PORTLAND PLAYHOUSE

Financial Statements
For the Year Ended July 31, 2021
With Independent Auditor's Report

PERKINS & CO

PORTLAND PLAYHOUSE
YEAR ENDED JULY 31, 2021
CONTENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Portland Playhouse
Portland, OR

We have audited the accompanying financial statements of Portland Playhouse (a non-profit organization) which comprise the statement of financial position as of July 31, 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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, 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 Portland Playhouse as of July 31, 2021, 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.

Report on Summarized Comparative Information

We have previously audited Portland Playhouse's 2020 financial statements, and our report dated November 24, 2020 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2020, is consistent in all material respects with the audited financial statements from which it has been derived.

Perkins & Company, P.C.

January 11, 2022

PORTLAND PLAYHOUSE
STATEMENT OF FINANCIAL POSITION
JULY 31, 2021
(With comparative totals for 2020)

	2021	2020
ASSETS		
Cash and cash equivalents	$ 619,665	$ 152,916
Accounts and pledges receivable - net	211,934	103,130
Prepaid expenses and other assets	13,982	31,933
Property and equipment - net	1,814,186	1,966,981
Total assets	$ 2,659,767	$ 2,254,960
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Notes payable	$ 149,900	$ 159,900
Related party note payable	-	100,000
Accounts payable	6,590	24,929
Accrued payroll liabilities	24,736	2,686
Deferred revenue	124,916	2,426
Total liabilities	306,142	289,941
NET ASSETS:		
Net assets without donor restrictions		
Board designated reserve	45,000	15,000
Available for programs and operations	2,036,865	1,915,571
Total net assets without donor restrictions	2,081,865	1,930,571
Net assets with donor restrictions	271,760	34,448
Total net assets	2,353,625	1,965,019
	$ 2,659,767	$ 2,254,960

See notes to financial statements.

PORTLAND PLAYHOUSE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JULY 31, 2021
(With comparative totals for 2020)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total 2021	Total 2020
OPERATING SUPPORT AND REVENUE:				
Support:				
Corporations	$ 41,519	$ -	$ 41,519	$ 18,290
Foundations	146,000	161,000	307,000	276,954
Government grants	358,908	104,960	463,868	207,182
Individuals	313,348	5,352	318,700	337,359
In-kind support	17,177	-	17,177	18,291
Special projects	-	-	-	10,120
Total operating support	876,952	271,312	1,148,264	868,196
Revenue:				
Educational services	158,236	-	158,236	34,909
Season subscriptions	-	-	-	78,996
Single tickets	9,304	-	9,304	161,251
Other income	16,116	-	16,116	63,805
Total operating revenues	183,656	-	183,656	338,961
Net assets released from restrictions	34,000	(34,000)	-	-
Total operating support and revenues	1,094,608	237,312	1,331,920	1,207,157
OPERATING EXPENSES:				
Artistic expenses	286,515	-	286,515	581,453
Education expenses	295,806	-	295,806	152,448
Management and general expenses	137,477	-	137,477	149,667
Fundraising expenses	70,422	-	70,422	125,844
Total operating expenses before depreciation	790,220	-	790,220	1,009,412
Net operating income before depreciation	304,388	237,312	541,700	197,745
Depreciation of property and equipment	153,094	-	153,094	153,094
INCREASE IN NET ASSETS	151,294	237,312	388,606	44,651
NET ASSETS AT BEGINNING OF YEAR	1,930,571	34,448	1,965,019	1,920,368
NET ASSETS AT END OF YEAR	$ 2,081,865	$ 271,760	$ 2,353,625	$ 1,965,019

See notes to financial statements.

PORTLAND PLAYHOUSE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2021
(With comparative totals for 2020)

