12-30 years for building improvements, 3-15 years for furniture, fixtures, and equipment, and 3 years for sets and costumes. Maintenance and repairs that do not extend the useful lives of the respective assets are expensed as incurred.

Designated Fund

The designated fund represents the depreciated value of real property, furniture and equipment, reserves for building maintenance, artistic venture fund, and board designated funds. At December 31, 2019 and 2018, the balance of the designated fund is \$12,952,792 and \$13,532,267, respectively (See Note K).

Accounts Receivable

Accounts receivable consist primarily of amounts due for services provided. Management determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. As such, no allowance for doubtful accounts was deemed necessary in 2019 or 2018.

Grants and Pledges Receivable

Grants and pledges receivable consist primarily of unconditional promises to give, pledges, grants, and other contributions. Amounts expected to be collected in future years are initially recorded at face value as the discount, if imputed, would be immaterial to these financial statements taken as a whole.

The Organization determines the allowance for uncollectable grants and pledges receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. At December 31, 2019, the allowance for uncollectible pledges receivable is \$8,416.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

ODC's primary source of income is from contributions and revenue from program fees related to the school, theater, and company. In accordance with ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, 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-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 reported in the statements of activities as net assets released from restrictions. As permitted by ASC 958, donor-restricted contributions whose restrictions are met in the same year may be reported as support without donor restrictions.

Performance, School, and Theater Revenue

Performance, school, and theater revenue is recognized as earned. Amounts received (e.g. advance ticket sales) but not yet earned are reported as deferred revenue.

Donated Services and In-Kind Contributions

ODC records donated facilities use, supplies, and services at their estimated fair value on the date of receipt, if they meet the criteria for recognition. In-kind revenue and expense are \$18,294 (\$16,294 for goods and \$2,000 in services), for the year ended December 31, 2019, as reflected in the accompanying statement of activities.

Tax Exemption Status

ODC is exempt from income tax under IRC section 501(c)(3) and Section 23701d of the State of California Revenue and Taxation Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code(s). ODC has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. ODC has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. ODC's returns are subject to examination by federal and state taxing authorities generally for three years after they are filed.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The costs of program activities and supporting services have been summarized on a functional basis in the statements of functional expenses. The statement presents the natural classification of detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Indirect costs such as general and administrative expenses include costs that are not directly identifiable with any specific program, but which provide the overall support and direction of the Organization. Such expenses which are common to multiple functions have been allocated among the various functions benefited either based upon square footage or personnel time records.

Marketing

ODC recognized marketing and advertising expenditures of \$159,914 and \$218,902 for the years ended December 31, 2019 and 2018, respectively.

Comparative Financial Information and Reclassifications

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 2018, from which the summarized information was derived.

Newly Adopted Accounting Principles

In June 2018, the FASB issued ASU No. 2018-08 Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new guidance applies to all organizations that receive or make contributions. The ASU includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. ASU 2018-08 also provides a framework to determine whether a contribution is conditional or unconditional, which may impact the timing of revenue recognition. Under the new guidance, if a transaction is considered an exchange transaction, it is accounted for under the applicable revenue recognition standards. The Organization adopted the standard on January 1, 2019. The adoption of this standard did not materially affect changes in net assets, financial position, or cash flows.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Relevant Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requires organizations to recognize revenue when control of the promised goods or services is transferred to customers at an amount that reflects the consideration to which the organization expects to be entitled to in exchange for those goods and services. The ASU is effective for financial statements issued for fiscal years beginning on or after December 15, 2019. The Organization is currently evaluating the impact of adopting this new guidance on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (ASU 2016-02)*. ASU 2016-02 establishes a comprehensive new lease accounting model. The new standard clarifies the definition of a lease and causes lessees to recognize leases on the balance sheet as a lease liability with a corresponding right-of-use asset for leases with a lease term of more than one year. ASU 2016-02 is effective for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early adoption is permitted. The new standard requires a modified retrospective transition for capital or operating leases existing at or entered into after the beginning of the earliest comparative period presented in the financial statements, but it does not require transition accounting for leases that expire prior to the date of initial application. The Organization is currently evaluating the impact of adopting this new guidance on its financial statements.

