

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY- RLCA, LLC**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY CONSOLIDATING INFORMATION**

**FOR THE FOUR MONTHS ENDED
DECEMBER 31, 2019**

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC**

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Independent Accountants' Review Report

To the Board of Directors
Reg Lenna Center for the Arts, Inc.
Jamestown, New York

We have reviewed the accompanying consolidated financial statements of Reg Lenna Center for the Arts, Inc. and Affiliated Entity - RLCA, LLC, which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for four months then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Consolidating Information

The supplementary consolidating information included in Schedule I is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 prepared the consolidated financial statements. The supplementary consolidating information has been subjected to the review procedures applied in our review of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary consolidating information. We have not audited the supplementary consolidating information and do not express an opinion on such information.

Saxton, Kocur and Associates, LLP

Saxton, Kocur and Associates, LLP
November 12, 2020

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

ASSETS

CURRENT ASSETS

Cash - general operations	\$	32,961
Accounts receivable		689
Grant receivable - event reimbursement		25,664
Inventory		6,416
Prepaid expenses and deposits		58,711
Total current assets		124,441

PROPERTY AND EQUIPMENT, net of
accumulated depreciation

7,492,267

OTHER ASSETS

Receivable - sale of equipment		5,997
Gift certificates and/or cash held for others		976
Total other assets		6,973

TOTAL ASSETS

\$ 7,623,681

LIABILITIES AND NET ASSETS/RETAINED (DEFICIT)

CURRENT LIABILITIES

Accounts payable	\$	27,100
Accrued expenses and security deposits		12,465
Gift certificates and/or cash held for others		976
Deferred revenue		8,385
Line of credit		307,315
Total current liabilities		356,241

NET ASSETS/RETAINED (DEFICIT)

Net assets without donor restrictions		7,275,457
Net assets with donor restrictions - time/purpose restrictions		84,290
Total net assets		7,359,747
Retained (deficit) - LLC		(92,307)
Total net assets/retained (deficit)		7,267,440

TOTAL LIABILITIES AND NET ASSETS/RETAINED (DEFICIT)

\$ 7,623,681

See independent accountants' review report.

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE FOUR MONTHS ENDED DECEMBER 31, 2019**

	Reg Lenna Center			
	Programs			
	Performing	Movies	Buildings	WRFA
<u>NET ASSETS WITHOUT DONOR RESTRICTIONS</u>				
Support:				
Contributions - individuals	\$ -	\$ -	\$ -	\$ -
Contributions - corporate/non-profit funding agencies	1,000	-	-	5,363
Contributions and grants - foundations	-	-	-	-
Contributions - in-kind materials and services	25	-	-	8
Grants - governmental	-	-	-	-
Net assets released from restrictions:				
Satisfaction of purpose or time restrictions	-	-	-	7,293
Total unrestricted support	<u>1,025</u>	<u>-</u>	<u>-</u>	<u>12,664</u>
Revenues:				
Admissions	62,043	21,052	-	-
Food/beverage sales	-	-	-	-
Fees and contracts	22,307	814	4,135	9,600
Rentals - theater and apartments	7,825	-	20,738	-
Interest income and refunds	-	-	-	-
Rental reimbursement	15,057	-	-	-
Total revenues	<u>107,232</u>	<u>21,866</u>	<u>24,873</u>	<u>9,600</u>
Total unrestricted support and revenues	108,257	21,866	24,873	22,264
Expenses by program and supporting services:	<u>106,281</u>	<u>13,041</u>	<u>203,315</u>	<u>49,238</u>
Change in net assets without donor restrictions	<u>1,976</u>	<u>8,825</u>	<u>(178,442)</u>	<u>(26,974)</u>
<u>NET ASSETS WITH DONOR RESTRICTIONS</u>				
Support:				
Contributions and grants - foundations	-	-	-	17,500
Net assets released from restrictions:				
Satisfaction of purpose or time restrictions	-	-	-	(7,293)
Change in net assets with donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,207</u>
CHANGE IN NET ASSETS/RETAINED (DEFICIT)	<u>\$ 1,976</u>	<u>\$ 8,825</u>	<u>\$ (178,442)</u>	<u>\$ (16,767)</u>
NET ASSETS/RETAINED (DEFICIT), BEGINNING				
NET ASSETS/RETAINED (DEFICIT), ENDING				

