

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**  
**Boone, North Carolina**

**INDEPENDENT AUDITORS' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**

**As of and for the Years Ended**  
**June 30, 2024 and 2023**

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1 - 2</b>
<b>AUDITED FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>5 - 6</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>7</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>8 - 13</b>



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*Turlington and Company, L.L.P.*  
*Certified Public Accountants*

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Appalachian Theatre of the High Country, Inc.  
Boone, North Carolina

**Opinion**

We have audited the financial statements of Appalachian Theatre of the High Country, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Appalachian Theatre of the High Country, Inc. as of June 30, 2024, 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.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Appalachian Theatre of the High Country, Inc. 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.

**Other Matter**

The financial statements of Appalachian Theatre of the High Country, Inc., for the year ended June 30, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on March 7, 2024. We were not engaged to audit, review, or apply any procedures to the financial statements of Appalachian Theatre of the High Country, Inc. as of and for the year ended June 30, 2023 and, accordingly, we do not express an opinion or any other form of assurance on those financial statements.

**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 Appalachian Theatre of the High Country, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### **Auditors' 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 auditors' 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment 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 Appalachian Theatre of the High Country, Inc.'s 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 the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Appalachian Theatre of the High Country, Inc.'s 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.

*Furlington and Company, L.L.P.*

Winston-Salem, North Carolina  
December 11, 2024

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**STATEMENTS OF FINANCIAL POSITION**

	<b>June 30</b>	
	<b>2024</b>	<b>2023</b>
	<b>ASSETS</b>	
Current assets:		
Cash and cash equivalents	\$ 303,119	\$ 775,750
Accounts receivable	27,232	79,213
Investment in debt securities	199,909	-
Prepaid expenses	10,905	14,969
	<u>541,165</u>	<u>869,932</u>
Noncurrent assets:		
Construction in process	17,310	-
Property and equipment, net of accumulated depreciation	7,584,818	7,890,708
	<u>7,602,128</u>	<u>7,890,708</u>
	<u>\$ 8,143,293</u>	<u>\$ 8,760,640</u>
	<b>LIABILITIES AND NET ASSETS</b>	
Current liabilities:		
Accounts payable	\$ 8,485	\$ 12,817
Accrued liabilities	14,356	23,642
Deferred revenue	181,599	227,900
	<u>204,440</u>	<u>264,359</u>
Net assets:		
Without donor restrictions	<u>7,938,853</u>	<u>8,496,281</u>
	<u>\$ 8,143,293</u>	<u>\$ 8,760,640</u>

The accompanying notes are an integral part of the financial statements

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**STATEMENTS OF ACTIVITIES**

	<b>June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Changes in net assets without donor restrictions:		
Revenues and support:		
Contributions	\$ 357,504	\$ 403,398
Admissions and concession sales, net	395,587	459,661
Facility rental	469,674	37,802
Other grants	112,527	76,639
In-kind contributions	11,880	-
Interest income	17,721	3,415
Total revenues and support	<u>1,364,893</u>	<u>980,915</u>
Expenses:		
Program services	1,633,065	1,034,482
Management and general	261,244	186,925
Fundraising	28,012	252
Total expenses	<u>1,922,321</u>	<u>1,221,659</u>
Changes in net assets	( 557,428 )	( 240,744 )
Net assets at beginning of years	<u>8,496,281</u>	<u>8,737,025</u>
Net assets at end of years	<u>\$ 7,938,853</u>	<u>\$ 8,496,281</u>

