JAZZ ST. LOUIS AND SUBSIDIARY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

Year Ended May 31, 2021
(With Comparative Totals for 2020)

JAZZ ST. LOUIS AND SUBSIDIARY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jazz St. Louis

We have audited the accompanying consolidated financial statements of Jazz St. Louis (a Missouri not-for-profit corporation) and Subsidiary (collectively the Organization), which comprise the consolidated statement of financial position as of May 31, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of May 31, 2021, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Jazz St. Louis' consolidated financial statements for the year ended May 31, 2020, and our report dated October 15, 2020 expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

UHY LLP

St. Louis, Missouri
December 29, 2021

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
May 31, 2021 (With Comparative Totals for 2020)

	May 31, 2021	May 31, 2020
ASSETS		
CURRENT ASSETS		
Cash	**$ 608,859**	$ 875,714
Unconditional promises-to-give	**262,711**	861,671
Accounts receivable	**3,992**	9,674
Prepaid expenses	**19,700**	28,684
Total current assets	**895,262**	1,775,743
INVESTMENTS	**248,122**	188,924
PROPERTY AND EQUIPMENT	**6,047,250**	6,445,251
NOTE RECEIVABLE	**-**	3,409,225
Total assets	**$ 7,190,634**	$ 11,819,143
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt - other	**$ 7,697**	$ 747,289
Current portion of long-term debt - Economic Injury Disaster Loan	**7,692**	-
Current portion of long-term debt - Paycheck Protection Program	**-**	84,489
	15,389	831,778
Note payable to bank	**-**	330,000
Accounts payable	**33,213**	74,413
Construction payable	**40,000**	40,000
Accrued expenses	**62,320**	68,012
Contract liabilities	**69,597**	129,956
Total current liabilities	**220,519**	1,474,159
LONG-TERM LIABILITIES		
Long-term debt - other	**32,290**	4,362,327
Long-term debt - Economic Injury Disaster Loan	**151,667**	-
Long-term debt - Paycheck Protection Program	**188,155**	105,611
Total long-term liabilities	**372,112**	4,467,938
Total liabilities	**592,631**	5,942,097
NET ASSETS		
Without donor restrictions		
Undesignated, available for operations	**(311,416)**	162,675
Board designated - operating and building reserve funds	-	15,983
Net investment in property and equipment	**5,967,263**	4,730,970
	5,655,847	4,909,628
With donor restrictions	**942,156**	967,418
Total net assets	**6,598,003**	5,877,046
Total liabilities and net assets	**$ 7,190,634**	$ 11,819,143

See notes to consolidated financial statements.

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended May 31, 2021 (With Comparative Totals for 2020)

	Years Ended May 31,			
	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUES AND OTHER SUPPORT				
Contributions and grants				
Foundations	$ 280,111	$ 113,675	$ 393,786	$ 749,546
Individuals	389,635	85,748	475,383	459,430
Corporations	42,564	251,000	293,564	274,440
Governmental	8,801	25,309	34,110	42,207
Capital campaign	22	-	22	60,346
	721,133	475,732	1,196,865	1,585,969
Special event				
Contributions	173,789	-	173,789	-
Direct expenses	(26,996)	-	(26,996)	-
	146,793	-	146,793	-
Fees from jazz events and other				
Subscriptions	-	-	-	420,467
Tickets	-	-	-	259,979
Restaurant lease income	-	-	-	31,278
Net investment income	-	62,264	62,264	4,709
Gain on forgiveness of PPP Loan	190,100	-	190,100	-
Gain on forgiveness of loans of New Market Tax Credit structure	1,142,433	-	1,142,433	-
Interest and other	48,669	-	48,669	76,124
	1,381,202	62,264	1,443,466	792,557
	2,249,128	537,996	2,787,124	2,378,526
Net assets released from restrictions	563,258	(563,258)	-	-
Total revenues and other support	2,812,386	(25,262)	2,787,124	2,378,526
EXPENSES AND LOSSES				
Program services				
Jazz events	888,580	-	888,580	1,408,922
Educational outreach	377,566	-	377,566	662,476
Total program services	1,266,146	-	1,266,146	2,071,398
Supporting services				
Management and general	541,048	-	541,048	591,302
Promotion and fund raising	173,794	-	173,794	220,252
Total supporting services	714,842	-	714,842	811,554
Total expenses before losses	1,980,988	-	1,980,988	2,882,952
Loss on uncollectable unconditional promises-to-give	85,179	-	85,179	32,813
Total expenses and losses	2,066,167	-	2,066,167	2,915,765
CHANGES IN NET ASSETS	746,219	(25,262)	720,957	(537,239)
NET ASSETS, Beginning	4,909,628	967,418	5,877,046	6,414,285
NET ASSETS, Ending	$ 5,655,847	$ 942,156	$ 6,598,003	$ 5,877,046

See notes to consolidated financial statements.