for the Arts, Inc.					Affiliated Entity	
Programs		Supporting Services		Total Programs and Supporting Services	RLCA, LLC	Consolidated Total
Gallery	Videoworks	Operations	Fundraising			
\$ -	\$ -	\$ 6,775	\$ -	\$ 6,775	\$ -	\$ 6,775
-	-	-	5,010	11,373	-	11,373
-	-	4,120	-	4,120	-	4,120
-	-	-	40	73	-	73
-	-	-	25,664	25,664	-	25,664
-	-	119,992	-	127,285	-	127,285
-	-	130,887	30,714	175,290	-	175,290
281	-	-	16,782	100,158	-	100,158
-	-	-	-	-	20,383	20,383
-	29,200	-	256	66,312	-	66,312
-	-	-	-	28,563	-	28,563
-	-	-	-	-	-	-
-	-	-	-	15,057	-	15,057
281	29,200	-	17,038	210,090	20,383	230,473
281	29,200	130,887	47,752	385,380	20,383	405,763
8,612	23,302	132,836	32,682	569,307	15,058	584,365
(8,331)	5,898	(1,949)	15,070	(183,927)	5,325	(178,602)
-	-	-	-	17,500	-	17,500
-	-	(119,992)	-	(127,285)	-	(127,285)
-	-	(119,992)	-	(109,785)	-	(109,785)
\$ (8,331)	\$ 5,898	\$ (121,941)	\$ 15,070	(293,712)	5,325	(288,387)
				7,653,459	(97,632)	7,555,827
				\$ 7,359,747	\$ (92,307)	\$ 7,267,440

See independent accountants' review report.

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FOUR MONTHS ENDED DECEMBER 31, 2019**

	Reg Lenna				
	Performing	Movies	Buildings	WRFA	Gallery
Wages	\$ 18,371	\$ 3,206	\$ 6,604	\$ 22,957	\$ 6,212
Employee benefits	-	-	177	1,693	-
Payroll taxes	1,396	254	527	1,784	492
Artistic contractual	57,818	-	-	-	-
Outside services	3,135	-	-	3,110	1,750
Conference and travel	22	-	-	49	-
Advertising	13,678	15	-	-	-
Supplies	75	-	437	21	17
Movies	-	9,135	-	-	-
Food, beverages, etc.	-	-	-	-	-
Technical/computer support	27	-	-	4,183	-
Telephone	-	-	-	139	-
Occupancy	-	-	17,537	-	-
Insurances	(4,195)	-	12,230	77	-
Equipment rental and maintenance	3,950	-	12,831	121	-
Building maintenance	-	-	35,482	-	-
Postage and shipping	903	-	53	42	-
Printing	2,030	431	-	82	43
Memberships	-	-	-	100	-
Ticketing fees	5,089	-	-	-	-
Interest	-	-	-	-	-
Receptions, hospitality and prizes	1,476	-	138	537	62
Credit card processing and other fees	2,506	-	-	1	36
Licenses, permits, filing fees, etc.	-	-	-	-	-
Expenses before depreciation	106,281	13,041	86,016	34,896	8,612
Depreciation	-	-	117,299	14,342	-
	\$ 106,281	\$ 13,041	\$ 203,315	\$ 49,238	\$ 8,612