The accompanying notes are an integral part of the financial statements

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2024**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Wages, taxes, and benefits	\$ 316,981	\$ 74,285	\$ 28,012	\$ 419,278
Advertising and marketing	57,971			57,971
Film and music expense	22,236			22,236
Concession expense	47,990			47,990
Production services	433,748			433,748
Facility rental	346,654			346,654
Memberships and dues	1,000			1,000
Insurance		24,729		24,729
Legal and professional fees		13,475		13,475
Utilities	26,994			26,994
Repairs and maintenance	81,127			81,127
Office expense		80,110		80,110
Miscellaneous		68,645		68,645
Total expenses before depreciation	<u>1,334,701</u>	<u>261,244</u>	<u>28,012</u>	<u>1,623,957</u>
Depreciation	<u>298,364</u>			<u>298,364</u>
	<u>\$ 1,633,065</u>	<u>\$ 261,244</u>	<u>\$ 28,012</u>	<u>\$ 1,922,321</u>

The accompanying notes are an integral part of the financial statements

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Wages, taxes, and benefits	\$ 286,625	\$ 95,542		\$ 382,167
Advertising and marketing	34,907			34,907
Film and music expense	27,414			27,414
Concession expense	40,202			40,202
Production services	260,904			260,904
Facility rental	14,826			14,826
Memberships and dues	900			900
Insurance		13,324		13,324
Legal and professional fees		20,761		20,761
Utilities	23,796			23,796
Repairs and maintenance	34,030			34,030
Office expense	11,510	49,731		61,241
Miscellaneous		7,567	\$ 252	7,819
Total expenses before depreciation	<u>735,114</u>	<u>186,925</u>	<u>252</u>	<u>922,291</u>
Depreciation	<u>299,368</u>			<u>299,368</u>
	<u>\$ 1,034,482</u>	<u>\$ 186,925</u>	<u>\$ 252</u>	<u>\$ 1,221,659</u>

The accompanying notes are an integral part of the financial statements

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**STATEMENTS OF CASH FLOWS**

	<b>Years Ended June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Cash flows from operating activities:		
Change in net assets	( \$ 557,428 )	( \$ 240,744 )
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	298,364	299,368
Unrealized loss on debt securities	91	-
Changes in assets and liabilities:		
Accounts receivable	51,981	72,595
Prepaid expenses	4,064	( 14,969 )
Accounts payable	( 4,332 )	354
Accrued liabilities	( 9,286 )	19,615
Deferred revenue	( 46,301 )	19,869
Net cash provided by (used for) operating activities	<u>( 262,847 )</u>	<u>156,088</u>
Cash flows from investing activities:		
Purchase of property and equipment	( 9,784 )	( 40,203 )
Purchases of debt securities	<u>( 200,000 )</u>	<u>-</u>
Net cash used for investing activities	<u>( 209,784 )</u>	<u>( 40,203 )</u>
Net increase (decrease) in cash	( 472,631 )	115,885
Cash and equivalents at beginning of years	<u>775,750</u>	<u>659,865</u>
Cash and equivalents at end of years	<u><u>\$ 303,119</u></u>	<u><u>\$ 775,750</u></u>

The accompanying notes are an integral part of the financial statements

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**As of and for the Years Ended June 30, 2024 and 2023**

**1. Description of Organization:**

Appalachian Theatre of the High Country, Inc. (the Organization) is a non-profit corporation that was incorporated as a North Carolina non-profit corporation on October 17, 2012. The Organization's is organized to operate exclusively for charitable, cultural, artistic, and historic or educational non-profit purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and, more specifically, to provide a quality venue for a variety of artistic genres; to contribute to the High Country region by promoting and strengthening the area's unique cultural identity and creative history; to enhance business in downtown Boone and the High Country; to provide a cultural hub for the area; and to find new life for an historic building.

**2. Summary of Significant Accounting Policies:**

These financial statements were prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America, with the more significant of these principles described as follows:

Net Assets

The Organization records resources for accounting and reporting purposes into two net assets categories: net assets without donor restrictions and net assets with donor restrictions, based on the existence or absence of donor-imposed restrictions..

*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. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

*Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by the Organization's actions or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

Cash and cash equivalents, as stated for cash flow purposes, include cash and all highly liquid investments that have an original maturity of twelve months or less at the time of purchase.