	Program Services		Total	Supporting Services		Total	Total	
	Artistic Services	Education Services	Program Services	Management and General	Fundraising	Supporting Services	2021	2020
Salaries	$ 199,200	$ 242,605	$ 441,805	$ 47,978	$ 59,628	$ 107,606	$ 549,411	$ 444,598
Prospecting	-	-	-	-	7,877	7,877	7,877	6,692
Professional fees	-	-	-	49,605	-	49,605	49,605	27,947
Supplies	-	-	-	568	-	568	568	2,127
Gifts in kind	-	-	-	-	1,196	1,196	1,196	3,870
Postage and shipping	-	-	-	2,583	-	2,583	2,583	3,845
Occupancy	32,888	4,698	37,586	9,397	-	9,397	46,983	56,330
Education programs	-	44,406	44,406	-	-	-	44,406	48,402
Production sets and costumes	6,462	-	6,462	103	-	103	6,565	20,341
Advertising and marketing	16,389	4,097	20,486	-	-	-	20,486	86,155
Royalties	1,854	-	1,854	-	-	-	1,854	21,972
Artistic costs	12,027	-	12,027	-	-	-	12,027	22,370
Printing and publications	-	-	-	1,105	-	1,105	1,105	948
Travel	2,260	-	2,260	100	-	100	2,360	93
Conferences and meetings	-	-	-	12,913	-	12,913	12,913	10,553
Director, stage production, and actor fees	15,435	-	15,435	-	-	-	15,435	212,504
Recognition awards	-	-	-	45	-	45	45	258
Insurance	-	-	-	9,231	-	9,231	9,231	4,180
Special events	-	-	-	-	1,721	1,721	1,721	6,529
Other expenses	-	-	-	3,849	-	3,849	3,849	29,698
Total other expenses	286,515	295,806	582,321	137,477	70,422	207,899	790,220	1,009,412
Expenses before depreciation	286,515	295,806	582,321	137,477	70,422	207,899	790,220	1,009,412
Depreciation of property and equipment	-	-	-	153,094	-	153,094	153,094	153,094
TOTAL FUNCTIONAL EXPENSES	$ 286,515	$ 295,806	$ 582,321	$ 290,571	$ 70,422	$ 360,993	$ 943,314	$ 1,162,506

See notes to financial statements.

PORTLAND PLAYHOUSE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2021
(With comparative totals for 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	$ 388,606	$ 44,651
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	153,094	153,094
In-kind contributions of property and equipment	-	(4,000)
Contribution of investments	(4,273)	(5,617)
Amortization of discount on multi-year pledge	(2,727)	(5,521)
PPP loan recognized as a conditional grant	(10,000)	(71,400)
Net changes in:		
Accounts and pledges receivable	(106,077)	138,282
Prepaid expenses and other assets	17,951	6,302
Accounts payable	(18,339)	19,248
Accrued payroll liabilities	22,050	(5,639)
Deferred revenue	122,490	(44,315)
Net cash provided by operating activities	562,775	225,085
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(299)	(28,242)
Proceeds from sale of investments	4,273	5,617
Net cash provided by (used in) investing activities	3,974	(22,625)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings on notes payable	-	231,300
Repayments on notes payable	-	(290,000)
Repayments on related party note payable	(100,000)	(100,000)
Net cash used in financing activities	(100,000)	(158,700)
NET INCREASE IN CASH AND CASH EQUIVALENTS	466,749	43,760
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	152,916	109,156
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 619,665	$ 152,916

See notes to financial statements.

PORTLAND PLAYHOUSE
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED JULY 31, 2021
(With comparative totals for 2020)

	2021	2020
NON-CASH FINANCING ACTIVITIES		
PPP loan recognized as a conditional grant	$ 10,000	$ 71,400
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 641	$ 18,338

See notes to financial statements.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Portland Playhouse ("the Organization") is a professional theatre that serves the Portland, Oregon community. It was founded in 2008 with the mission of producing quality, intimate performances in which the interaction between artists and audience is paramount. The Organization holds theatre to be in a space in which people of all social, economic, racial, sexual and political backgrounds can come together to celebrate the complexity of shared human experience. The Organization also provides educational services to the community.

The significant accounting policies are described below to enhance the usefulness of the financial statements.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America.

Basis of Presentation - Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. The Organization reports information regarding its financial position and activities to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

- *Net Assets Without Donor Restriction* – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

- *Net Assets With Donor Restriction* – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenue Recognition - Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions received with donor-imposed restrictions and related gains and investment income that are met in the same year as received are reported as net assets without donor restrictions.

The Organization recognizes revenue under the guidance of Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, with the exception of contributions which are outside the scope of the standard. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied to achieve the core principle that a company should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Ticket revenue is earned through individual tickets or season subscriptions. Individual ticket revenue is recognized upon completion of each show performance at a point in time. Season subscription revenue is recognized proportionally upon completion of each individual show over time through the course of the season. Educational services revenue is recognized at a point in time upon completion of the services.

The timing of revenue recognition was as follows for the year ended July 31:

	2021	2020
Revenue recognized at a point in time	$ 25,872	$ 259,965
Revenue recognized over time	157,784	78,996
Revenue not subject to ASC 606	1,148,264	868,196
Total	$ 1,331,920	$ 1,207,157

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used in accounting for, among other things, depreciation and amortization, allowance for doubtful accounts, present value of unconditional promises to give, and in-kind contributions. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Credit Risk - Financial instruments that potentially subject the Organization to credit risk consist principally of cash at financial institutions and investments. At times, the balances in cash accounts may be in excess of FDIC insurance limits. Management continuously monitors the Organization's balances at financial institutions and invests excess operating cash in short-term investments.

Investments - Investments are accounted for in accordance with ASC 958-320, *Not-For-Profit Entities: Investments – Debt and Equity Securities*. Marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position.