NOTE C – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject ODC to concentrations of credit risk consist of cash and cash equivalents accounts in financial institutions. Cash, cash equivalents, and investments exceeding federally insured limits totaled \$468,702 and \$541,858 at December 31, 2019 and 2018, respectively. To date, the Organization has not experienced losses in any of these accounts, and the liquidity of the financial institution is monitored by management. Additionally, the Finance Committee of the Board monitors the credit worthiness of the financial institutions where these deposits are located.

At December 31, 2019, three donors accounted for 71% (38%, 18%, and 15%) of total receivables.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE D – ACCOUNTS, GRANTS, AND PLEDGES RECEIVABLE

At December 31, 2019 and 2018, accounts, grants, and pledges receivable are expected to be received as follows:

<u>Amount Due</u>	<u>Grants and Gifts</u>	<u>Accounts Receivable</u>	<u>2019</u>	<u>2018</u>
<i>Within One Year:</i>				
ODC	\$1,131,855	\$ 27,789	\$1,159,644	\$1,439,144
ODC Theater	106,343	1,036	107,379	105,945
<i>From 2 to 5 years:</i>				
ODC	63,025	-	63,025	1,214,339
ODC Theater	-	-	-	-
Total receivables	<u>\$1,301,223</u>	<u>\$ 28,825</u>	<u>\$1,330,048</u>	<u>\$2,759,428</u>

NOTE E – INVESTMENTS

The composition and fair value of cash and investments held in investment accounts at December 31, 2019 and 2018, is as follows:

	<u>Fair Value Measurements Using Level 1</u>	
	<u>2019</u>	<u>2018</u>
<u>Short Term Investments</u>		
Cash held in investment accounts	\$ 219,019	\$ 21,543
Mutual funds	<u>4,512,291</u>	<u>2,770,753</u>
Total Investments	<u>\$ 4,731,310</u>	<u>\$ 2,792,296</u>

Investment activity for the year ended December 31, 2019, is as follows:

	<u>2019</u>
Investments, beginning of year	\$2,792,296
Additions, net of withdrawals	1,360,000
Unrealized gain (loss)	480,179
Interest and dividends	113,395
Fees	(14,560)
Investments, end of year	<u>\$4,731,310</u>

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE F – FIXED ASSETS

Real property, furniture, and equipment at December 31, 2019 and 2018 are listed below:

	2019	2018
Land	\$ 1,357,474	\$ 1,357,474
Building and improvements	14,299,703	14,299,703
Furniture, fixtures, and equipment	2,995,773	3,037,452
Sets and costumes	81,508	72,697
Total	18,734,458	18,767,326
Less: Accumulated depreciation	(8,293,072)	(7,838,033)
Real property, furniture and equipment, net	<u>\$10,441,386</u>	<u>\$10,929,293</u>

Depreciation expense was \$537,174 and \$533,496, for the years ended December 31, 2019 and 2018, respectively.

NOTE G – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 665,028
Accounts receivable	28,825
Grants and pledges receivable	1,238,198
Investments	4,731,310
	<u>6,663,361</u>
Less amounts not available to be used within one year:	
Liquid portion of designated funds established by the Board	(2,511,406)
Endowment funds	(2,646,425)
Net assets with purpose restrictions to be met in one year	(957,514)
	<u>(6,115,345)</u>
Total financial assets available for general expenditures	<u>\$ 548,016</u>

ODC's board-designated funds are \$12,952,792 at December 31, 2019, of which \$10,441,386 is the net real property, furniture, and equipment plus \$2,511,406 in the Artistic Venture Fund (a 10-year spend-down, Board designated fund). Although ODC does not intend to spend from this board-designated fund (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE G – LIQUIDITY AND AVAILABILITY (Continued)

ODC's permanent endowment fund consists of donor-restricted funds to support building maintenance. The expected annual draw rate from the endowment is 2% multiplied by the average of the prior twelve quarter-ending endowment values. The principal of ODC's permanent endowment is not available for general and operating expenditures.

In addition, to help manage liquidity needs, ODC has a committed line of credit in the amount of \$500,000 which it could draw upon.

NOTE H – LINE OF CREDIT

ODC has a \$500,000 line of credit with Wells Fargo bank, which expires in July 2020. Borrowings bear interest at the prime rate (set by the funder) plus 1.00%, with a floor of 5%. There was \$0 drawn under the line of credit at December 31, 2019 and 2018, respectively. Renewal fees associated with the line are \$250 per year for the years ended December 31, 2019 and 2018, respectively.

