The Strand Center for the Arts

Financial Statements

December 31, 2021

Alexander Edwards and Company, CPAs, P.C.

Certified Public Accountants and Business Consultants

The Strand Center for the Arts

Table of Contents

The Strand Center for the Arts December 2021 report.doc
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INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors
The Strand Center for the Arts

Opinion

We have audited the accompanying financial statements of The Strand Center for the Arts (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021, and the related statements of activities and cash flows - indirect method for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Strand Center for the Arts as of December 31, 2021, and the changes in the net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Strand Center for the Arts and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Strand Center for the Arts' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Strand Center for the Arts' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Strand Center for the Arts' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Plattsburgh, New York

November 14, 2022

Alexander Edwards and Company

The Strand Center for the Arts
Statement of Financial Position
As of December 31, 2021

ASSETS

Current Assets	
Cash	$ 451,554
Accounts Receivable	5,301
Deposits on Events	7,750
Prepaid Expenses	2,320
Inventory	1,040
TOTAL CURRENT ASSETS	467,965
Property, Plant, and Equipment, at cost	
Building and Improvements	4,457,092
DRI Building Improvements In Process	389,988
Furniture and Equipment	190,591
	5,037,671
Less: Accumulated Depreciation	(1,013,287)
NET PROPERTY, PLANT AND EQUIPMENT	4,024,384
TOTAL ASSETS	$4,492,349

See accompanying notes and independent Accountant's Review report.

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	$ 99,830
Note Payable, Short-term portion (Note 6)	37,200
Gift Certificates Payable	8,362
Sales Tax Payable	4,010
Payroll Taxes Payable	7,586
Deferred Revenue	29,844
TOTAL CURRENT LIABILITIES	186,832
Long-Term Liabilities	
Note Payable, Long-Term Portion (Note 6)	571,651
TOTAL LIABILITIES	758,483
Net Assets	
Without Donor Restrictions	3,733,866
With Donor Restrictions	-0-
TOTAL NET ASSETS	3,733,866
TOTAL LIABILITIES AND NET ASSETS	$4,492,349

The Strand Center for the Arts
Statement of Activities
For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING			
Support and Revenues			
Contributions	$ 48,053	$ -0-	$ 48,053
Non-Cash Contributions	109,200	-0-	109,200
Grants	1,267,793	-0-	1,267,793
Box Office Fees and Admissions	215,681	-0-	215,681
Concessions	29,552	-0-	29,552
Membership Dues	29,899	-0-	29,899
Program and Workshop Fees	57,412	-0-	57,412
Fundraising (Note 5)	25,108	-0-	25,108
Gallery Income	11,389	-0-	11,389
Miscellaneous Income	75	-0-	75
Total Support and Revenues Before Released from Restrictions	1,794,162	-0-	1,794,162
Net Assets Released from Restrictions	-0-	-0-	-0-
Total Support and Revenues	1,794,162	-0-	1,794,162
Investment Revenues			
Gain/(Loss)on Investments	-0-	-0-	-0-
Total Investment Income/(Expense)	-0-	-0-	-0-
Total Support, Revenues and Investment Income	1,794,162	-0-	1,794,162
Functional Expenses (Page 6)			
Program Services	688,418	-0-	688,418
Management and General	116,846	-0-	116,846
Fundraising	31,188	-0-	31,188
Total Functional Expenses	836,452	-0-	836,452
Change in Net Assets	957,710	-0-	957,710
NET ASSETS, BEGINNING OF YEAR	2,776,156	-0-	2,776,156
NET ASSETS, END OF YEAR	$3,733,866	$ -0-	$3,733,866

See accompanying notes and independent Accountant's Review report.