Center for the Arts, Inc.				Affiliated Entity		Consolidated
Videoworks	Operations	Fundraising	Total	RLCA, LLC	Total	Total
\$ 19,767	\$ 82,002	\$ 545	\$ 159,664	\$ 6,913	\$ 166,577	
1,877	13,286	-	17,033	-	17,033	
1,658	5,940	42	12,093	507	12,600	
-	-	-	57,818	-	57,818	
-	5,068	9,765	22,828	500	23,328	
-	55	-	126	-	126	
-	-	7,349	21,042	-	21,042	
-	957	2,157	3,664	329	3,993	
-	-	-	9,135	-	9,135	
-	-	2,356	2,356	4,315	6,671	
-	1,868	-	6,078	-	6,078	
-	1,857	-	1,996	-	1,996	
-	4,183	550	22,270	73	22,343	
-	3,953	-	12,065	-	12,065	
-	956	3,368	21,226	24	21,250	
-	-	-	35,482	-	35,482	
-	83	-	1,081	5	1,086	
-	129	4,120	6,835	-	6,835	
-	-	599	699	-	699	
-	-	260	5,349	-	5,349	
-	4,015	-	4,015	-	4,015	
-	240	421	2,874	-	2,874	
-	650	271	3,464	188	3,652	
-	-	879	879	153	1,032	
23,302	125,242	32,682	430,072	13,007	443,079	
-	7,594	-	139,235	2,051	141,286	
<u>\$ 23,302</u>	<u>\$ 132,836</u>	<u>\$ 32,682</u>	<u>\$ 569,307</u>	<u>\$ 15,058</u>	<u>\$ 584,365</u>	

See independent accountants' review report.

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOUR MONTHS ENDED DECEMBER 31, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets/retained (deficit)	\$ (288,387)
Adjustments to reconcile change in net assets/retained (deficit) to net cash used by operating activities:	
Depreciation and amortization	141,286
(Increase) decrease in:	
Accounts receivable	4,025
Grants receivable	124,336
Inventory	(2,113)
Prepaid expenses and deposits	(19,326)
Increase (decrease) in:	
Accounts payable	19,115
Accrued expenses and security deposits	(3,927)
Deferred revenue	(20,375)
	<hr/>
Net cash used by operating activities	(45,366)
CASH FLOWS FROM INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES	
Borrowings from line of credit	35,000
	<hr/>
DECREASE IN CASH AND RESTRICTED CASH	(10,366)
CASH AND RESTRICTED CASH, BEGINNING	43,327
	<hr/>
CASH AND RESTRICTED CASH, ENDING	<u><u>\$ 32,961</u></u>

See independent accountants' review report.

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NATURE OF ACTIVITIES – The Reg Lenna Center for the Arts, Inc. (the Center) is a non-profit organization that exists to conduct various programs at the Reg Lenna Theater in downtown Jamestown, New York. Major sources of revenues consist of contributions, theater and building rent, and performance admissions.

Major programs consist of the following: Performing - Artistic and cultural performances for the general public; WRFA-LP - A listener supported, non-commercial, low power FM radio station provided as a public service; Videoworks - A learner-centered, inquiry-based, multi-disciplinary curriculum for Jamestown High School students that integrates English Language Arts (ELA) and technology; Operations - General administration of the Reg Lenna Theater, which is used for cultural and community events.

In December 2014, the Center formed a single-member limited liability company, RLCA, LLC. The LLC was formed for the purpose of operating the concessions at the Theater and began operations in October 2016.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - These consolidated financial statements have been prepared on the accrual basis of accounting.

BASIS OF PRESENTATION - These consolidated financial statements include the accounts and activity of the Center and its affiliated entity, RLCA, LLC (collectively, the Organization). All significant inter-entity accounts and transactions have been eliminated.