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended May 31, 2021 (With Comparative Totals for 2020)

	Years Ended May 31, 2021					2020
	Program Services		Supporting Services			
	Jazz Events	Educational Outreach	Management and General	Promotion and Fund Raising	Total	
ADVERTISING	**$ 18,674**	**$ 897**	**$ -**	**$ 423**	**$ 19,994**	$ 58,097
ANNUAL APPEAL MAILING	**-**	**-**	**-**	**6,414**	**6,414**	3,669
ARTIST HOUSING	**-**	**4,443**	**-**	**-**	**4,443**	89,221
CULTIVATION	**-**	**-**	**-**	**-**	**-**	22,630
DEPRECIATION	**270,297**	**66,022**	**61,682**	**-**	**398,001**	396,052
DUES AND SUBSCRIPTIONS	**455**	**20**	**495**	**20**	**990**	5,392
INSURANCE	**12,105**	**12,105**	**24,212**	**-**	**48,422**	46,208
INTEREST	**32,978**	**8,406**	**15,037**	**-**	**56,421**	118,367
MISCELLANEOUS	**-**	**-**	**17,409**	**-**	**17,409**	2,857
MUSIC ROYALTIES	**2,353**	**784**	**-**	**-**	**3,137**	5,687
PARKING AND VALET	**31,040**	**-**	**-**	**960**	**32,000**	40,524
PIANO TUNING AND REPAIRS	**9,995**	**463**	**7,598**	**304**	**18,360**	7,633
POSTAGE AND SUPPLIES	**35,175**	**3,045**	**39,760**	**1,606**	**79,586**	83,874
PROFESSIONAL FEES	**12,943**	**13,197**	**44,044**	**8,342**	**78,526**	117,388
RENT - EQUIPMENT AND VENUE	**4,146**	**2,907**	**2,262**	**71**	**9,386**	39,090
RENT - FACILITIES	**2,306**	**188**	**2,704**	**156**	**5,354**	8,998
REPAIRS AND MAINTENANCE	**14,643**	**1,982**	**7,116**	**595**	**24,336**	61,745
SALARIES AND BENEFITS (#)	**337,624**	**167,622**	**306,606**	**151,644**	**963,496**	1,064,055
SCHOLARSHIP AWARDS	**-**	**500**	**-**	**-**	**500**	-
TALENT FEES	**61,351**	**83,526**	**-**	**-**	**144,877**	529,876
TELEPHONE	**4,461**	**2,974**	**5,949**	**1,487**	**14,871**	17,860
TICKET PROCESSING FEES	**7,162**	**796**	**-**	**-**	**7,958**	36,247
TRAVEL	**132**	**390**	**36**	**313**	**871**	70,432
UTILITIES	**30,740**	**7,299**	**6,138**	**1,459**	**45,636**	57,050
Total - 2021	**$ 888,580**	**$ 377,566**	**$ 541,048**	**$ 173,794**	**$ 1,980,988**	
Percentage - 2021	**44.8 %**	**19.1 %**	**27.3 %**	**8.8 %**	**100.0 %**	
Total - 2020	$ 1,408,922	$ 662,476	$ 591,302	$ 220,252		$ 2,882,952
Percentage - 2020	48.9 %	23.0 %	20.5 %	7.6 %		100.0 %

(#) Salaries and benefits includes payroll taxes and employee benefit expense due to the change to Insperity, a Professional Employer Organization.

See notes to consolidated financial statements.

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended May 31, 2021 (With Comparative Totals for 2020)

	Years Ended May 31, 2021	Years Ended May 31, 2020
OPERATING ACTIVITIES		
Changes in net assets	**$ 720,957**	$ (537,239)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	**398,001**	396,052
Amortization of debt issuance costs	**20,968**	16,115
Gain on investments	**(59,489)**	(1,673)
Gain on forgiveness of PPP loan	**(190,100)**	-
Gain on forgiveness of loans of New Market Tax Credit structure	**(1,142,434)**	-
Provision for uncollectable unconditional promises-to-give	**85,179**	32,813
Revenues restricted for purchase of capital improvements	**(22)**	(60,346)
Changes in		
Unconditional promises-to-give	**286,803**	30,975
Accounts receivable	**5,682**	3,093
Prepaid expenses	**8,984**	1,385
Accounts payable and accrued expenses	**(46,892)**	(64,496)
Contract liabilities	**(60,359)**	85,513
Net cash provided (used) by operating activities	**27,278**	(97,808)
INVESTING ACTIVITIES		
Purchase of property and equipment	**-**	(62,996)
Purchase of investments	**(2,959)**	(8,444)
Proceeds from sale of investments	**3,250**	2,500
Net cash provided (used) by investing activities	**291**	(68,940)
FINANCING ACTIVITIES		
Net borrowings (payments) on note payable to bank	**(330,000)**	165,000
Proceeds from long-term liabilities	**379,400**	200,100
Payments on long-term liabilities	**(570,824)**	(206,769)
Net payments on construction payable financing	**-**	(40,000)
Collections of revenues restricted for capital improvements	**227,000**	640,216
Net cash provided (used) by financing activities	**(294,424)**	758,547
NET INCREASE (DECREASE) IN CASH	**(266,855)**	591,799
CASH, Beginning	**875,714**	283,915
CASH, Ending	**$ 608,859**	$ 875,714
SUPPLEMENTAL DISCLOSURES		
Interest paid	**$ 27,122**	$ 83,765

See notes to consolidated financial statements.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Organization's consolidated financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the consolidated financial statements.