NOTE I – CONTINGENCIES AND COMMITMENTS

Grant awards require the fulfillment of certain conditions as set forth in the instruments of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. ODC deems this contingency remote since by accepting the grants it is compelled to adjust its objectives and policies to accommodate the terms of the grants. Management believes ODC has complied with the terms of all grants.

During 2018, ODC entered into a written agreement to license the Rhythm and Motion (R&M) Dance Workout program. ODC agreed to pay R&M the amount of the gross income from the Dance Workout Program net of a monthly fixed fee for all services associated with hosting the Dance Workout program at the ODC facilities. Total expense for the year ended December 31, 2019 and 2018, is \$434,001 and \$330,106, respectively.

The Organization leases various equipment and storage space with leases running through 2023. Future minimum operating lease payments are as follows:

<u>Year ended December 31</u>	
2020	\$79,035
2021	\$41,581
2022	\$16,704
2023	\$14,865

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE J – EMPLOYEE BENEFITS

The Organization accrues vacation expense for full-time staff members. Total accrued vacation payable liability at December 31, 2019 and 2018, is \$55,327 and \$57,691, respectively, and is reflected in the accrued expenses in the accompanying statement of financial position.

NOTE K – NET ASSETS WITHOUT DONOR RESTRICTIONS - DESIGNATED FUND

The net assets without donor restriction that have been designated by the Organization are comprised of the following items at December 31:

	<u>2019</u>	<u>2018</u>
Fixed assets	\$10,441,386	\$10,929,293
Artistic venture fund	2,511,406	2,602,974
Total designated funds	<u>\$12,952,792</u>	<u>\$13,532,267</u>

The Artistic Venture Fund is a 10-year spend-down fund.

NOTE L – NET ASSETS WITH DONOR RESTRICTIONS

The nature and amount of net assets with donor restrictions at December 31 was:

	<u>12/31/18</u>	<u>Income</u>	<u>Releases</u>	<u>12/31/18</u>
<u>ODC</u>				
<u>Nature of restriction</u>				
Programmatic purposes	\$ 101,848	\$ 58,915	\$ (51,783)	\$ 108,980
Time restriction	629,106	325,700	(330,439)	624,367
<u>Permanently Restricted</u>				
Endowment	2,359,845	394,861	(108,281)	2,646,425
Total ODC	<u>3,090,799</u>	<u>779,476</u>	<u>(490,503)</u>	<u>3,379,772</u>
<u>ODC Theater</u>				
<u>Nature of restriction</u>				
Programmatic purposes	387,200	45,000	(185,533)	246,667
Time restriction	32,750	37,500	(32,750)	37,500
Total ODC Theater	<u>419,950</u>	<u>82,500</u>	<u>(218,283)</u>	<u>284,167</u>
Grand Total	<u>\$3,510,749</u>	<u>\$ 861,976</u>	<u>\$ (708,786)</u>	<u>\$3,663,939</u>

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE M – ENDOWMENT NET ASSETS

The Organization created *The Way Forward* endowment campaign in 2016. The goal of the campaign is to raise \$14 million to create a \$10 million permanent endowment fund and a \$4 million ten-year spend down fund. At December 31, 2019 and 2018, the endowment balance was \$2,646,425 and \$2,359,845, respectively. Activity for the year was as follows:

Permanent endowment, beginning of year	\$2,359,845
Contributions	5,000
Earnings	73,945
Unrealized gain	315,916
Building maintenance fund withdrawal	<u>(108,281)</u>
Permanent endowment, end of year	<u><u>\$2,646,425</u></u>

The ten-year spend-down fund is intended to replenish and expand the Artistic Venture and Innovation Fund to underwrite new work, help subsidize rental costs for artists using ODC facilities, address succession planning, and provide seed money for promising new initiatives.

The Board of Directors has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2019 and 2018, there were no such donor stipulations. As a result of this interpretation, they retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by ODC in a manner consistent with the standard of prudence prescribed by UPMIFA.

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE M – ENDOWMENT NET ASSETS (Continued)

ODC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). ODC has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2019, there were no underwater endowment funds.

