

**Financial Statements**  
**Opera House Arts**  
**October 31, 2021**

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**Opera House Arts**

**October 31, 2021**

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**CHERYL L. BOULET**  
CERTIFIED PUBLIC ACCOUNTANT

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Opera House Arts

I have audited the accompanying financial statements of Opera House Arts (a nonprofit organization), which comprise the statement of financial position as of October 31, 2021, and the related statements of activities, 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**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted the 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 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, 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 financial statements referred to above present fairly, in all material respects, the financial position of Opera House Arts as of October 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.

*Cheryl L. Boulet, CPA*

Blue Hill, ME  
February 7, 2022

## Statement of Financial Position

### Opera House Arts

As of October 31, 2021

#### Assets

##### Current Assets

Cash and cash equivalents	\$ 346,031
Grants receivable	157,001
Inventory	7,858
Prepaid expenses	4,311
Bond deposit	8,015
<b>Total Current Assets</b>	<u>523,216</u>

Property and equipment, net 1,655,942

##### Other Assets

Cash restricted for the perpetual endowment	1,500
Beneficial interest in assets held by others	303,660
<b>Total Other Assets</b>	<u>305,160</u>

**Total Assets** \$ 2,484,318

#### Liabilities and Net Assets

##### Current Liabilities

Accounts payable	\$ 2,620
Accrued expenses	15,824
Fiscal agent payable	10,277
Current portion of long-term debt	5,461
<b>Total Current Liabilities</b>	<u>34,182</u>

##### Long-Term Liabilities

Long-term debt, less current portion	<u>85,323</u>
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**Total Liabilities** 119,505

##### Net Assets

###### Without donor restrictions:

Undesignated	293,878
Board designated	128,153
Net investment in property and equipment	1,565,158

**Without Donor Restrictions** 1,987,189

###### With donor restrictions

377,624

**Total Net Assets** 2,364,813

**Total Liabilities and Net Assets** \$ 2,484,318

See accompanying auditor's report and notes to financial statements.

## Statement of Activities

### Opera House Arts

For the Year Ended October 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total All Funds
<b>Support and Revenues</b>			
Support:			
Contributions	\$ 380,159	\$ -	\$ 380,159
Grant income	185,041	197,962	383,003
In-kind contributions	24,682	-	24,682
Total support	<u>589,882</u>	<u>197,962</u>	<u>787,844</u>
Revenues:			
Merchandise sales	5,088	-	5,088
Program fees	77,859	-	77,859
Events	45,408	-	45,408
Miscellaneous	7,367	-	7,367
Investment income, net	15,378	40,918	56,296
Gain on extinguishment of PPP loan	84,074	-	84,074
Total revenues	<u>235,174</u>	<u>40,918</u>	<u>276,092</u>
Net assets released from restrictions	<u>35,000</u>	<u>(35,000)</u>	<u>-</u>
<b>Total Support and Revenues</b>	<u>860,056</u>	<u>203,880</u>	<u>1,063,936</u>
<b>Expenses and Losses</b>			
Program services	398,176	-	398,176
Management and general	191,134	-	191,134
Fundraising	86,024	-	86,024
<b>Total Expenses</b>	<u>675,334</u>	<u>-</u>	<u>675,334</u>
<b>Increase (Decrease) in Net Assets</b>	184,722	203,880	388,602
Net assets at beginning of year	<u>1,802,467</u>	<u>173,744</u>	<u>1,976,211</u>
<b>Net Assets at End of Year</b>	<u>\$ 1,987,189</u>	<u>\$ 377,624</u>	<u>\$ 2,364,813</u>

See accompanying auditor's report and notes to financial statements.

## Statement of Functional Expenses

### Opera House Arts

For the Year Ended October 31, 2021

	Program Services	Management and General	Fundraising	Total
Cost of merchandise	\$ 1,924	\$ -	\$ -	\$ 1,924
Wages & salaries	155,921	79,803	45,698	281,422
Employee benefits	-	3,710	-	3,710
Payroll taxes	12,334	6,313	3,615	22,262
Professional fees	-	19,230	-	19,230
Marketing & development	-	-	6,947	6,947
Events	-	-	9,978	9,978
Program expenses	140,279	-	-	140,279
Travel, meals & lodging	8,769	3,232	-	12,001
Office expenses	-	13,717	-	13,717
Interest expense	-	4,138	-	4,138
Banking & processing fees	-	9,410	-	9,410
Insurance	-	13,910	-	13,910
Miscellaneous	6,722	3,409	147	10,278
Bad debt	5,275	-	-	5,275
Occupancy	35,069	17,946	10,287	63,302
Depreciation expense	31,883	16,316	9,352	57,551
	<u>\$ 398,176</u>	<u>\$ 191,134</u>	<u>\$ 86,024</u>	<u>\$ 675,334</u>

See accompanying auditor's report and notes to financial statements.