History and Not-for-Profit Activity

Jazz St. Louis (JSL) was incorporated in Missouri on September 9, 1996. It is committed to the presentation, promotion, and preservation of live jazz music (Jazz events program) and the continuing education of the community and the area's youth (Educational outreach program). The educational/engagement programs consist of: master classes, clinics, workshops, in-school performances, student ensembles, curriculum partnerships, lectures, book club, and music therapy. Prior to June 1, 1998, the JSL was a division of Grand Center, Inc. (Grand Center).

In October 2014, the renovation and construction of the Organization's facility was completed and opened for operation as *The Harold & Dorothy Steward Center for Jazz*. The new facility houses expanded performance space of *The Ferring Jazz Bistro, Nancy's Jazz Lounge, The Centene Jazz Education Center*, and the administrative offices.

Friends of Jazz St. Louis (FJSL), a supporting organization of JSL, was incorporated on December 19, 2013 to act as the Leverage Lender in the New Market Tax Credit (NMTC) financing for the acquisition and renovation of the Organization's new facilities (i.e., the Bistro and Greenberg Van Doren buildings) and to serve as the fund-raising arm of JSL for the related capital campaign. JSL is the sole member of FJSL, appoints the Board of Directors and is the beneficiary of the net assets of FJSL. In December 2020, the NMTC agreement period ended and the NMTC structure dissolved. As of May 31, 2021, FJSL was liquidated, and any remaining net asset was transferred to JSL.

Covid-19 Pandemic Program Impact

As a result of Covid-19, jazz events and operations were curtailed during the year, which resulted in a significant reduction of revenues and other support. JSL created a streaming program whereby prior recorded shows were streamed on a weekly basis. In an effort to support local musicians who have lost income, JSL has created a series of concerts where these local musicians are recorded, and the show is streamed on Facebook and YouTube. This program has generated some contributions. JazzU and Jazz Academy created online content for students and created weekly online teaching experiences.

JSL applied and was successful in securing a second Paycheck Protection Program loan for $188,155 in March 2021 and Economic Injury Disaster loan of $150,000 in April 2021. JSL now uses local rather than national acts for jazz event, which resulted in significant savings in expenses related to events. In addition, JSL placed a hiring freeze on open positions and reduced some employees as cost cutting measures. JSL has been in constant contact with donors to allow the repurposing gifts and sponsorships to less expensive online presentations and educational activities. This has been met with overwhelming success. JSL continues to evaluate and monitor its programming and operations.

As disclosed in Note 17, JSL received additional funding subsequent to year end for Shuttered Venue Operator Grant.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidated Financial Statement Presentation

The Organization's resources are classified for accounting and reporting purposes into two asset categories according to externally (donor) imposed restrictions as follows:

Net Assets without Donor Restrictions - Includes resources available for the support of operations, which have no donor imposed restrictions. Included in net assets without donor restrictions are Board Designated net assets for which the governing board, rather than a donor, has designated net assets to be reserved for future use. Designated amounts represent those resources that the Board has set aside for the following purposes:

Operating and building reserve funds - These reserve funds are intended to provide an internal source of funds for repair and maintenance needs for the facility.

Net investment in property and equipment - Includes property equipment, note receivable, and unconditional promises-to-give for capital campaign netted with notes payable to bank, debt, and construction payable.

Net Assets with Donor Restrictions - Includes resources received or receivable for which donor imposed restrictions have not been met, and resources received or receivable for which donor imposed restrictions are permanent.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of JSL and FJSL (the Organization). All significant intercompany transactions and account balances have been eliminated in consolidation.

Comparative Totals

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. 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 consolidated financial statements for the year ended May 31, 2020, from which the summarized information was derived.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Cash

Cash consists of checking and money market accounts. The Organization's cash deposits in financial institutions are insured by FDIC insurance which is subject to certain limitations and conditions.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unconditional Promises-to-Give

Unconditional promises-to-give are recognized as revenues in the period the promises are received. Promises-to-give expected to be received in future years are discounted to their present value of future cash flows. The Organization provides an allowance for doubtful unconditional promises-to-give equal to the estimated collection losses that will be incurred in collection of all unconditional promises-to-give.

Accounts Receivable

Accounts receivable are carried net of allowance for doubtful accounts. The allowance for doubtful accounts is increased by provisions charged to expense and reduced by accounts charged off, net of recoveries. The allowance is maintained at a level considered adequate to provide for potential account losses based on management's evaluation of the anticipated impact on the balance of current economic conditions, changes in the character and size of the balance, past and expected future loss experience and other pertinent factors. There was no allowance at May 31, 2021 and 2020.

Prepaid Expenses

Prepaid expenses consist primarily of prepaid talent deposits and insurance premiums.

Investments

Investments consist of equity securities, fixed income securities, and money market funds. Investments are presented in the financial statements at fair value. The fair value of substantially all securities is determined by quoted market prices. The estimated fair value of securities for which there are no quoted market prices is based on similar types of securities that are traded in the market. Gains or losses on securities are based on the average cost method.

Net investment income is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its financial instruments based on the fair value hierarchy established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

> *Level 1:* financial instruments are valued based on quoted prices in active markets for identical assets or liabilities.
>
> *Level 2*: financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Level 3: financial instruments are valued using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation.