Investment and Spending Policies

The ODC Board of Directors adopted an Investment Policy Statement in 2015 to govern the investment practices of the assets in the Endowment and the Artistic Venture Fund. The assets will be managed on a total return basis while taking into account the level of liquidity required. The objective is to preserve and enhance the real purchasing power of the investment assets over time while providing a predictable contribution. The expected return objective, measured over rolling three-year periods, is to provide an annualized total return, net of fees, of 2% over the rate of inflation (as measured by the Consumer Price Index (“CPI”). An additional goal was set to outperform a composite market beta index which best represents the target asset allocation of the assets. The beta benchmark is set as 60 percent of the MSCI All Country World Index (“ACWI”) and 40 percent of the Barclays U.S. Aggregate Bond Index. The investment assets should experience risk as measured by volatility or variability of return not materially higher than that of the composite market beta index.

The ODC Board of Directors sets the spending policy of the Endowment to meet the building maintenance needs. The expected annual draw rate from the Endowment is 2% multiplied by the average of the prior twelve quarter-ending Endowment values (or, if fewer, the number of quarters from and including the quarter-end preceding initial distributions).

ODC AND ODC THEATER

NOTES TO COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

NOTE N – SUBSEQUENT EVENT

Management has evaluated subsequent events for recognition and disclosure through July 31, 2020, the date the financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2019, that required recognition or disclosure in the financial statements.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of non-essential businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Organization expects this matter could negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

In April 2020, the Organization received approximately \$712,000 from the Payroll Protection Program, offered through the Small Business Administration, in response to COVID-19. The Organization intends to use the funds on eligible expenses and seek forgiveness in 2020 and record the grant revenue. However, the actual amount the Organization will earn or need to repay on the loan funds for any unearned portion cannot be determined.

In June 2020, the Organization obtained a loan in the amount of \$200,000, in response to COVID-19. The loan carries an interest rate of 0% and is due in four scheduled payments resulting in repayments of \$50,000 in 2021 and \$150,000 in 2022.

SUPPLEMENTAL INFORMATION

ODC

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018)

	December 31	
	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 487,606	\$ 798,791
Accounts receivable, current portion	27,789	71,321
Grants and pledges receivable, current portion	1,131,855	1,367,823
Prepaid expenses	42,922	56,891
Investments	4,731,310	2,792,296
Inventory	8,595	11,152
TOTAL CURRENT ASSETS	6,430,077	5,098,274
Real property, furniture and equipment, net	10,441,386	10,929,293
Grants and pledges receivable, non-current portion	63,025	1,214,339
Deposits	33,638	58,138
TOTAL ASSETS	\$ 16,968,126	\$ 17,300,044
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	238,318	\$ 274,723
Deferred revenue	298,841	307,730
Line of credit	-	-
TOTAL CURRENT LIABILITIES	537,159	582,453
TOTAL LIABILITIES	537,159	582,453
CONTINGENCIES AND COMMITMENTS		
NET ASSETS		
Without donor restrictions:		
Designated fund	12,952,792	13,532,267
Undesignated	98,403	94,525
	13,051,195	13,626,792
With donor restrictions:		
Specific in nature	733,347	730,954
Permanent restriction	2,646,425	2,359,845
TOTAL NET ASSETS	16,430,967	16,717,591
TOTAL LIABILITES AND NET ASSETS	\$ 16,968,126	\$ 17,300,044