The Organization has adopted FASB Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. As such, information regarding its financial position and activities are reported according to two classes of net assets that are based upon the existence or absence of donor restrictions: net assets without donor restrictions and net assets with donor restrictions.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

REVENUE RECOGNITION - Effective as of September 1, 2019, the Organization adopted the provisions of FASB Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides guidance in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. Unconditional contributions of cash, securities or other assets and unconditional promises to give, are recorded when received. Conditional contributions and promises to give (i.e. those with a measurable performance or other barrier and a right of return) are not recognized until the conditions are which they depend are substantially met or explicitly waived by the donor. The provisions of the ASU have been applied to contributions received in the accompanying financial statement under a modified prospective basis. Accordingly, there was no effect on net assets upon implementation.

Support and revenues are considered to be available without donor restrictions unless specifically restricted by a donor. Amounts received with donor restrictions (e.g. time or purpose restrictions) are reported as *With Donor Restrictions* on the statements of activities. When a restriction is met or expires, net assets *With Donor Restrictions* are reclassified to net assets *Without Donor Restrictions* and reported as net assets released from restrictions.

In-kind support and revenues are recorded at fair value at the date received.

FAIR VALUE - The fair value of the Organization's current assets and current liabilities approximate their carrying values due to the short-term nature of maturities and expected collection or payment periods or because the terms are similar to market terms.

INVENTORY - Inventory is stated at the lower of cost or net realizable value and consists of food and beverages.

CASH EQUIVALENTS - For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The Organization has adopted Accounting Standards Update No. 2016-18, *Statement of Cash Flows (Topic 230) - Restricted Cash*. As such, any restricted cash is included in the statement of cash flows amounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

ACCOUNTS AND GRANTS RECEIVABLES - Accounts and grants receivables expected to be received within one year are recorded at net realizable value. Management of the Organization believes that all receivables as of December 31, 2019 were fully collectible, and accordingly, no allowance for doubtful accounts was established. If amounts become uncollectible, they will be charged to operations when the determination is made. Grants receivable expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free rates applicable to the years in which the grants are received. Amortization of the discounts are annually included in contribution revenue.

INCOME TAXES - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law.

The Organization's federal and state exempt organization returns for the fiscal years August 31, 2017 and after, are subject to examination by such jurisdictions, generally for three years after filing.

RLCA, LLC, the affiliated entity of the Center, is classified as an association taxable as a corporation and files calendar year income tax returns for federal and state purposes. Its returns filed for 2017 - 2019 are still open to examination.

PROPERTY, EQUIPMENT AND DEPRECIATION - Property and equipment are recorded at cost or, if donated, at the estimated fair value at the date of donation. Acquisitions of property and equipment over \$2,500 are capitalized. Donated property and equipment are reported as support *without donor restrictions* unless a donor has restricted the donated asset to a specific purpose. Assets donated with donor restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support *with donor restrictions*. Such support is reclassified to support *without donor restrictions* when the restrictions expire or property and equipment is purchased. Depreciation of property and equipment is provided on a straight-line basis over the estimated useful lives of the assets.

ADVERTISING - The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense was \$21,042 for the four months.

FUNCTIONAL ALLOCATION OF EXPENSES - Expenses associated with providing programs and supporting services are presented in these financial statements by functional and natural classifications. Directly identifiable expenses are charged to the function benefited. Expenses benefiting more than one function are allocated based on measurable, reasonable, and consistent methods. Methods used to allocate include actual or estimates of time and effort, usage, and square footage.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

USE OF ESTIMATES - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

DONATED SERVICES - Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provide various types of services that are not recognized as contributions in the financial statements since the recognition criteria are not met.

NOTE 2 - PROPERTY AND EQUIPMENT

Buildings	\$ 546,311
Building renovations	10,897,422
Land	3,000
Equipment and furniture	381,193
	<u>11,827,926</u>
Less accumulated depreciation	<u>4,335,659</u>
	<u><u>\$ 7,492,267</u></u>

NOTE 3 - LINE OF CREDIT

The Organization has a maximum line of credit for \$450,000, with interest at the lender's Tax Exempt Financing Rate (i.e. 80% of the prime rate) The line is secured by all property, equipment, and other assets of the Organization.

