

**FRIENDS OF CARROLLWOOD  
CULTURAL CENTER, INC.**

---

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 AND 2019**

**FRIENDS OF CARROLLWOOD  
CULTURAL CENTER, INC.**

---

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 AND 2019**

**TABLE OF CONTENTS**

|   | <u>PAGE</u> |
|---|-------------|
| <b>INDEPENDENT AUDITORS' REPORT</b>                                       | <b>1-2</b>  |
| <b>FINANCIAL STATEMENTS:</b>  |             |
| STATEMENTS OF FINANCIAL POSITION  | 3           |
| STATEMENT OF ACTIVITIES FOR THE YEAR ENDED<br>SEPTEMBER 30, 2020          | 4           |
| STATEMENT OF ACTIVITIES FOR THE YEAR ENDED<br>SEPTEMBER 30, 2019          | 5           |
| STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED<br>SEPTEMBER 30, 2020 | 6           |
| STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED<br>SEPTEMBER 30, 2019 | 7           |
| STATEMENTS OF CASH FLOWS  | 8           |
| <b>NOTES TO THE FINANCIAL STATEMENTS</b>                                  | <b>9-12</b> |



3815 W. Humphrey St.  
Suite 101  
Tampa, Florida 33614

(813) 932-2116  
(813) 930-0489 Fax

## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Friends of Carrollwood Cultural Center, Inc.

We have audited the accompanying financial statements of Friends of Carrollwood Cultural Center, Inc., ('the Organization'), which comprise the statements of financial position as of September 30, 2020 and 2019, 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.

### **Auditors' 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 Friends of Carrollwood Cultural Center, Inc. as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Marsocci, Appleby + Company P.A*

Marsocci, Appleby & Company, P.A.  
Tampa, Florida  
February 22, 2021

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2020 AND 2019**

|   | <u>2020</u>            | <u>2019</u>             |
|---|------------------------|-------------------------|
| <b>ASSETS</b>                           |                        |                         |
| <b>CURRENT ASSETS:</b>                  |                        |                         |
| Cash and cash equivalents               | \$ 1,211               | \$ 1,279                |
| Total current assets                    | 1,211                  | 1,279                   |
| <b>PROPERTY AND EQUIPMENT, net</b>      | <u>6,282</u>           | <u>9,738</u>            |
| <b>TOTAL ASSETS</b>                     | <u><u>\$ 7,493</u></u> | <u><u>\$ 11,017</u></u> |
| <br><b>LIABILITIES AND NET ASSETS</b>   |                        |                         |
| <b>CURRENT LIABILITIES:</b>             |                        |                         |
| Accounts payable and accrued expenses   | \$ 14,036              | \$ 11,197               |
| Line of credit                          | 41,000                 | -                       |
| Deferred revenue                        | <u>-</u>               | <u>3,894</u>            |
| Total current liabilities               | <u>55,036</u>          | <u>15,091</u>           |
| <b>NET ASSETS:</b>                      |                        |                         |
| Without donor restrictions              | (47,543)               | (4,074)                 |
| With donor restrictions                 | <u>-</u>               | <u>-</u>                |
| Total net assets                        | <u>(47,543)</u>        | <u>(4,074)</u>          |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <u><u>\$ 7,493</u></u> | <u><u>\$ 11,017</u></u> |