Net appreciation (depreciation) in fair value of investments, which consists of both the realized gains or losses and the unrealized appreciation (depreciation) of those investments, is reported in the statement of activities. Interest income is accrued as earned and reported net of investment advisory and transaction fees.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible the changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the statement of financial position. The Organization typically does not hold investments received from donors.

Accounts and Pledges Receivable – Accounts and pledges receivable are comprised of amounts due from various contributors. Accounts receivable are recognized as revenue in the period services are provided. Pledges to give are recognized as revenue or gains in the period the promises are received and as assets and contributed revenue. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases to net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. No allowance has been recorded for uncollectible accounts or pledges receivable.

Two donors accounted for approximately 98% of accounts and pledges receivable as of July 31, 2021. One donor accounted for approximately 94% of accounts and pledges receivable as of July 31, 2020. One donor accounted for approximately 15% of revenue for the year ended July 31, 2021.

Property and Equipment - Property and equipment is stated at cost or, if acquired by gift, at the estimated fair value at the date of the gift. The Organization's policy is to capitalize property and equipment greater than $500. Maintenance and repairs are charged to expense as incurred while significant replacements and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss on disposition is reflected in other income.

Depreciation is computed using the straight-line method based upon the estimated useful lives of the assets from the date when the assets were placed in service. The useful lives for property and equipment are as follows:

Property/Equipment	Years
Equipment and furniture	4-10 years
Leasehold improvements	15 years, or the remaining life of the lease
Buildings	30 years

Deferred Revenue - Deferred revenue represents monies received in advance for performance and season ticket purchases. The amount will be recognized as revenue in accordance with the Organization's revenue recognition policy.

Income Taxes - The Organization has been recognized by the Internal Revenue Service as exempt from income tax in accordance with Section 501(c)(3) of the Internal Revenue Code and is therefore generally exempt from federal and state income taxes.

Management does not consider any of the activity of the Organization to be considered unrelated business income that could result in income tax. For the years ended July 31, 2021 and 2020, there were no tax interest or penalties reflected in the statements of activities or in the statements of financial position.

In-Kind Contributions - Contributions of services and other expenses are recognized if they directly benefit the Organization. In-kind contributions amounted to $17,177 and $18,291 during the years ended July 31, 2021 and 2020, respectively.

Allocation of Expenses - The costs of providing the various program and supporting services of the Organization have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited. Expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification.

Summarized Financial Information for 2020 - The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended July 31, 2020, from which the summarized information was derived.

<u>Recently Adopted Accounting Standards</u> - In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases*. The new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization has not yet evaluated the impact of adopting this standard.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new standard updates financial statement disclosures for nonfinancial donated assets, both on the face of the Statement of Activities as well as in the notes to the financial statements to provide some clarity regarding the amount of in-kind donations as well as how management determined the value of the donations. The new standard is effective for fiscal years beginning after June 15, 2021. The Organization has not yet evaluated the impact of adoption of this standard on the financial statements.

<u>Subsequent Events</u> - The Organization has performed an evaluation of subsequent events in accordance with ASC Topic 855, *Subsequent Events*, through January 11, 2022, which is the date these financial statements were available to be issued.

NOTE 2 – ACCOUNTS AND PLEDGES RECEIVABLE - NET

The Organization's accounts and pledges receivable are comprised primarily of contributions from private donors and foundations. Accounts and pledges receivable consist of the following at July 31:

	2021	2020
Unconditional pledges receivable	$ 54,150	$ 105,857
Accounts receivable	157,784	-
Less: Unamortized discount	-	(2,727)
Net accounts and pledges receivable	$ 211,934	$ 103,130
The accounts and pledges receivable are due as follows:		
Less than one year	$ 211,934	$ 55,100
One to five years	-	50,757
Total accounts and pledges receivable	$ 211,934	$ 105,857

Pledges promised over multiple years are assessed a discount for the present value discount for the time value of the pledge. No discount was recorded on pledges as of July 30, 2021. The applicable discount rate at July 3, 2020 was 5.65%.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at July 31:

	2021	2020
Office furniture and equipment	$ 64,329	$ 64,030
Leasehold improvements	2,223,630	2,223,630
	2,287,959	2,287,660
Less accumulated depreciation	(473,773)	(320,679)
	$ 1,814,186	$ 1,966,981

Depreciation expense was $153,094 for the years ended July 31, 2021 and 2020.

NOTE 4 – NOTES PAYABLE

Effective January 1, 2019, the Organization entered into a loan agreement with related parties for $200,000. The agreement requires quarterly interest payments at a fixed rate of 3.00% and matured on January 15, 2021. There was no outstanding balance as of July 31, 2021.