## Statement of Cash Flows

### Opera House Arts

#### For the Year Ended October 31, 2021

##### Cash Flows From Operating Activities

Increase in net assets	\$ 388,602
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Contributions restricted for endowment	(1,500)
Depreciation	57,551
Net realized and unrealized (gains) losses on investments	(60,329)
(Increase) decrease in operating assets	
Accounts receivable	5,275
Grants receivable	(152,846)
Inventory	(3,650)
Prepaid expenses	(1,001)
Bond deposit	(8,015)
Increase (decrease) in operating liabilities	
Accounts payable	(7,675)
Accrued expenses	676
Fiscal agent payable	3,701
Sales tax payable	(8)

**Net cash provided by operating activities** 220,781

##### Cash Flows From Investing Activities

Purchase of equipment	(5,644)
Purchase of investments	(77,323)
Sale of investments	4,756

**Net cash used by investing activities** (78,211)

##### Cash Flows From Financing Activities

Contributions restricted for endowment	1,500
Principal payments on long-term debt	(5,160)

**Net cash used by financing activities** (3,660)

**Net increase in cash, cash equivalents, and restricted cash** 138,910

Cash, cash equivalents, and restricted cash at beginning of year 208,621

**Cash, cash equivalents, and restricted cash at end of year** \$ 347,531

##### Supplemental Disclosures:

Interest paid during the year	\$ 4,138
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See accompanying auditor's report and notes to financial statements.

## Notes to Financial Statements

### Opera House Arts

#### Note A - Summary of Significant Accounting Policies

##### Nature of Activities

Opera House Arts of Stonington, Maine (OHA) advances the public interest in and understanding of the performing and visual arts; exposes the public to the works of established and emerging artists through live performances, film, readings, concerts, and similar activities; provides regional and national artists with a forum to expose their work to the public; and offers workshops, classes, seminars, and similar activities to the public.

##### Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

##### Basis of Presentation

OHA reports 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 - Net assets that are not subject to donor-imposed restrictions.

Net Assets with Donor Restrictions - Net assets that are subject to donor-imposed time and/or purpose restrictions. These net assets generally result from gifts of cash or other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently.

Revenues are reported as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

##### Revenue and Revenue Recognition

OHA recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met.

OHA recognizes revenue from the sale of tickets, concessions, and merchandise at the point of sale. Special event revenue is recognized when the event takes place.



## **Notes to Financial Statements**

### **Opera House Arts**

#### **Note A - Summary of Significant Accounting Policies – Continued**

##### **Accounts Receivable**

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The balance was \$0 as of October 31, 2021.

##### **Grants Receivable**

Grants receivable that are expected to be collected within one year are recognized at their net realizable value. The balance was \$157,001 as of October 31, 2021, and all amounts were expected to be collected within one year.

##### **In-Kind Contributions**

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which would be typically purchased if not provided by donation. Donated assets are recorded at fair value at the date of the gift. For the year ended October 31, 2021, in-kind contributions of \$24,682 were recorded, of which \$24,600 related to donated housing for visiting artists.

##### **Estimates**

The preparation of financial statements on the accrual basis of accounting 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**

OHA considers all highly liquid investments and debt instruments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude any cash and cash equivalents included in the endowment funds.

##### **Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

##### **Inventory**

Inventory is valued at cost and consists of food and other items held for sale.

##### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Expenses are charged to each program based on

## Notes to Financial Statements

### Opera House Arts

#### Note A – Summary of Significant Accounting Policies - Continued

direct expenditures incurred and by allocation among the programs and supporting services benefited according to bases determined by management.

#### Income Taxes

OHA qualifies as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. OHA has also received income tax exempt status in the State of Maine and files a Form 990 tax return in the U.S. federal jurisdiction. With few exceptions, OHA is no longer subject to U.S. federal or Maine income tax examinations by tax authorities for years before 2018 due to statute of limitations. Management of OHA believes it has no material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefit.

#### Property and Equipment

Property and equipment with a cost or value greater than \$2,500 are recorded at cost when purchased or at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives as follows:

	<u>Years</u>
Furniture, fixtures and equipment	5-10
Real property	40

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related depreciation allowances, and any gain or loss is recognized. Depreciation expense for the year ended October 31, 2021 was \$57,551.

#### Beneficial Interest in Assets Held by Maine Community Foundation

OHA is an income beneficiary of assets held by Maine Community Foundation (MCF) as a result of making nonreciprocal transfers of assets to MCF and specifying itself as the beneficiary. As such, OHA may receive distributions from these assets each year. However, the Board of Directors of MCF (Board) shall have the power to modify, consistent with State law, including seeking approval of the appropriate court or Attorney General, where applicable, any restriction or condition on the distribution of funds to OHA if, in the sole judgment of the Board, (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

The estimated fair market value of OHA's beneficial interest in the assets held by MCF is recognized in the statement of financial position.