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Contributions and support restricted by time and/or purposes at December 31:

General operations - Lenna Foundation for 2019 - 2020	\$ 30,107
Multi-media studio equipment	19,627
WRFA equipment	14,853
WRFA equipment upgrades - Lenna Foundation	17,500
Financial monitoring - Sheldon Foundation	707
WRFA - CPB Community Service Grant	1,496
	<u>84,290</u>
	<u><u>\$ 84,290</u></u>

NOTE 5 - FUNDS HELD BY CHAUTAUQUA REGION COMMUNITY FOUNDATION

In 1988, the Organization transferred \$600,000 of capital campaign funds to the Chautauqua Region Community Foundation, Inc. (CRCF) to establish the Reg Lenna Civic Center General Endowment Fund (General Fund). Since inception, additional contributions have been made directly to this fund. The Reg Lenna Civic Center/Julian B. Wright Memorial Fund (Wright Fund) was established at CRCF in March 1986. The Organization receives earnings distributions from both funds. No distributions were received in the four month period. As provided by CRCF, the value of the General Fund was \$1,747,848 and the value of the Wright Fund was \$11,788 at December 31, 2019.

In 1997, The Lenna Foundation established an initial \$500,000 endowment fund at CRCF for the maintenance of the Civic Center. No earnings distributions from this fund were received in the four month period. The fund's value as provided by CRCF was \$766,977 at December 31, 2019.

CRCF has been granted variance power over all the aforementioned funds.

NOTE 6 - SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for interest during the four months	\$	4,015
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All cash at December 31 was unrestricted.

NOTE 7 - EFFECT OF CURRENT ECONOMIC CONDITIONS ON CONTRIBUTIONS

The Organization depends on contributions and grants for its revenue. The ability of the Organization's contributors and grantors to continue giving amounts comparable with prior years is dependent upon current and future overall economic conditions. While the Organization's management believes the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues, may be dependent on the above factors.

NOTE 8 - EMPLOYEE BENEFIT PLAN

The Organization maintains a SIMPLE IRA plan with a 3% match. Expense for the four months was \$3,551.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The Organization is self-insured for unemployment insurance purposes. During the four months, the Organization did not incur any unemployment related expenses.

NOTE 10 - OPERATING LEASE

In 2017, the Organization entered into a lease of a copier. The lease is for 60 months at \$239 per month, beginning September 2017 and ending August 2022. The Organization has the option to purchase this copier at the end of the lease term at its then fair market value. Lease expense was \$956 for the four months.

Future lease payments for the calendar years 2020 - 2022:

2020	\$	2,868
2021	\$	2,868
2022	\$	1,912

NOTE 11 - LIQUIDTY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly reviews its financial position and operations, including liquidity required to meet its general expenditures, liabilities, and other obligations that may come due. The Organization considers general expenditures to be those types of expenditures routinely incurred in operating its programs and supporting services.

Donor restricted net assets (Note 4) with restrictions expected to be met in calendar year 2020, are considered to be available for general expenditures.

The following reflects the Organization's financial assets available within one year of December 31, 2019, to meet general expenditures, liabilities, and other obligations that may come due, reduced by amounts not available because of donor restrictions.

Financial assets at year end:		
Cash and cash equivalents	\$	32,961
Accounts and grant receivable		26,353
Financial assets		<u>59,314</u>
Less financial assets unavailable for general expenditures:		
Donor-restricted net assets: restricted for equipment (Note 4)		<u>(51,980)</u>
Financial assets available	\$	<u><u>7,334</u></u>

The Organization also has a line of credit (Note 3) that could be drawn upon to meet general expenditures.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated events and transactions through November 12, 2020, which is the date the financial statements were available to be issued.

The Organization's former Executive Director resigned and left the position on September 27, 2019. The Business Manager of the Organization was appointed Executive Director as of July 1, 2020.