Effective May 25, 2020, the Organization entered into a loan agreement with the U.S. Small Business Administration for $149,900. The loan has an annual interest rate of 2.75% and matures on May 25, 2050. The loan requires monthly payments of principal and interest of $641 beginning in June 2021. The outstanding balance on the loan was $149,900 as of July 31, 2021.

Effective April 20, 2020, the Organization entered into a Paycheck Protection Program loan with Live Oak Banking Company for $81,000. The loan has an annual interest rate of 1% and matures on April 20, 2022. There was no outstanding balance as of July 31, 2021 as the Organization received full forgiveness on the loan in February 2021. During the years ended July 31, 2021 and 2020, $10,000 and $71,000, respectively, were recognized as contribution revenue based on the Organization's calculation of loan forgiveness and actual forgiveness received.

Scheduled future maturities for the loans noted above is as follows for the year ended July 31, 2021:

Years ended July 31,

2022	$ -
2023	2,719
2024	3,713
2025	3,817
2026	3,923
Thereafter	135,728
	$ 149,900

NOTE 5 – RESTRICTIONS ON NET ASSETS

The board designated net assets of $45,000 and $15,000 to fund projects specifically for board approval as of July 31, 2021 and 2020, respectively. These funds are still classified as net assets without donor restrictions within these financial statements as the restriction is not externally imposed.

Net assets with donor restrictions are restricted for the following purposes and periods as follows:

	2021	2020
Pledges receivable	$ 448	$ 448
Restricted for subsequent years' activities	271,312	34,000
Total net assets with donor restrictions	$ 271,760	$ 34,448

Net assets released from restrictions by meeting contribution time requirements from prior years were $34,000 and $164,308 for the years ended July 31, 2021 and 2020, respectively.

NOTE 6 – TRANSACTIONS WITH RELATED PARTIES

The Organization leases the facility located at 602 NE Prescott Street from Playhouse on Prescott, LLC owned by the current board chairman and relative of employees of the Organization. Rent expense for the facility amounted to $2,300 per month. Total rent expense totaled $27,600 for the years ended July 31, 2021 and 2020.

The lease continues through October 31, 2045; however, the Organization may elect to terminate the lease at any time upon six months' notice. Rent increases 2% per year for the full term of the lease. Future minimum rental payment commitments due under the lease are $14,076 for the year ending July 31, 2021.

The lease contains an option for the Organization to purchase Playhouse on Prescott, LLC. The sales price shall be equal to the original purchase price of $625,000, plus all capital improvements, repairs, expenses, and maintenance paid for by the landlord. If the lease is terminated by the Organization, the building shall be sold and the proceeds shall be paid first to the members of Playhouse on Prescott, LLC to recoup their total investment and Portland Playhouse would receive any remaining proceeds.

Contributions from board members were $39,221 and $37,629 for the years ended July 31, 2021 and 2020, respectively. An employee with First Republic Bank, with whom the Organization previously had an outstanding loan through June 2020 and where the Organization's cash deposit accounts are held, sits on the Organization's Board of Directors.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's working capital and cash flows have seasonal variations during the year attributable to a concentration of contributions received near the fiscal year end and the timing and popularity of performances. Monthly cash outflows vary each year based on the timing and number of performances. To manage liquidity, the Organization actively advertises its performances, seeks out new donors, works diligently to collect accounts receivable, and manages its spending activity with the goal of maintaining a balanced budget.

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts, if any, not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for expenditure in the following year.

	2021	2020
Cash and cash equivalents	$ 619,665	$ 152,916
Receivables, collected in less than one year	211,934	55,100
Total financial assets	$ 831,599	$ 208,016
Other donor restrictions	(271,760)	(34,448)
Add back: amounts available for donor-specified expenditures in the following year	271,312	34,000
Financial assets available to meet cash needs for expenditures within one year	$ 831,151	$ 207,568

NOTE 8 - COMMITMENTS AND CONTINGENCIES

In March 2020, the World Health Organization declared the Coronavirus ("COVID-19") outbreak a pandemic. Citizens and the economies of the United States of America and other countries have been negatively impacted by this pandemic. During and subsequent to the end of fiscal 2021, the Organization has been impacted by the spread of COVID-19. The extent to which COVID-19 impacts the Organization's business will depend upon numerous evolving factors that the Organization is not able to predict at this time, including results of steps taken, and yet to be taken, by governments and financial institutions and the cancellation of major fundraising events and the final show of the season. During the year ended July 31, 2021, all in person shows were cancelled indefinitely resulting in the loss of revenue, but a decrease in corresponding expenses related to these events and programs. The Organization plans to open for in person shows beginning in the fall of 2021; however, the Organization has put into place measures to reduce exposure, including capacity limitations and vaccination and testing requirements. The significance and the duration of the pandemic's financial impact are indeterminable.