ODC

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Without Donor Restrictions			Total All Funds	
	General	Designated Fund	With Donor Restrictions	Year Ended December 31	
				2019	2018
REVENUE					
Performances	\$ 450,814	\$ -	\$ -	\$ 450,814	\$ 389,742
Interest and dividend income	-	39,960	73,945	113,905	78,676
Theater revenue	-	-	-	-	195,254
School revenue	2,629,714	-	-	2,629,714	2,458,413
Merchandise & concessions	3,532	-	-	3,532	4,133
Space rental	215,605	-	-	215,605	(32,140)
Unrealized gain/(loss) on investments	-	164,263	315,916	480,179	(281,578)
Other revenue and fees	13,733	11	-	13,744	293,811
	<u>3,313,398</u>	<u>204,234</u>	<u>389,861</u>	<u>3,907,493</u>	<u>3,106,311</u>
PUBLIC SUPPORT					
Government grants	112,500	-	98,700	211,200	177,480
Foundation grants	719,300	-	276,000	995,300	3,854,300
Corporate contributions	86,997	500	-	87,497	76,826
Individual contributions	1,157,908	61,608	14,915	1,234,431	1,237,855
In-kind	17,294	-	-	17,294	12,775
	<u>2,093,999</u>	<u>62,108</u>	<u>389,615</u>	<u>2,545,722</u>	<u>5,359,236</u>
	<u>5,407,397</u>	<u>266,342</u>	<u>779,476</u>	<u>6,453,215</u>	<u>8,465,547</u>
Subsidy to Theater	(365,000)	-	-	(365,000)	(350,000)
Net assets released from restriction and designation	762,119	(271,616)	(490,503)	-	-
	<u>5,804,516</u>	<u>(5,274)</u>	<u>288,973</u>	<u>6,088,215</u>	<u>8,115,547</u>
EXPENSES:					
Program	4,237,607	495,957	-	4,733,564	3,935,040
General and administrative	1,103,888	78,244	-	1,182,132	2,039,900
Fundraising	459,143	-	-	459,143	429,906
	<u>5,800,638</u>	<u>574,201</u>	<u>-</u>	<u>6,374,839</u>	<u>6,404,846</u>
Change in net assets	3,878	(579,475)	288,973	(286,624)	1,710,701
NET ASSETS, beginning of year	94,525	13,532,267	3,090,799	16,717,591	15,006,890
NET ASSETS, end of year	<u>\$ 98,403</u>	<u>\$ 12,952,792</u>	<u>\$ 3,379,772</u>	<u>\$ 16,430,967</u>	<u>\$ 16,717,591</u>

ODC

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Total All Funds	
	Year Ended December 31	
	2019	2018
CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ (286,624)	\$ 1,710,701
ADJUSTMENTS TO RECONCILE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	412,174	333,496
Facility use fee from Theater (Depreciation)	125,000	200,000
Unrealized (gain)/loss on investments	(480,179)	281,578
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) decrease in:		
Grants and accounts receivable	1,430,814	(1,254,026)
Other current assets	16,526	53,793
Increase (decrease) in:		
Accounts payable and accrued liabilities	(36,405)	(37,291)
Deferred revenue	(8,889)	15,388
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,172,417</u>	<u>1,303,639</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in deposits	24,500	7,018
Increase in investments	(1,458,835)	(1,068,402)
Increase in furniture and equipment	(49,267)	(45,191)
NET CASH USED BY INVESTING ACTIVITIES	<u>(1,483,602)</u>	<u>(1,106,575)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment on line of credit	-	(250,000)
NET CASH USED BY FINANCING ACTIVITIES	<u>-</u>	<u>(250,000)</u>
NET CHANGE IN CASH	(311,185)	(52,936)
CASH AND CASH EQUIVALENTS, beginning of year	<u>798,791</u>	<u>851,727</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 487,606</u>	<u>\$ 798,791</u>
Supplementary Information:		
Interest paid/Line of credit fees	<u>\$ -</u>	<u>\$ 2,847</u>

ODC

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

EXPENDITURES:	Program	General and Administrative	Fundraising	Total All Funds	
				Year Ended December 31 2019	2018
Personnel	\$ 2,828,002	\$ 615,894	\$ 145,161	\$3,589,057	3,709,523
Production	720,128	5,974	232,933	959,035	802,111
Marketing	104,009	13,278	7,998	125,285	176,799
Operating	174,911	493,306	34,955	703,172	929,179
Depreciation	380,957	31,217	-	412,174	333,496
Professional services	88,173	22,463	38,096	148,732	116,208
Cost of merchandise sold	3,383	-	-	3,383	7,424
Rhythm & Motion expense	434,001	-	-	434,001	330,106
TOTAL OPERATING EXPENSES	\$ 4,733,564	\$ 1,182,132	\$ 459,143	\$6,374,839	\$6,404,846

ODC THEATER

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018)