The Strand Center for the Arts
Statement of Functional Expenses
For the Year Ended December 31, 2021

	Program Services	Management and General	Fundraising	Total
Salaries	$ 68,716	$ 17,777	$ 17,777	$ 104,270
Health Insurance	3,156	-0-	-0-	3,156
Payroll Taxes and Insurances	17,700	1,943	1,943	21,586
Total Salaries and Related Expenses	89,572	19,720	19,720	129,012
Advertising	2,558	548	548	3,654
Bank and Credit Card Charges	9,827	5,360	2,681	17,868
Box Office Expense	183,122	-0-	-0-	183,122
Building Repair and Maintenance	10,537	1,171	-0-	11,708
Professional Services	2,773	5,630	-0-	8,403
Equipment Repair and Maintenance	3,555	187	-0-	3,742
Gallery and Reception Expense	7,095	-0-	-0-	7,095
Fundraising Expenses	-0-	-0-	976	976
Concession Expenses	20,404	-0-	-0-	20,404
Insurance	16,463	2,905	-0-	19,368
Professional Fees - DRI Related	46,287	-0-	-0-	46,287
Interest Expense	6,832	12,525	3,416	22,773
Office Supplies	9,378	5,115	2,557	17,050
Program Expenses	39,374	-0-	-0-	39,374
Dues and Subscriptions	1,502	265	-0-	1,767
Rent Expense	92,820	16,380	-0-	109,200
Telephone and Internet	2,689	359	537	3,585
Fees and Permits	12,809	1,507	753	15,069
Utilities/Occupancy	22,987	2,554	-0-	25,541
Penalty Expense	-0-	14,331	-0-	14,331
Miscellaneous Expense	-0-	9,259	-0-	9,259
Subtotal	491,012	78,096	11,468	580,576
Total Expense Before Depreciation	580,584	97,816	31,188	709,588
Depreciation	107,834	19,030	-0-	126,864
Total Expense	$ 688,418	$ 116,846	$ 31,188	$ 836,452

See accompanying notes and independent Accountant's Review report.

The Strand Center for the Arts
Statement of Cash Flows - Indirect Method
For the Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in Net Assets	$ 957,710
Adjustments to Reconcile Increase/(Decrease) in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	126,864
Amortization in Interest Expense	787
Non-Cash Contributions	(109,200)
Non-Cash Expenses	109,200
Accrued Interest	4,130
(Increase) Decrease in Assets	
DRI Grant Receivable	118,514
Accounts Receivable	(5,301)
Prepaid Expenses	(645)
Inventory	(1,040)
Deposits on Events	5,000
Increase (Decrease) in Liabilities	
Accounts Payable	(1,583)
Deferred Revenue	7,712
Gift Certificates Payable	343
Sales Tax Payable	1,020
Payroll Taxes Payable	2,013
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,215,524
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets	(598,916)
NET CASH USED BY INVESTING ACTIVITIES	(598,916)
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayments on line-of credit	(146,021)
Repayments on Note Payable	(36,763)
NET CASH USED BY FINANCING ACTIVITIES	(182,784)
NET INCREASE IN CASH	433,824
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	17,730
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 451,554

Supplemental Disclosure of Cash Flow Information:

Other Disclosures:

Taxes Paid	$ -0-
Interest Paid	$17,855

See accompanying notes and independent Accountant's Review report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities - The Strand Center for the Arts (The Strand), is a community based not-for-profit organization established for the purpose of supporting and promoting the arts in the North Country by providing a wide variety of artistic experiences and programs through showings, performances and by sponsoring art related workshops and classes.

Basis of Accounting - The financial statements of The Strand Center for the Arts have been prepared on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when incurred.

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentrations - Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of temporary cash investments, accounts receivable and pledges receivable. The Organization maintains its cash balances in two financial institutions. All accounts are insured up to $250,000 by the Federal Deposit Insurance Corporation. At December 31, 2021, the Organization had no uninsured deposits.

The Organization extends credit to members and donors which include businesses and individuals. The Organization does not feel that it is exposed to any significant credit risk in connection with the extension of credit. Historically, the Organization's bad debt expense has been extremely low.