Declines in the fair value of individual investments below their cost that are other-than-temporary result in write-downs of the individual securities to their fair value. The related write-downs are included in earnings as realized losses. In estimating other-than-temporary impairment losses, management considers (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

Property and Equipment

Purchased property and equipment is stated at cost less accumulated depreciation. Donated property and equipment is recorded at the estimated fair value at the time of donation. Depreciation of property and equipment is provided on the straight-line method over the following estimated useful lives:

	Years
Building and Improvements	7 - 39
Computer Equipment	3 - 5
Equipment	7
Furniture and Fixtures	7

Asset Impairment Assessments

The Organization reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is recognized to the extent that the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is recognized, the carrying value of the impaired asset is reduced to its fair value. There was no impairment at May 31, 2021 and 2020.

Debt Issuance Costs (Presented as a Reduction of Long-Term Debt)

Debt issuance costs associated with obtaining financing for the renovation and construction of the new facilities are amortized over the terms of the associated notes payable using the interest yield method. For the year ended May 31, 2021, debt issuance cost of $248,342 was written off as the NMTC agreement period ended and the NMTC debt to JSL were forgiven (Note 16).

Contract Liabilities

Contract liabilities represent cash received from exchange transactions such as jazz events related to jazz performances to be held in future periods, prior to the Organization meeting its performance obligation.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Organization reports gifts of cash, grants and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Donor restricted contributions and grants are recorded in the net assets with donor restrictions class for restrictions expiring during the fiscal year, and then transferred to the net assets without restrictions class.

The Organization's grants revenue stream is considered contribution revenue. Contribution and grant revenues are either recognized upon receipt if there are no conditions or recognized as conditions are satisfied.

Revenue Recognition for Contracts With Customers

The Organization recognizes revenues from jazz events when the performance obligation is met, typically as the events occur. Other revenues consist of restaurant lease income and equipment rental. The Organization recognizes revenue at the point in time when services are rendered to the customer.

Donated Services and Materials

The Organization records the value of donated materials when there is an objective basis available to measure their value. Donated materials are reflected as contributions in the accompanying consolidated financial statements at their estimated values at date of receipt. The value of donated services is reflected in the accompanying consolidated financial statements at their estimated value at time of service as noncash contributions.

Functional Allocation of Expenses

Functional expenses have been allocated between program services and supporting services based on an analysis of employee time spent and space utilized for the related activities. In addition, certain costs have been directly allocated among the programs and supporting services benefited.

Advertising Costs

Advertising costs are charged to operations when incurred.

Income Taxes

JSL is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. As such, JSL and related funds can only be taxed on the income from any activities unrelated to its charitable purposes. JSL files a Form 990 for its exempt activities and a Form 990-T for its unrelated activity of venue rental income to for-profit entities.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

FJSL is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code having received its IRS determination letter on August 29, 2014. FJSL files a separate Form 990. FJSL was dissolved effective May 31, 2021 and will file a final return.

Reclassifications

Certain reclassifications have been made to the financial statements for the year ended May 31, 2020 to conform to the financial statement presentation for the year ended May 31, 2021.

Subsequent Events

The Organization has performed a review of events subsequent to the consolidated statement of financial position date through December 29, 2021, the date the consolidated financial statements were available to be issued.

NOTE 2 — LIQUIDITY

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

	May 31,	
	2021	2020
Cash	$ 345,613	$ 222,725
Unconditional Promises-to-Give	213,461	528,053
Accounts Receivable	3,992	9,674
	$ 563,066	$ 760,452

The Organization's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowments funds are not available for general expenditure.

To manage unanticipated liquidity needs, the Organization maintains a $350,000 line of credit with a commercial bank. There was $-0- outstanding on the line of credit at May 31, 2021 (Note 9).

NOTE 3 — CASH

Cash consists of the following:

	May 31, 2021	May 31, 2020
Without Restrictions		
Checking accounts		
Operating	$ 340,969	$ 366,619
Operating and building reserve funds (*)	-	15,983
Capital campaign	-	169,832
	340,969	552,434
Money market accounts	267,890	305,900
	608,859	858,334
With Restrictions - Checking		
Interest reserve and disbursement funds (**)	-	17,380
	$ 608,859	$ 875,714

(*) Effective June 2013, the Board of Directors approved a policy to establish an operating reserve fund. The policy requires the Organization to transfer a minimum of $5,000 each month to its operating reserve fund held in a separate bank account. Effective May 2015, the Board of Directors approved a policy to establish a building reserve fund. The policy requires the Organization to transfer a minimum of $2,000 each month to its building reserve fund held in a separate bank account. There are certain limitations on the use of this fund and required Board approval on draws from the fund. During the years ended May 31, 2020, the Board authorized draws from these funds of $2,801. The Board undesignated the remaining reserve funds and transferred to general operating account.

(**) The loan agreements with Busey Bank and St. Louis New Markets Tax Credit Fund-XXXIII, LLC required the Organization to set up and fund these interest reserve and disbursement accounts.

NOTE 4 — UNCONDITIONAL PROMISES-TO-GIVE

Unconditional promises-to-give consist of the following:

	May 31, 2021	May 31, 2020
Amounts Due		
Less than one year		
Capital campaign (#) (*)	$ 50,000	$ 365,682
Other	213,461	547,879
Subtotal before discount and allowance	263,461	913,561
Discount at 0.67% in 2020	-	(1,990)
Allowance for Doubtful Collections	(750)	(49,900)
	$ 262,711	$ 861,671

(#) Certain pledges were previously collateral to loan agreement with a bank.