#### Advertising

Advertising costs are expensed by OHA when incurred. Advertising expense for the year ended

## Notes to Financial Statements

### Opera House Arts

#### Note A - Summary of Significant Accounting Policies – Continued

October 31, 2021 was \$16,017.

#### Subsequent Events

OHA has evaluated subsequent events through February 7, 2022, the date the financial statements were available to be issued.

#### Note B - Property and Equipment

Property and equipment consisted of the following as of October 31, 2021:

Land		\$ 381,954
Furniture & fixtures		259,658
Buildings & improvements		1,657,847
Vehicle		<u>17,611</u>
	Total Property & Equipment	2,317,070
Less: Accumulated depreciation		<u>(661,128)</u>
	Property & Equipment, net	<u>\$ 1,655,942</u>

#### Note C - Investments

OHA's investments are carried at fair value. The fair value of OHA's beneficial interest in Maine Community Foundation (MCF) assets is based on a valuation provided by MCF. The following schedule summarizes the fair value of OHA's investments as of October 31, 2021:

Beneficial interest in MCF assets		<u>\$ 303,660</u>
Investment return is summarized as follows:		
Interest and dividend income		\$ 723
Investment fees		(4,756)
Net realized and unrealized gains		<u>60,329</u>
	Investment return	<u>\$ 56,296</u>

#### Note D - Fair Value Measurement

Generally accepted accounting principles in the United States (GAAP) define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date and in the principal or most advantageous market for that asset or liability. GAAP specifies a hierarchy of inputs to valuation techniques, which categorizes inputs to fair value measurement that reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). The following summarizes the fair value hierarchy:

## Notes to Financial Statements

### Opera House Arts

#### Note D - Fair Value Measurement - Continued

Level 1 Inputs - Unadjusted quoted market prices for identical assets and liabilities in an active market. An active market is one in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Inputs - Inputs other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs – Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

GAAP requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

The following table sets forth by level, within the fair value hierarchy, OHA's financial assets and liabilities that were accounted for at fair value on a recurring basis as of October 31, 2021.

<u>Fair Value Measurement at October 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Beneficial interest in Maine				-
Community Foundation assets	<u>-</u>	<u>-</u>	<u>303,660</u>	<u>303,660</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303,660</u>	<u>\$ 303,660</u>
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The fair value of OHA's beneficial interest in Maine Community Foundation (MCF) assets has been measured on a recurring basis using a valuation provided by MCF (Level 3 inputs).

The following table summarizes the changes in assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

	Fair Value Measurement Using Significant Unobservable Inputs (Level 3)
Balance at November 1, 2020	\$ 170,764
Contributions	76,600
Investment income, net	<u>56,296</u>
Balance at October 31, 2021	<u>\$ 303,660</u>

## Notes to Financial Statements

### Opera House Arts

#### Note E - Grants Receivable

Unconditional grant promises to give are included in the financial statements as grants receivable and revenue of the appropriate net asset category. Grants due in more than one year are recorded after discounting to the present value of the future cash flows.

Proceeds from the unconditional promises to give are expected to be received in the following periods:

In one year or less	<u>\$ 157,001</u>
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#### Note F - Net Assets with Donor Restrictions

Net assets with donor restrictions as of October 31, 2021 were available for the following purposes:

Scholarship funds	\$ 41,036
SVOG Funds (Note M)	186,462
Resiliency planning	14,000
For future periods	155
Perpetual endowment	<u>135,971</u>
	<u>\$377,624</u>

#### Note G - Endowment

The Organization's endowment includes both donor-restricted and board-designated endowment funds to support OHA and its programs. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Donor-restricted endowments are classified as net assets with donor restrictions and board-designated endowments are classified as net assets without donor restrictions.

The donor-restricted endowment funds are subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA). In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purpose of the Organization's donor-restricted endowment funds;
3. General economic conditions;
4. The possible effects of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Organization; and
7. The investment policies of the Organization.

## Notes to Financial Statements

### Opera House Arts

#### Note G – Endowment - Continued

##### Return Objective and Risk Parameters

OHA transfers its endowment funds to the Maine Community Foundation (MCF) and relies on MCF’s investment policies for endowment assets that attempt to provide a predictable stream of funding for its programs while seeking to maintain the purchasing power of the endowment assets. The MCF invests the board-designated and donor-restricted endowment assets to provide a reasonable, prudent balance between risk and return. OHA expects its endowment funds, over time, to produce an average rate of more than 5% annually. Actual returns in any given year may vary from this amount.

##### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the MCF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The MCF targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

##### Spending Policy and How the Investment Objectives Relate to Spending Policy

The Board of Opera House Arts determines its spending policy on a year-to-year basis, depending on the facts and circumstances of that year.

##### Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that donors require the Organization to retain as a fund of perpetual duration. The Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

Endowment value and classification as of October 31, 2021:

Board-designated endowment funds	\$ 128,153
Donor-restricted endowment funds	135,971
Total endowment	<u><u>\$ 264,124</u></u>

## Notes to Financial Statements

### Opera House Arts

#### Note G – Endowment - Continued

Changes in endowment net assets for the year-ended October 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, November 1, 2020	\$ 37,775	\$ 102,506	\$ 140,281
Investment return, net	15,378	31,965	47,343
Contributions	75,000	1,500	76,500
Endowment net assets, October 31, 2021	<u>\$ 128,153</u>	<u>\$ 135,971</u>	<u>\$ 264,124</u>

#### Note H- Liquidity and Availability of Financial Assets

The Organization monitors its liquidity so that it is able to meet its operating needs and other commitments. The following reflects the Organization's financial assets as of October 31, 2021, reduced by amounts not available for general expenditure within one year. Amounts not available include amounts set aside for board-designated endowment funds. These board designations could be drawn upon at the board's approval.

Cash and cash equivalents	\$ 347,531
Grants receivable	<u>157,001</u>
	504,532
Less amounts unavailable for general expenditure within one year due to:	
Purpose restrictions	<u>(212,395)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 292,137</u>

#### Note I - Long-Term Debt

At October 31, 2021, the Organization had the following note payable:

Mortgage payable to Camden National Bank, monthly installments of of \$775, interest rate of 4.36% until November 2022, then interest rate variable based on Wall Street Journal Highest Prime Rate plus .25%, secured by all assets.	<u>90,784</u>
	Less: current maturities <u>(5,461)</u>
Long-term debt, less current portion	<u>\$ 85,323</u>

## Notes to Financial Statements

### Opera House Arts

#### Note I - Long-Term Debt - Continued

Expected maturities of the principal of long-term debt at October 31, 2021, are as follows:

Year Ending October 31,	
2022	\$ 5,461
2023	6,677
2024	6,914
2025	7,160
2026	7,415
Thereafter	<u>57,157</u>
Total	<u>\$ 90,784</u>

OHA was granted an \$84,074 loan under the Paycheck Protection Program (PPP) in the second round of PPP loans administered by the Small Business Administration. Upon meeting the terms of loan forgiveness, the earnings impact of the gain on extinguishment was recognized in the statement of activities.

#### Note J - Operating Lease

OHA leases a Toshiba copier under an operating lease agreement. The agreement expires in 2023. Lease expense for the year ended October 31, 2021 totaled \$4,376. Future minimum payments under this non-cancelable operating lease are as follows:

Year ending October 31:	
2022	3,775
2023	<u>2,205</u>
Total	<u>\$ 5,980</u>

OHA leases the Burnt Cove Church Community Center under an operating lease agreement that expires on May 31, 2022. Lease expense for the year ended October 31, 2021 totaled \$1. Future minimum rental payments under this non-cancelable lease are \$1 per year. Additionally, OHA is financially responsible under the terms of the lease for the following expenses associated with the premises: utilities; services, including without limitation, snow removal, cleaning, and landscaping; property taxes or assessments; repairs of damage caused by the negligence or willful misconduct of OHA or its employees or agents; routine repairs and maintenance, the cost of which does not exceed \$575 in any single instance; a policy of general liability insurance; and, a policy of casualty insurance.



## **Notes to Financial Statements**

### **Opera House Arts**

#### **Note K - Line of Credit**

OHA has a \$25,000 line of credit available from Camden National Bank. As of October 31, 2021, there was a balance of \$0 on this line of credit.

#### **Note L - Retirement Plan**

OHA maintains a SIMPLE IRA plan whereby OHA matches eligible employee contributions up to between 1% and 3% of compensation depending upon the given year. Employee eligibility is determined based on earnings of at least \$5,000 for at least two prior years. OHA contributed \$0 on behalf of employees during the year ended October 31, 2021.

#### **Note M – SBA Shuttered Venue Operators Grant**

OHA was the recipient of a \$344,463 Shuttered Venue Operators Grant (SVOG) through the U.S. Small Business Administration. These funds were awarded on July 16, 2021 and can be spent on allowable costs incurred between the award date and January 16, 2023. As of October 31, 2021, OHA had unspent SVOG grant funds of \$186,463, of which \$142,846 was accounted for as a grant receivable. Management anticipates using all grant funds for allowable costs within the specified period.

#### **Note N – Subsequent Events**

Management has evaluated subsequent events through February 7, 2022, which is the date the financial statements were available to be issued, and except for the ongoing COVID-19 pandemic is not aware of any material subsequent events that could have a negative impact on the financial statements.