When the Organization has pledges receivable they are recognized when a donor makes a promise to give to the Organization. The Organization evaluates the pledges individually to determine if it is exposed to any significant credit risk in connection with donors' pledges to be collected. Uncollectible pledges are determined on an individual basis.

Concentrations of revenue consist of major grant funding coming primarily from New York State. The loss of these various NYS grants would have an impact on the revenue of the Organization. The remaining donations and program revenues come primarily from the local community the Organization serves. Materials, labor and services are purchased primarily from the local community.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Promises to Give - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There were no pledges at December 31, 2021. No pledges were written off during December 2021.

Accounts Receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally on a short-term basis; these trade receivables do not bear interest. There were no receivables at December 31, 2021.

Bad debts are written off under the direct write-off method. Recoveries are reflected in income when received. Management does not have a reserve for bad debts at this time. Bad debt expense for the year is zero.

Inventory - Inventory is valued at lower of cost or net realizable value. It consists of Strand merchandise for sale in the gallery and concessions at the theatre. There was no inventory at December 31, 2021.

Property, Furniture and Equipment - Property, furniture and equipment are stated at cost, except for donated assets, which are stated at the fair market value at the date of receipt. Donations of property and equipment are recorded as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization capitalizes expenditures for property, furniture and equipment in excess of $500, lesser amounts are expensed. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Office Furniture	7 Years
Equipment	5 Years
Buildings and Improvements	40 Years

Maintenance, repairs and minor betterments are charged to operations as incurred while major additions and improvements are capitalized. When assets are sold, retired or otherwise disposed of, the applicable costs and accumulated depreciation are removed from the books and any resulting gain or loss is recognized.

Collections - No collections have been received or capitalized.

Donated Materials, Facilities and Assets - Donated materials, facilities and assets, when received, are reflected as contributions in the accompanying financial statements at their estimated fair market values at date of receipt. They are recorded as without donor restrictions, unless a donor-imposed restriction exists.

Donated Service - The Organization receives a significant amount of donated services from a number of volunteers for fundraising and other program assistance. It is not practical to value all of the donated services received, and only readily determinable revenue for donated services is recorded in these financial statements. The revenue recognized was $0 for 2021.

Revenue and Public Support - Grant income and public support are recorded as support in the year received. All grant income and contributions are available for unrestricted use unless specifically restricted by the donor.

Grantor and donor restricted income are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the income is received.

Revenues are recognized when the performance obligations have been satisfied and completed within the period of service. There are no costs incurred with obtaining a contract.

In accordance with ASC 606-10-50-13, the Organization is required to include disclosure on its remaining performance obligations as of the end of the current reporting period.

The amount of revenue recognized in December 31, 2021 from the prior year is $22,132 from satisfying performance obligations. As of December 31, 2021, $29,844 of revenue is expected to be recognized from remaining performance obligations for future events. The Organization expects to recognize revenue on all of these remaining performance obligations within the next fiscal year.

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. Accordingly, certain costs have been allocated among the programs and supporting services benefited in accordance with managements analysis. Items that are directly related to a function are classified to that related category of program, management and general or fundraising. Other expense items that serve more than one category and are allocated out as percentage of the total based on management's analysis of their use and benefits.

Contributions - In accordance with FASB ASC 958 the Organization records contributions received as without donor restrictions, or with donor restrictions, depending on the existence of any donor-imposed restrictions.

Net Asset Classifications - The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 and the provision of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Association and charges therein are classified as follows:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Advertising - Advertising costs are charged to operations as incurred. Advertising costs for the year ended December 31, 2021 was $3,654. No advertising was capitalized.

Income Taxes - The Strand Center for the Arts is exempt from income taxes as a not-for-profit corporation under tax section 501(c)(3) as determined by the Internal Revenue Service. Accordingly, these financial statements do not reflect a provision for income taxes.