	December 31	
	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 177,422	\$ 258,097
Accounts receivable	1,036	11,620
Grants and pledges receivable	106,343	94,325
Prepaid expenses	6,269	9,814
TOTAL CURRENT ASSETS	<u>291,070</u>	<u>373,856</u>
Grants and pledges receivable, non-current portion	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 291,070</u></u>	<u><u>\$ 373,856</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 49,963	\$ 29,724
Deferred revenue	36,807	8,767
Deposits held for others	7,000	6,500
TOTAL CURRENT LIABILITIES	<u>93,770</u>	<u>44,991</u>
TOTAL LIABILITIES	<u>93,770</u>	<u>44,991</u>
CONTINGENCIES AND COMMITMENTS		
NET ASSETS		
Without donor restrictions	(86,867)	(91,085)
With donor restrictions	284,167	419,950
TOTAL NET ASSETS	<u>197,300</u>	<u>328,865</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 291,070</u></u>	<u><u>\$ 373,856</u></u>

ODC THEATER

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Without Donor Restrictions		With Donor Restrictions	Total All Funds	
	General	Designated Fund		Year Ended December 31	
				2019	2018
REVENUE					
Theater revenue	\$ 181,589	\$ -	\$ -	\$ 181,589	\$ 213,550
Merchandise & concessions	833	-	-	833	-
Space rental	138,799	-	-	138,799	193,902
Other	2,015	-	-	2,015	1,354
	<u>323,236</u>	<u>-</u>	<u>-</u>	<u>323,236</u>	<u>408,806</u>
PUBLIC SUPPORT					
Government grants	37,500	-	57,500	95,000	85,500
Foundation grants	10,000	-	25,000	35,000	392,200
Corporate contributions	100	-	-	100	-
Individual contributions	6,188	-	-	6,188	7,057
In-kind	1,000	-	-	1,000	-
	<u>54,788</u>	<u>-</u>	<u>82,500</u>	<u>137,288</u>	<u>484,757</u>
	378,024	-	82,500	460,524	893,563
Subsidy to Theater	365,000	-	-	365,000	350,000
Net assets released from restriction and designation	<u>218,283</u>	<u>-</u>	<u>(218,283)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>961,307</u>	<u>-</u>	<u>(135,783)</u>	<u>825,524</u>	<u>1,243,563</u>
EXPENSES:					
Program	710,021	-	-	710,021	655,520
General and administrative	176,823	-	-	176,823	279,391
Fundraising	70,245	-	-	70,245	55,853
	<u>957,089</u>	<u>-</u>	<u>-</u>	<u>957,089</u>	<u>990,764</u>
CHANGE IN NET ASSETS	4,218	-	(135,783)	(131,565)	252,799
NET ASSETS, beginning of year	<u>(91,085)</u>	<u>-</u>	<u>419,950</u>	<u>328,865</u>	<u>76,066</u>
NET ASSETS, end of year	<u>\$ (86,867)</u>	<u>\$ -</u>	<u>\$ 284,167</u>	<u>\$ 197,300</u>	<u>\$ 328,865</u>

ODC THEATER

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	<u>Total All Funds</u>	
	<u>Year Ended December 31</u>	
	<u>2019</u>	<u>2018</u>
CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ (131,565)	\$ 252,799
ADJUSTMENTS TO RECONCILE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) decrease in:		
Grants and accounts receivable	(1,434)	(33,940)
Other current assets	3,545	(9,814)
Increase (decrease) in:		
Accounts payable and accrued liabilities	20,239	4,038
Deposits held for others	500	2,000
Deferred revenue	28,040	(7,541)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(80,675)</u>	<u>207,542</u>
NET CHANGE IN CASH	(80,675)	207,542
CASH AND CASH EQUIVALENTS, beginning of year	<u>258,097</u>	<u>50,555</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 177,422</u>	<u>\$ 258,097</u>

ODC THEATER

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

EXPENDITURES:	Program	General and Administrative	Fundraising	Total All Funds	
				Year Ended December 31 2019	2018
Personnel	\$ 262,803	\$ 106,123	\$ 65,474	\$ 434,400	397,185
Production	264,279	-	-	264,279	260,107
Marketing	34,629	-	-	34,629	42,103
Operating	11,215	51,700	4,771	67,686	60,269
Facility use fee (Depreciation)	115,000	10,000	-	125,000	200,000
Professional services	22,095	9,000	-	31,095	31,100
TOTAL OPERATING EXPENSES	<u>\$ 710,021</u>	<u>\$ 176,823</u>	<u>\$ 70,245</u>	<u>\$ 957,089</u>	<u>\$ 990,764</u>