See independent auditors' report and notes to the financial statements.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|                                      | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total              |
|--------------------------------------|-------------------------------|----------------------------|--------------------|
| <b>REVENUES:</b>                     |                               |                            |                    |
| In-kind revenue                      | \$ 378,662                    | \$ -                       | \$ 378,662         |
| Government grants                    | 353,647                       | -                          | 353,647            |
| Program service fees                 | 202,425                       | -                          | 202,425            |
| Friends donation                     | 105,338                       | -                          | 105,338            |
| PPP grant income                     | 64,870                        | -                          | 64,870             |
| Membership dues                      | 24,425                        | -                          | 24,425             |
| Lily fund                            | 3,710                         | -                          | 3,710              |
| Other income                         | 476                           | -                          | 476                |
| Emma fund                            | 222                           | -                          | 222                |
| Interest income                      | 16                            | -                          | 16                 |
|                                      | <u>1,133,791</u>              | <u>-</u>                   | <u>1,133,791</u>   |
| Net assets released from restriction | <u>-</u>                      | <u>-</u>                   | <u>-</u>           |
| <b>TOTAL REVENUES</b>                | <u>1,133,791</u>              | <u>-</u>                   | <u>1,133,791</u>   |
| <b>EXPENSES:</b>                     |                               |                            |                    |
| Program services                     | 926,419                       | -                          | 926,419            |
| Supporting services                  | 250,841                       | -                          | 250,841            |
| <b>TOTAL EXPENSES</b>                | <u>1,177,260</u>              | <u>-</u>                   | <u>1,177,260</u>   |
| <b>DECREASE IN NET ASSETS</b>        | <u>(43,469)</u>               | <u>-</u>                   | <u>(43,469)</u>    |
| <b>NET ASSETS, beginning of year</b> | <u>(4,074)</u>                | <u>-</u>                   | <u>(4,074)</u>     |
| <b>NET ASSETS, end of year</b>       | <u>\$ (47,543)</u>            | <u>\$ -</u>                | <u>\$ (47,543)</u> |

See independent auditors' report and notes to the financial statements.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|                                      | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                    |
|--------------------------------------|-------------------------------|----------------------------|--------------------------|
| <b>REVENUES:</b>                     |                               |                            |                          |
| Program service fees                 | \$ 370,066                    | \$ -                       | \$ 370,066               |
| Government grants                    | 353,647                       | -                          | 353,647                  |
| In-kind revenue                      | 379,327                       | -                          | 379,327                  |
| Friends donation                     | 98,012                        | -                          | 98,012                   |
| Membership dues                      | 36,327                        | -                          | 36,327                   |
| Other income                         | 2,740                         | -                          | 2,740                    |
| Lily fund                            | 77,644                        | -                          | 77,644                   |
| Emma fund                            | 75                            | -                          | 75                       |
| Interest income                      | 82                            | -                          | 82                       |
|                                      | <u>1,317,920</u>              | <u>-</u>                   | <u>1,317,920</u>         |
| Net assets released from restriction | 560                           | (560)                      | -                        |
| <b>TOTAL REVENUES</b>                | <u>1,318,480</u>              | <u>(560)</u>               | <u>1,317,920</u>         |
| <b>EXPENSES:</b>                     |                               |                            |                          |
| Program services                     | 1,072,529                     | -                          | 1,072,529                |
| Supporting services                  | 249,696                       | -                          | 249,696                  |
| <b>TOTAL EXPENSES</b>                | <u>1,322,225</u>              | <u>-</u>                   | <u>1,322,225</u>         |
| <b>DECREASE IN NET ASSETS</b>        | (3,745)                       | (560)                      | (4,305)                  |
| <b>NET ASSETS, beginning of year</b> | <u>(329)</u>                  | <u>560</u>                 | <u>231</u>               |
| <b>NET ASSETS, end of year</b>       | <u><u>\$ (4,074)</u></u>      | <u><u>\$ -</u></u>         | <u><u>\$ (4,074)</u></u> |