The Internal Revenue Service has determined and informed the Board of Directors by a letter dated November 20, 2000, that the Organization is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Board of Directors believes that the Organization is designed and is currently being operated in compliance with applicable requirements of the IRC. It is classified as a public charity.

Management had determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements and related disclosures.

No income or excise taxes were paid during December 31, 2021. Penalties of $14,331 were paid during December 31, 2021.

The Organization is no longer subject to income tax examinations by tax authorities for tax years before December 31, 2018.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

New Accounting Pronouncements - On June 21, 2018 FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. It also provides a framework for determining whether a contribution is conditional or unconditional which will impact the timing of revenue recognition.

The Strand Center for the Arts has applied this ASU on a modified prospective basis and has determined that there is no significant change in how the revenue from contributions have been reported.

In May 2014, FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the new standards effective January 1, 2021, the first day of their year using the modified retrospective approach.

As part of the adoption of the ASU, The Organization elected the following transition practical expedients: (1) to reflect the aggregate of all contract modifications that occurred prior to the date of the initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price; and (2) to apply the standard only to contracts not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact, as a result of electing these practical expedients.

The adoption resulted in no change to beginning net assets as of January 1, 2021. There was no impact of applying this ASU for the year ended December 31, 2021.

NOTE 2 - INVESTMENTS

The Organization typically does not carry investments, unless they are donations held for sale. No stocks were donated at December 31, 2021. The following details their policies for valuing items.

Investments in marketable 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. Investments 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. Debt instruments, if any, are classified as short or long-term based on their maturity date.

The Organization utilizes fair value measurements to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based on quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The Organization uses a three-tier fair value hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Level one inputs have quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access. Level 2 inputs are significant other observable inputs other than Level one prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active other inputs that are observable or can be corroborated by observable market data. Level three inputs are significant unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

Investment securities are exposed to various risks, such as interest rate, custodial and market credit risks. Due to the level of risk associated with certain investments securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could significantly affect the amounts reported in the financial statements. Complete losses of investments would equal the amount of money invested at the time of loss.

There were no investment fees for the money market and mutual fund accounts for December 31, 2021.

NOTE 3 - PROMISES TO GIVE

There were no unconditional promises to give as of December 31, 2021.

The Organization was given the right to occupy the Federal Building located in Plattsburgh, New York by the United States Government. The Organization is not required to pay rent or obtain a mortgage on the building but is responsible to provide all required maintenance. If the Organization continues to operate within their mission statement, on July 15, 2039 it will receive a deed to the building and obtain ownership. A non-cash contribution of $109,200 has been assigned as the value of this contribution for the year ended December 31, 2021 for an accumulated total of $1,037,400.

NOTE 4 - GRANTS

There was a grant that is in conjunction with an award to the City of Plattsburgh from New York State as part of the state's Downtown Revitalization Initiative (DRI). The Strand Center for the Arts received and spent their allocated funds. There was an award of $495,000 to construct a studio space in the building at 23 Brinkerhoff Street, as well as purchase equipment for that "maker" space. There is also a grant of $260,000 for the Strand Theatre renovations, marketing and branding. This grant has been completed in the December 31, 2021 year.

NOTE 5 - FUNDRAISING

During the year ended December 31, 2021, the Organization held a few fundraising events. The revenues and associated costs are as follows:

Event	Revenue	Direct Expense	Gain/Loss
Other Fundraising	$ 14,180	$ 754	$ 13,426
Artisan's Market	10,928	222	10,706
	$ 25,108	$ 976	$ 24,132

NOTE 6 - LINE OF CREDIT AND NOTES PAYABLE

Line of Credit- DRI - The Organization had a $300,000 line-of-credit with Glens Falls National Bank and Trust Company. Interest is floating at the Wall Street Prime (currently 3.25%), adjusted monthly and is a simple, on demand, with a maturity of no later than December 31, 2021. As collateral, there a second mortgage on the 25 Brinkerhoff Street building. It is further collateralized by interest in all business assets, building leases and assignment of the DRI grant income. At December 31, 2021 there were $0 in outstanding advances on this line-of-credit. The line-of-credit has been closed.