The short-term and long-term impact of the current 2020 COVID-19 pandemic on the Agency's future financial position and operations cannot be presently determined, but it has the potential to result in a significant economic impact.

On May 8, 2020, the Organization received a Paycheck Protection Program (PPP) loan of \$99,637. The loan is part of the 2020 CARES Act. Management expects all terms and conditions of the loan shall be met and thus, the entire loan shall be entitled to forgiveness. If any portion of the loan is not approved for forgiveness, interest at 1% and repayment of the unforgiven amount shall be in accordance with the terms of the PPP note.

NOTE 13 - CHANGE OF ACCOUNTING PERIOD

These financial statements have been prepared for reporting to the NYS Charities Bureau, the Organization's change in accounting period from an August 31st to a December 31st year-end.

SUPPLEMENTARY CONSOLIDATING INFORMATION

**REG LENNA CENTER FOR THE ARTS, INC.
AND AFFILIATED ENTITY - RLCA, LLC
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

ASSETS

	<u>RLCA, Inc.</u>	<u>RLCA, LLC</u>	<u>Consolidating Adjustments</u>	<u>Consolidated Total</u>
CURRENT ASSETS				
Cash - general operations	\$ 25,486	\$ 7,475	\$ -	\$ 32,961
Accounts receivable	689	-	-	689
Due from RLCA, LLC	35,978	-	(35,978)	-
Grant receivable - event reimbursement	25,664	-	-	25,664
Inventory - food and beverages	-	6,416	-	6,416
Prepaid expenses and deposits	58,711	-	-	58,711
Total current assets	<u>146,528</u>	<u>13,891</u>	<u>(35,978)</u>	<u>124,441</u>
PROPERTY AND EQUIPMENT, net of accumulated depreciation				
	<u>7,476,878</u>	<u>15,389</u>	<u>-</u>	<u>7,492,267</u>
OTHER ASSETS				
Receivable - sale of equipment	-	5,997	-	5,997
Gift certificates and/or cash held for others	976	-	-	976
Investment in LLC - additional paid-in-capital	89,291	-	(89,291)	-
Total other assets	<u>90,267</u>	<u>5,997</u>	<u>(89,291)</u>	<u>6,973</u>
TOTAL ASSETS	<u><u>\$ 7,713,673</u></u>	<u><u>\$ 35,277</u></u>	<u><u>\$ (125,269)</u></u>	<u><u>\$ 7,623,681</u></u>

LIABILITIES AND NET ASSETS/RETAINED (DEFICIT)

	<u>RLCA, Inc.</u>	<u>RLCA, LLC</u>	<u>Consolidating Adjustments</u>	<u>Consolidated Total</u>
CURRENT LIABILITIES				
Accounts payable	\$ 24,810	\$ 2,290	\$ -	\$ 27,100
Accrued expenses and security deposits	12,440	25	-	12,465
Due to RLCA, Inc.	-	35,978	(35,978)	-
Gift certificates and/or cash held for others	976	-	-	976
Deferred revenue	8,385	-	-	8,385
Line of credit	307,315	-	-	307,315
Total current liabilities	<u>353,926</u>	<u>38,293</u>	<u>(35,978)</u>	<u>356,241</u>
NET ASSETS/RETAINED (DEFICIT)				
Additional paid-in-capital - LLC	-	89,291	(89,291)	-
Without donor restrictions/retained (deficit)	7,275,457	(92,307)	-	7,183,150
With donor restrictions	84,290	-	-	84,290
Total net assets/retained (deficit)	<u>7,359,747</u>	<u>(3,016)</u>	<u>(89,291)</u>	<u>7,267,440</u>
TOTAL LIABILITIES AND NET ASSETS/ RETAINED (DEFICIT)	<u><u>\$ 7,713,673</u></u>	<u><u>\$ 35,277</u></u>	<u><u>\$ (125,269)</u></u>	<u><u>\$ 7,623,681</u></u>

See independent accountants' review report.