See independent auditors' report and notes to the financial statements.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|                   | Program<br>Services | Supporting Services           |                  |                   | Total               |
|-------------------|---------------------|-------------------------------|------------------|-------------------|---------------------|
|                   |                     | General and<br>Administrative | Fundraising      | Total             |                     |
| Payroll           | \$ 273,668          | \$ 104,453                    | \$ 39,692        | \$ 144,145        | \$ 417,813          |
| Occupancy costs   | 353,400             | 18,600                        | -                | 18,600            | 372,000             |
| Program costs     | 199,240             | -                             | -                | -                 | 199,240             |
| Employee          |                     |                               |                  |                   |                     |
| benefits          | 37,947              | 14,484                        | 5,504            | 19,988            | 57,935              |
| Advertising       | 41,354              | 2,418                         | 4,595            | 7,013             | 48,367              |
| Rental equipment  | 13,503              | 5,154                         | 1,958            | 7,112             | 20,615              |
| Insurance         | -                   | 14,191                        | -                | 14,191            | 14,191              |
| Repairs and       |                     |                               |                  |                   |                     |
| maintenance       | 2,093               | 2,093                         | -                | 2,093             | 4,186               |
| Professional fees | -                   | 11,828                        | -                | 11,828            | 11,828              |
| Bank charges      | -                   | 7,319                         | -                | 7,319             | 7,319               |
| Depreciation and  |                     |                               |                  |                   |                     |
| amortization      | 2,592               | 864                           | -                | 864               | 3,456               |
| Office supplies   | -                   | 3,376                         | -                | 3,376             | 3,376               |
| Miscellaneous     | 2,622               | 3,141                         | -                | 3,141             | 5,763               |
| Telephone         | -                   | 3,317                         | -                | 3,317             | 3,317               |
| Custodial         |                     |                               |                  |                   |                     |
| services          | -                   | 3,757                         | -                | 3,757             | 3,757               |
| Computer and      |                     |                               |                  |                   |                     |
| internet          | -                   | 3,303                         | -                | 3,303             | 3,303               |
| Licenses and      |                     |                               |                  |                   |                     |
| permits           | -                   | 585                           | -                | 585               | 585                 |
| Interest          | -                   | 209                           | -                | 209               | 209                 |
| Total             | <u>\$ 926,419</u>   | <u>\$ 199,092</u>             | <u>\$ 51,749</u> | <u>\$ 250,841</u> | <u>\$ 1,177,260</u> |

See independent auditors' report and notes to the financial statements.



**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|                   |                     | Supporting Services           |                  |                   |                     |
|-------------------|---------------------|-------------------------------|------------------|-------------------|---------------------|
|                   | Program<br>Services | General and<br>Administrative | Fundraising      | Total             | Total               |
| Payroll           | \$ 256,691          | \$ 97,974                     | \$ 37,230        | \$ 135,204        | \$ 391,895          |
| Occupancy costs   | 353,400             | 18,600                        | -                | 18,600            | 372,000             |
| Program costs     | 355,476             | -                             | -                | -                 | 355,476             |
| Employee          |                     |                               |                  |                   |                     |
| benefits          | 45,736              | 17,457                        | 6,633            | 24,090            | 69,826              |
| Advertising       | 39,083              | 2,286                         | 4,343            | 6,629             | 45,712              |
| Rental equipment  | 10,441              | 3,985                         | 1,514            | 5,499             | 15,940              |
| Insurance         | -                   | 14,359                        | -                | 14,359            | 14,359              |
| Repairs and       |                     |                               |                  |                   |                     |
| maintenance       | 4,995               | 4,995                         | -                | 4,995             | 9,990               |
| Professional fees | -                   | 11,708                        | -                | 11,708            | 11,708              |
| Bank charges      | -                   | 8,580                         | -                | 8,580             | 8,580               |
| Depreciation and  |                     |                               |                  |                   |                     |
| amortization      | 3,590               | 1,197                         | -                | 1,197             | 4,787               |
| Office supplies   | -                   | 4,377                         | -                | 4,377             | 4,377               |
| Miscellaneous     | 3,117               | 3,730                         | -                | 3,730             | 6,847               |
| Telephone         | -                   | 3,647                         | -                | 3,647             | 3,647               |
| Custodial         |                     |                               |                  |                   |                     |
| services          | -                   | 3,065                         | -                | 3,065             | 3,065               |
| Computer and      |                     |                               |                  |                   |                     |
| internet          | -                   | 2,922                         | -                | 2,922             | 2,922               |
| Licenses and      |                     |                               |                  |                   |                     |
| permits           | -                   | 552                           | -                | 552               | 552                 |
| Interest          | -                   | 542                           | -                | 542               | 542                 |
| Total             | <u>\$ 1,072,529</u> | <u>\$ 199,976</u>             | <u>\$ 49,720</u> | <u>\$ 249,696</u> | <u>\$ 1,322,225</u> |