(*) Capital campaign contributions are recorded as those without donor restrictions since the capital improvements had previously been completed.

NOTE 4 — UNCONDITIONAL PROMISES-TO-GIVE (Continued)

Changes in the allowance for uncollectable promises-to-give are as follows:

	As of and for the Years Ended May 31, 2021	As of and for the Years Ended May 31, 2020
Balance, Beginning	$ 49,900	$ 29,131
Provision for uncollectable promises-to-give (*)	85,179	32,813
Less promises-to-give written off	(134,329)	(12,044)
Balance, Ending	$ 750	$ 49,900

(*) These amounts are included in the statement of activities as a loss

NOTE 5 — INVESTMENTS

Investments consist of the following:

	May 31, 2021	May 31, 2020
Fixed Income Securities - DFA Diversified Fixed Income Portfolio	$ 66,319	$ 55,946
Equity Securities - DFA Global Equity Institutional	179,464	130,730
Money Market Funds	2,339	2,248
	$ 248,122	$ 188,924

Gains included in net investment income were $59,489 and $1,673 for the years ended May 31, 2021 and 2020, respectively.

Investment advisory fees of $1,600 and $1,420 are included in net investment income on the statement of activities for the years ended May 31, 2021 and 2020, respectively.

NOTE 6 — FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at May 31, 2021 and 2020.

- *Equity securities and fixed income securities*: Valued at the daily closing price reported by the fund, which is the quoted publicly traded net asset value (NAV) of shares.

- *Money market funds*: Valued at quoted prices in markets that are active which the individual securities are traded.

NOTE 6 — FAIR VALUE MEASUREMENTS (Continued)

The following are the major categories of assets and liabilities measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Fair Value	Fair Value
	May 31, 2021				May 31, 2020
Equity Securities	$ 179,464	$ -	$ -	$ 179,464	$ 130,730
Fixed Income	66,319	-	-	66,319	55,946
Money Market Funds	2,339	-	-	2,339	2,248
2021 Totals	$ 248,122	$ -	$ -	$ 248,122	
2020 Totals	$ 188,924	$ -	$ -		$ 188,924

NOTE 7 — PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	May 31, 2021	May 31, 2020
Land	$ 54,222	$ 54,222
Building and Improvements	7,848,419	7,848,419
Computer Equipment	179,345	179,345
Equipment	360,004	360,004
Furniture and Fixtures	271,018	271,018
Construction in Progress	45,736	45,736
	8,758,744	8,758,744
Less Accumulated Depreciation	2,711,494	2,313,493
	$ 6,047,250	$ 6,445,251

NOTE 8 — NOTE RECEIVABLE

Note receivable consists of a $3,409,225 note receivable from USBCDC Investment Fund 48, LLC (the Investment Fund) with an origination date of November 21, 2014 (Notes 10 and 16). The note accrues interest at 1% with interest payment starting December 2014 and principal payment beginning December 2020. Interest income was $11,364 and $34,092 for the years ended May 31, 2021 and 2020, respectively. Accrued interest receivable was $-0- and $5,682 at May 31, 2021 and 2020, respectively. During the year ended May 31, 2021, the note receivable was forgiven as described in Note 16.

NOTE 9 — NOTE PAYABLE TO BANK

The Organization has a demand note payable issued under a $350,000 line of credit, bearing interest at the bank's prime rate. The unpaid interest and principal is due at maturity in December 2021. The line of credit is collateralized by all assets of the Organization. There was $-0- and $330,000 outstanding as of May 31, 2021 and 2020, respectively. The prime rate was 3.25% at May 31, 2021 and 2020.

NOTE 10 — LONG-TERM DEBT

Long-term debt consists of the following:

	May 31, 2021	May 31, 2020
$2,100,000 note payable to bank, due September 2020, principal payable annually in accordance with principal payment schedule in the agreement and interest payable monthly at 5.25%, personal guarantee by certain donor, subject to the rights of St. Louis New Markets Tax Credit Fund-XXXIII, LLC under a subordination agreement (Note 16) - Principal	$ -	$ 525,000
Notes payable in the amount of $3,406,000 (aka Note A) and $1,394,000 (aka Note B) dated November 21, 2014, to St. Louis New Markets Tax Credit Fund-XXXIII, LLC. The notes bear interest at 1.28340%. Interest-only payments are due quarterly until December 2020. Commencing on March 2021, quarterly principal and interest payments are due in an amount sufficient to fully amortize the principal balance of the notes by the maturity date of November 21, 2044, secured by deed of trust (Note 16) —		
Principal	-	4,800,000
Unamortized debt issuance cost	-	(269,309)
$72,049 note payable to bank, due November 2020, principal payable monthly in accordance with principal payment schedule in the agreement and interest payable monthly at 5.00%, secured by equipment	-	43,925
$41,245 note payable to bank, due January 2026, principal payable monthly in accordance with principal payment schedule in the agreement and interest payable monthly at 4.00%, secured by equipment	39,987	-
$190,100 note payable to bank, due April 2022, payable in monthly installments of $10,645 starting October 2020, including interest payable at 1.00%, secured by equipment. SBA PPP note, subject to forgiveness after approval by bank and the SBA of application for forgiveness. Repayment terms of unforgiven principal will be subject to the provisions of the CARES Act (PPP 1). The loan and accrued interest were forgiven in February 2021 (a)	-	190,100
$188,155 note payable to bank, due April 2026, payable in monthly installments of $4,262 starting July 2022, including interest payable at 1.00%, secured by equipment. SBA PPP note, subject to forgiveness after approval by bank and the SBA of application for forgiveness. Repayment terms of unforgiven principal will be subject to the provisions of the CARES Act (PPP 2)	188,155	-
$150,000 note payable and $10,000 advance payable to bank, due June 2050, principal payable monthly in accordance with principal payment schedule in the agreement and interest payable monthly at 2.75%. Economic Injury Disaster Loan subject to forgiveness after approval by bank and the SBA of application for forgiveness. Repayment terms of unforgiven principal will be subject to the provisions of the CARES Act	159,359	10,000