Notes Payable - The Organization adopted the requirements in FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of the debt rather than as an asset. Amortization of the debt issuance cost is reported as interest expense in the Statement of Functional Expenses.

	Current	Long-Term	Total Debt
Glens Falls National Bank Monthly Principal and Interest Payments of $2,631.14 for 56 months, then adjusted to Federal Home Loan Bank of New York Plus 2.75% evaluated every 5 years starting 11/1/23. Maturing October 2038.	$ 14,500	$347,791	$362,291
Marilyn Kretser Monthly Payments of $250 With Fixed Interest of 3.25% Maturing in September 2025, Unsecured Loan.	2,700	8,016	10,716
Clinton County Capital Resources Corporation. No interest Loan for Performers. It can Be used for 3 years starting in 2017, then pay 20% balance back in years 4 through 8, Unsecured Loan.	20,000	60,000	80,000

NOTE 6 - LINE OF CREDIT AND NOTES PAYABLE (CONTINUED)

	Current	Long-Term	Total Debt
SBA - Economic Injury Disaster Loan (EIDL) Starting December 2022, monthly principal and interest payments of $641 for 360 months with interest at 2.75% secured by all assets of the Organization. Interest accrues on the loan amount only	-0-	155,844	155,844
	$ 37,200	$571,651	$608,851

During 2021, Glens Falls National Bank offered mortgage payment forbearance due to the Coronavirus pandemic. Interest will continue to accrue and be added to the loan.

The long-term value of the obligations for the Glens Falls National Bank loan is shown net of total unamortized loan origination costs of $13,191 for 2021.

The Clinton County Capital Resources Corporation loan has no interest rate stated. Future value of the current loan balance was imputed at a 4.75% interest rate and the value was deemed immaterial to amortize. No interest has been accrued on this value.

The carrying amount of the building and equipment at December 31, 2021 was $3,451,128.

Estimated annual principal reduction of note payable over the next five years are as follows:

2022	$ 37,200
2023	38,080
2024	38,980
2025	40,100
2026	19,460
Beyond	435,031
	$608,851

NOTE 7 - COMMITMENTS AND CONCENTRATIONS

Lease - The Organization is obligated under a five-year operating lease beginning November 7, 2018 for the use of a copier. Monthly rentals are $178.61. Equipment rent charged to operations under this lease was $2,143.

Future minimum rental payments are as follows:

2022	2,143
2023	1,965
2024	-0-

Funding - The Organization receives a substantial amount of its support from the United States Department of the Interior and New York State. The local individual and business support also provide a substantial amount of revenue to the Organization. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's programs and activities.

NOTE 8- LIQUIDITY AND AVAILABILITY OF RESOURCES

The Strand Center for the Arts ASU 2016-14, Not-for-Profit Entities adopted (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, and it had no impact on prior net assets. It is applied to these, and future financial statements.

The Strand Center for the Arts financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2021
Cash and Cash Equivalents	$451,554
Accounts Receivable	5,301
	$456,855

The current short term liabilities to be paid in the near term are:

Accounts Payable	$ 99,830
Notes Payable - Current	37,200
Sales Tax Payable	4,010
Payroll Tax Payable	7,586
	$148,626

NOTE 8- LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The cash and cash equivalents are not subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The amounts represented as accounts receivable are expected to be collected within one year.

The amount of cash and current assets currently available is sufficient to cover the current liabilities.

NOTE 9- SUBSEQUENT EVENTS

The Strand has evaluated events and transactions that occurred between January 1, 2022 and November 14, 2022, which is the date the financial statements were available to be issued, for the possible disclosure and recognition in the financial statements.

During 2021, the Strand failed to file sales tax returns and unknowingly failed to file their NYS payroll tax returns.