See independent auditors' report and notes to the financial statements.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

|  | <u>2020</u>            | <u>2019</u>            |
|--|------------------------|------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                        |                        |
| Decrease in net assets   | \$ (43,469)            | \$ (4,305)             |
| Adjustments to reconcile decrease in net assets to net cash used<br>in operating activities: |                        |                        |
| Depreciation and amortization  | 3,456                  | 4,787                  |
| Changes in operating assets and liabilities:   |                        |                        |
| Prepaid expenses and other assets  | -                      | 3,585                  |
| Accounts payable and accrued expenses  | 2,839                  | (28,500)               |
| Deferred revenue   | <u>(3,894)</u>         | <u>394</u>             |
| Net cash used in operating activities  | <u>(41,068)</u>        | <u>(24,039)</u>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>   |                        |                        |
| Advance on line of credit  | <u>41,000</u>          | <u>-</u>               |
| Net cash provided by financing activities  | <u>41,000</u>          | <u>-</u>               |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>   | <b>(68)</b>            | <b>(24,039)</b>        |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>  | <u>1,279</u>           | <u>25,318</u>          |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>  | <u><u>\$ 1,211</u></u> | <u><u>\$ 1,279</u></u> |

See independent auditors' report and notes to the financial statements.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Nature of Operations**

Friends of Carrollwood Cultural Center, Inc. (the 'Organization'), a not-for-profit organization, was incorporated under the laws of the State of Florida in 2002. The Organization's mission is to offer cultural programs, services, and events that encourage individual exploration and promote a sense of community. The Organization has formed a special partnership with Hillsborough County dedicated to enhancing the quality of life for residents through arts and culture. Together, the county and the Organization worked to renovate St. Mark's Episcopal Church into the creative center it is today.

**Basis of Accounting**

The Organization's financial statements have been prepared using the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when incurred.

**Basis of Presentation**

The Organization has presented its financial statements in accordance with U.S. generally accepted accounting principles for not-for-profit organizations. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets – without donor restrictions and net assets – with donor restrictions.

- Net assets – without donor restrictions are those amounts currently available at the discretion of the Board of Directors for use in the Organization's operations. These assets are not subject to donor-imposed restrictions, or the donor-imposed restrictions have expired.
- Net assets – with donor restrictions are restricted amounts which are restricted by donors for specific purposes that may become unrestricted by actions taken by the Organization or the passage of time.

**Functional Allocation of Expenses**

The costs of providing various program and related supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to the appropriate program and supporting services.

**Use of Estimates**

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents for the purpose of determining cash flows.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Property and Equipment**

Property and equipment is recorded at historical cost and includes expenditures which substantially increase the useful lives of existing property and equipment. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$500, or if donated, at fair market value at the date of acquisition. Maintenance and repairs are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the related asset account and related accumulated depreciation and amortization account are relieved, and any gain or loss is included in other income or expense.

Depreciation and amortization of property and equipment is computed using the straight-line method based on the estimated useful lives of the related assets.

| <u>ASSETS</u>             | <u>YEARS</u> |
|---------------------------|--------------|
| Building and improvements | 7            |
| Computers and software    | 5            |
| Furniture and fixtures    | 7            |
| Leasehold improvements    | 15           |
| Machinery and equipment   | 5-7          |
| Piano                     | 7            |
| Signs                     | 7            |
| Sounds and light system   | 7            |

**Donated Materials and Services**

All non-cash contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials are reflected at their estimated fair market values at date of receipt. Donated services are recorded at values consistent with those amounts which would be paid to salaried personnel for similar service and comply with FASB recognition criteria of enhancing a nonfinancial asset or require specialized skills.

**Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state corporate income tax under applicable Florida Statutes. The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Organization has no unrelated business income; however, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authorities.

The Organization has no uncertain tax positions that it has taken and believes that it can defend its tax return in any jurisdiction. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2017.