NOTE 10 — LONG-TERM DEBT (Continued)

	May 31, 2021	May 31, 2020
Total long-term debt, net of unamortized debt issuance costs	$ 387,501	$ 5,299,716
Less current portion of long-term debt	15,389	831,778
	$ 372,112	$ 4,467,938

(a) In February 2021, the SBA remitted $191,100 in principal, plus interest of $1,521 to Busey Bank for forgiveness of all amounts due under the initial PPP loan.

According to the rules of the SBA, the Company is required to retain PPP loan documentation for six years and permit authorized representatives of the SBA to access such files upon request. Should the SBA conduct such a review and reject all or some of the JSL's judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, JSL may be required to adjust previously reported amounts and disclosures in the financial statements.

Unamortized debt issuance costs were $-0- and $269,309 at May 31, 2021 and 2020, respectively. Amortization of debt issuance costs of $20,968 and $16,115 are included in interest expense for the years ended May 31, 2021 and 2020, respectively.

Maturities of long-term debt are as follows:

Year Ending May 31,	Economic Injury Disaster Loan	Paycheck Protection Program Note	Other
2022	$ 7,692	$ -	$ 7,697
2023	7,692	-	8,015
2024	7,692	45,344	8,344
2025	7,692	49,943	8,691
2026	7,692	50,444	7,240
Thereafter	120,899	42,424	-
	$ 159,359	$ 188,155	$ 39,987

NOTE 11 — NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

	May 31, 2021	May 31, 2020
Subject to Expenditure for Specific Purpose		
Educational outreach	$ 60,000	$ 224,810
Jazz events	634,034	553,684
	694,034	778,494
Endowment Funds - Subject to Appropriation and Expenditure When a Specified Event Occurs:		
Arthur H. Harper "Jazz Forever" Endowment Scholarship Fund	169,384	130,379
Rich McDonnell Memorial Scholarship Fund	38,928	28,433
Tom McMahon "Jazz Lives" Endowed Scholarship Fund	39,810	30,112
	248,122	188,924
	$ 942,156	$ 967,418

NOTE 11 — NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets released from restrictions during the year ended May 31, 2021 consist of the following:

Restricted Expenditures Released From Restrictions	
Educational outreach	$ 525,088
Jazz events	35,000
Endowment appropriations	3,170
	$ 563,258

NOTE 12 — ENDOWMENT

The Organization's endowment consists of various funds established for program purposes (Note 11). Its endowment includes donor restricted endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor restrictions.

Interpretation of Relevant Law
The Board of Directors of the Organization has interpreted State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is classified in net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, 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 purposes of the Organization and the donor restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Return Objectives and Risk Parameters
The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Organization must hold in perpetuity or for a donor specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the appropriate index while assuring a moderate level of investment risk.

NOTE 12 — ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization 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 Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The spending policy calculates the amount of money annually distributed from the Organization's various endowed funds, for scholarship awards. Each distribution may be made from income, principal, or both.

Endowment net asset composition by type of fund is as follows:

	With Donor Restrictions	Total
Donor Restricted Funds - Managed by the Organization		
May 31, 2021	$ 248,122	$ 248,122
May 31, 2020	$ 188,924	$ 188,924

Changes in endowment net assets are as follows:

	As of and for the Years Ended May 31,	
	2021	2020
Endowment Net Assets		
Beginning of Year	$ 188,924	$ 188,413
Contributions	104	260
Net Investment Income	62,264	4,709
Appropriated for Expenditure	(3,170)	(4,458)
End of Year	$ 248,122	$ $ 188,924

NOTE 13 — RELATED PARTY TRANSACTIONS

Members of the Board of Directors (including their related organizations) contributed $121,378 and $381,611 for the years ended May 31, 2021 and 2020, respectively. These amounts are included in revenues and other support on the accompanying consolidated statement of activities.

Unconditional promises-to-give from these related parties was $30,000 and $292,500 at May 31, 2021 and 2020, respectively.

NOTE 14 — CONCENTRATIONS OF REVENUE SOURCE

The Organization received 16% of its total revenue from related parties (Note 13) during the year ended May 31, 2020.

The Organization received 13% of its total revenue from a single donor during the year ended May 31, 2020.

NOTE 15 — COMMITMENTS

Leases and Operating Agreements

The Organization rents space and equipment at various venues for jazz events at contracted rates. Equipment and venue rental expense was $9,386 and $39,090 for the years ended May 31, 2021 and 2020, respectively.