**Concentration of Credit Risk**

The Organization maintains deposits in a financial institution that at times may exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization believes that there is no significant risk with respect to these deposits. The Organization has not experienced any losses on its deposits with financial institutions.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Deferred Revenue**

The Organization records grant awards and program service fees accounted for as exchange transactions as deferred revenue until related services are performed, at which time they are recognized as revenue.

**Fair Value of Financial Instruments**

The Organization estimates that the fair value of all financial instruments as of September 30, 2020 and 2019, respectively, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position.

**NOTE B - PROPERTY AND EQUIPMENT:**

Property and equipment consists of the following:

|                                | 2020            | 2019            |
|--------------------------------|-----------------|-----------------|
| Building and improvements      | \$ 5,200        | \$ 5,200        |
| Computers and software         | 7,717           | 7,717           |
| Furniture and fixtures         | 3,500           | 3,500           |
| Leasehold improvements         | 20,725          | 20,725          |
| Machinery and equipment        | 3,677           | 3,677           |
| Piano                          | 80,349          | 80,349          |
| Signs                          | 1,557           | 1,557           |
| Sounds and light system        | 70,652          | 70,652          |
|                                | 193,377         | 193,377         |
| Less: accumulated depreciation | (187,095)       | (183,639)       |
|                                | <u>\$ 6,282</u> | <u>\$ 9,738</u> |

Depreciation and amortization expense amounted to \$3,456 and \$4,787 for the years ended September 30, 2020 and 2019, respectively.

**NOTE C - LINE OF CREDIT:**

The Organization has a line of credit with \$150,000 available at a financial institution carrying an interest rate of prime plus 2%. The outstanding balance on the line of credit at September 30, 2020 was \$41,000. There was no outstanding balance on the line of credit at September 30, 2019.

**NOTE D - IN-KIND REVENUE AND OCCUPANCY COSTS:**

In-kind revenue principally consists of in-kind rent and occupancy costs related to the Carrollwood Cultural Center amounting to \$372,000 for each of the years ended September 31, 2020 and 2019. Use of the Cultural Center is granted to the Organization under an agreement with Hillsborough County.

**FRIENDS OF CARROLLWOOD CULTURAL CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE E - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:**

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

|  | 2020        | 2019        |
|--|-------------|-------------|
| Financial assets at year-end, net<br>Donor-restricted for program services               | \$ (53,825) | \$ (13,812) |
|  | -           | -           |
| Financial assets available to meet cash needs for<br>general expenditure within one year | \$ (53,825) | \$ (13,812) |

As part of the Organization's liquidity management, it maintains its available cash in a checking and savings accounts with financial institutions.

**NOTE F - GRANT INCOME:**

Grant income represents amounts advanced through the Small Business Administration's Paycheck Protection Program. The Organization has elected to account for the program in accordance with rules related to refundable advances and grant income. The Organization met the program spending requirements and anticipates that the Organization will not be required to repay the amounts advanced under the program. Total grant income recognized under this program amounted to \$64,870 for the year ended September 30, 2020.

**NOTE G - COVID RESPONSE:**

During March 2020, the COVID-19 virus was declared a global pandemic as it continued to spread rapidly. Business and Organization continuity, including supply chains and consumer demand across a broad range of industries and countries, have been impacted as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic.

Management has made several significant adaptations to operations to keep the Organization functional while protecting their workforce and Members. The Organization has encouraged those who are able to work from home to do so. The Organization is utilizing when possible video conferencing systems in order to ease the transition to a mixed physical and virtual work environment. The Organization has adapted its facilities to allow for physical distancing between employees and Members on site and has also updated sanitation policies. The Organization has implemented policies to plan for and respond to COVID related staff illnesses.

As a result of new policies and procedures and federal support programs, the Organization has not experienced significant staffing disruptions that are attributable to the pandemic.

**NOTE H - SUBSEQUENT EVENTS:**

Management has assessed subsequent events through February 22, 2021, the date on which the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. There were no material subsequent events that require recognition or additional disclosure.