JSL leases a parking lot from 3526 Washington, LLC (a related party through common Board member) under an operating lease agreement that expires in December 2021. Lease expense under operating lease was $32,000 and $30,250 for the years ended May 31, 2021 and 2020, respectively, and is included in parking and valet expenses on the consolidated statement of functional expenses.

JSL leases office space to Ferring Family Foundation (a related party through common Board member) pursuant to the terms of an agreement through December 2024. The lease specifies rent of $12,000 per year with two five-year renewal terms and an option on first right of refusal to purchase the building. Rent income was $12,720 and $10,720 for the years ended May 31, 2021 and 2020, respectively, and is included in other income on the Consolidated Statement of Activities.

Effective January 2017, JSL entered into a lease and license agreement with G. Maggi Culinary Services, LLC pursuant to the terms of an agreement through July 2020 to rent certain restaurant space. G. Maggi Culinary Services, LLC is to pay monthly rent as a percentage of certain level of income as specified in the lease agreement. Both parties are currently operating under the terms of the original agreement while negotiating on the renewal terms.

NOTE 16 — NEW MARKETS TAX CREDIT AGREEMENT

On January 30, 2014, the Organization signed an agreement with the St. Louis Development Corporation (SLDC) based on a resolution that authorized and approved $5,000,000 in New Markets Tax Credits (NMTC) for the acquisition and renovation of the Jazz St. Louis Project (the Project). The Project allowed for the expansion of the Organization’s facilities, teaching capacity, community engagement and performances. The new facility is designed to increase seating capacity from 150 to 200 seats and increase the number of visitors to 38,000 per year.

NOTE 16 — NEW MARKETS TAX CREDIT AGREEMENT (Continued)

Under the NMTC structure, FJSL is the leverage lender, whose purpose is to lend to USBCDC Investment Fund 48, LLC (Note 8). The investment fund entity also receives capital contribution equity from private investors. The private investor receives NMTCs in return for its contribution into the investment fund. The investment fund uses the loan from the leverage lender and the equity from the investors to make an investment in a community development entity, St. Louis New Markets Tax Credit Fund-XXXIII, LLC (the CDE). Substantially all of the proceeds received by the CDE are then loaned to JSL.

FJSL loaned funds of $3,409,225 to the Investment Fund, which made an investment in the CDE. The CDE then made loans to JSL for the construction and renovation of the Organization's new facility. FJSL received the funds it loaned to the Investment Fund from the following sources:

Loan - Pulaski Bank	$ 2,750,000
Cash - JSL	659,225
	$ 3,409,225

The loan from FJSL was a prerequisite for JSL to acquire and renovate its new facility as described in Note 1. This new facility allows JSL to achieve its goal of expanding jazz performances, education, and engagement activities that build youths and adults in the greater St. Louis area.

According to the Investment Put and Call agreement, U.S. Bancorp Community Development Corporation (USBCDC), who owns all of the membership interest in USBCDC Investment Fund 48, LLC (the Investment Fund), which is the 99.99% owner of St. Louis New Markets Tax Credit Fund-XXXIII, LLC (the CDE), has an option to sell its ownership interest in the Investment Fund to FJSL. The put option may be exercised by USBCDC upon the occurrence of the first day following the end of the Tax Credit investment period (Recapture Expiration Date) or NMTC Recapture Event. If USBCDC does not exercise the put option, FJSL has the option to purchase (call), at any time during the 180 calendar days following the expiration of the Put Exercise Period, USBCDC's ownership interest. Both options were exercised in December 2020, resulting in the following:

- FJSL paid the $1,000 option exercise price and purchased the membership interest in the Investment Fund effectively eliminating the note receivable of $3,409,225 (Note 8).
- The CDE purchased and redeemed the Investment Fund's interest and assigned rights of the loans (aka Note A and B) with total balance of $4,800,000 (Note 10) to the Investment Fund/FJSL.
- The Investment Fund/FJSL forgave the loans (aka Note A and B).
- After these transactions, the Investment Fund/FJSL has no assets, liabilities, or equity and were dissolved.

NOTE 16 — NEW MARKETS TAX CREDIT AGREEMENT (Continued)

As a result of the exercise of these options and the assignment of rights, JSL recognized the following gain during the year ended May 31, 2021.

Gain on Forgiveness of Long-Term Debt (Note 10)	$ 4,800,000
Write-Off Unamortized Debt Issuance Cost (Note 10)	(248,342)
Loss on Forgiveness of Note Receivable (Note 8)	(3,409,225)
	$ 1,142,433

Interest income earned from the note receivable and interest expense incurred from the loans is as follows:

	Years Ended May 31,	
	2021	2020
Interest Income	$ 11,364	$ 34,092
Interest Expense	(20,534)	(61,603
Net Interest	$ (9,170)	$ (27,511)

NOTE 17 — SUBSEQUENT EVENTS

Subsequent to May 31, 2021, the Organization received Shuttered Venue Operator Grant funds totaling $609,848 as part of the American Rescue Plan Act.

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Jazz St. Louis

We have audited the consolidated financial statements of Jazz St. Louis and Subsidiary as of and for the year ended May 31, 2021, and have issued our report thereon dated December 29, 2021, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole.

The consolidating information on pages 24 and 25 is presented for purposes of supplementary analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

UHY LLP

St. Louis, Missouri
December 29, 2021

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
May 31, 2021

	Jazz St. Louis (JSL)	Friends of Jazz St. Louis (FJSL)	Eliminations	Consolidated
ASSETS				
CURRENT ASSETS				
Cash	$ 608,859	$ -	$ -	$ 608,859
Unconditional promises-to-give	262,711	-	-	262,711
Accounts receivable	3,992	-	-	3,992
Prepaid expenses	19,700	-	-	19,700
Total current assets	895,262	-	-	895,262
INVESTMENTS	248,122	-	-	248,122
PROPERTY AND EQUIPMENT	6,047,250	-	-	6,047,250
Total assets	$ 7,190,634	$ -	$ -	$ 7,190,634
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Current portion of long-term debt - other	$ 7,697	$ -	$ -	$ 7,697
Current portion of long-term debt - Economic Injury Disaster Loan	7,692	-	-	7,692
	15,389	-	-	15,389
Accounts payable	33,213	-	-	33,213
Construction payable	40,000	-	-	40,000
Accrued expenses	62,320	-	-	62,320
Contract liabilities	69,597	-	-	69,597
Total current liabilities	220,519	-	-	220,519
LONG-TERM LIABILITIES				
Long-term debt - other	32,290	-	-	32,290
Long-term debt - Economic Injury Disaster Loan	151,667	-		151,667
Long-term debt - Paycheck Protection Program	188,155	-	-	188,155
Total long-term liabilities	372,112	-	-	372,112
Total liabilities	592,631	-	-	592,631
NET ASSETS				
Without donor restrictions	5,655,847	-	-	5,655,847
With donor restrictions	942,156	-	-	942,156
Total net assets	6,598,003	-	-	6,598,003
Total liabilities and net assets	$ 7,190,634	$ -	$ -	$ 7,190,634

See independent auditor's report on supplementary information.

JAZZ ST. LOUIS AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended May 31, 2021

	Without Donor Restrictions				With Donor Restrictions				
	JSL	FJSL	Eliminations	Consolidated	JSL	FJSL	Eliminations	Consolidated	Total
REVENUES AND OTHER SUPPORT									
Contributions and grants									
Foundations	$ 280,111	$ -	$ -	$ 280,111	$ 113,675	$ -	$ -	$ 113,675	$ 393,786
Individuals	389,635	-	-	389,635	85,748	-	-	85,748	475,383
Corporations	42,564	-	-	42,564	251,000	-	-	251,000	293,564
Governmental	8,801	-	-	8,801	25,309	-	-	25,309	34,110
Capital Campaign	510,875	22	(510,875)	22	-	-	-	-	22
	1,231,986	22	(510,875)	721,133	475,732	-	-	475,732	1,196,865
Special event									
Contributions	173,789	-	-	173,789	-	-	-	-	173,789
Direct expenses	(26,996)	-	-	(26,996)	-	-	-	-	(26,996)
	146,793	-	-	146,793	-	-	-	-	146,793
Fees from Jazz events and other									
Net investment income	-	-	-	-	62,264	-	-	62,264	62,264
Gain on forgiveness of PPP Loan	190,100	-	-	190,100	-	-	-	-	190,100
Gain on forgiveness of loans of									
New Market Tax Credit structure	4,551,658	(3,409,225)	-	1,142,433	-	-	-	-	1,142,433
Interest and other	37,305	11,364	-	48,669	-	-	-	-	48,669
	4,779,063	(3,397,861)	-	1,381,202	62,264	-	-	62,264	1,443,466
	6,157,842	(3,397,839)	(510,875)	2,249,128	537,996	-	-	537,996	2,787,124
Interest in net assets of FJSL	(3,936,968)	-	3,936,968	-	-	-	-	-	-
Net assets released from restrictions	563,258	-	-	563,258	(563,258)	-	-	(563,258)	-
Total revenues and other support	2,784,132	(3,397,839)	3,426,093	2,812,386	(25,262)	-	-	(25,262)	2,787,124
EXPENSES AND LOSSES									
Program services									
Jazz events	888,580	510,875	(510,875)	888,580	-	-	-	-	888,580
Educational outreach	377,566	-	-	377,566	-	-	-	-	377,566
Total program services	1,266,146	510,875	(510,875)	1,266,146	-	-	-	-	1,266,146
Supporting services									
Management and general	531,904	9,144	-	541,048	-	-	-	-	541,048
Promotion and fund raising	173,794	-	-	173,794	-	-	-	-	173,794
Total supporting services	705,698	9,144	-	714,842	-	-	-	-	714,842
Total expenses before losses	1,971,844	520,019	(510,875)	1,980,988	-	-	-	-	1,980,988
Loss on uncollectable unconditional promises-to-give	66,069	19,110	-	85,179	-	-	-	-	85,179
Total expenses and losses	2,037,913	539,129	(510,875)	2,066,167	-	-	-	-	2,066,167
CHANGES IN NET ASSETS	746,219	(3,936,968)	3,936,968	746,219	(25,262)	-	-	(25,262)	720,957
NET ASSETS, Beginning	4,909,628	3,936,968	(3,936,968)	4,909,628	967,418	-	-	967,418	5,877,046
NET ASSETS, Ending	$ 5,655,847	$ -	$ -	$ 5,655,847	$ 942,156	$ -	$ -	$ 942,156	$ 6,598,003

See independent auditor's report on supplementary information.