Accounts Receivable

Accounts receivable are stated at unpaid balances less an allowance for credit losses, when appropriate. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on prior experience and other circumstances, which may affect the ability of patients or donors to meet their obligations. It is the Organization's policy to charge off accounts receivable when management determines the receivable will not be collected. The Organization has determined that an allowance for credit losses is not necessary at June 30, 2024 and 2023 based on the nature of its accounts receivable.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies (Continued):

Investments

The Organization reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Property and Equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from five (5) to forty (40) years.

Donations of property and equipment are recorded as support at their estimated fair value on date of receipt. Such donations are reported as unrestricted support 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 restricted support. Absent donor restrictions 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 as instructed by the donor.

Revenue Recognition

The Organization accounts for revenue from exchange transactions in accordance with ASC 606, *Revenue from Contracts with Customers*. Revenue from member services, sponsorships and related activities is recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied. This generally occurs at a point in time once the service benefits have been transferred to the recipient. Revenue received in advance is deferred and recognized as the related performance obligations are satisfied. These amounts are included in contract liabilities within the statements of financial position. Revenue recognized from the satisfaction of performance obligations prior to receipt of payment are recognized as contract assets in the statements of financial position. The Organization had contract receivables with customers and contract liabilities for deferred revenues for the years ended June 30, 2024, 2023, and 2022 as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Receivables:			
Accounts receivable	\$ 27,232	\$ 79,213	\$ 151,808
Contract liabilities:			
Deferred revenue	181,599	227,900	208,031

Contribution Accounting

The Organization accounts for contributions, including contributions related to its annual fundraising campaigns, in accordance with ASC 958-605, *Accounting for Contributions Received and Contributions Made*. Contributions, including unconditional promises to give, are recognized as income in the period that the pledge is received. Contributions received are recorded as an increase in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions.

## APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.

### NOTES TO FINANCIAL STATEMENTS

#### 2. Summary of Significant Accounting Policies (Continued):

##### Contribution Accounting (Continued)

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated services are recognized in the financial statements if the services (1) create or enhance nonfinancial assets or require specialized skills, (2) are provided by individuals possessing those skills, and (3) would typically need to be purchased if not provided by donation. See Note 9 for additional information regarding contributed services meeting these criteria that were received by the Organization during the years ended June 30, 2024 and 2023.

##### Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Directly identifiable expenses are charged to the appropriate programs and supporting services. Expenses related to more than one function are charged to programs and supporting services based on estimates made by management. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

##### Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America 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. Estimates that are particularly susceptible to significant change in the near term are related to allocation of functional expenses.

##### Advertising

The Organization uses advertising to promote its program among the audiences it serves. These advertising costs are expensed as they are incurred. Advertising costs totaled \$57,971 and \$34,907, respectively, for the years ended June 30, 2024 and 2023.

##### Recently Adopted Accounting Standards

###### Credit Losses

In June 2016, the FASB issued guidance *Financial Instruments - Credit Losses (Topic 326)*, which has changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change for the accounting standard is a shift from the incurred loss model to the expected loss model. Under ASC 326, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivable. The Organization adopted the accounting standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements.

#### 3. Concentrations:

The Organization places its cash and cash equivalents on deposit with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Deposits held in noninterest-bearing transaction accounts are aggregated with any interest-bearing deposits the owner may hold in the same ownership category, and the combined total is insured up to at least \$250,000. During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limit. As of June 30, 2024, the Organization had no deposits in excess of the insured amount.

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**4. Liquidity and Availability:**

The Organization's financial assets that are available for general expenditures within one year of June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Financial assets available within one year:		
Cash and cash equivalents	\$ 303,119	\$ 775,750
Accounts receivable	27,232	79,213
Investment in debt securities	<u>199,909</u>	<u>-</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 530,260</u>	<u>\$ 854,963</u>

The Organization's policy is to structure its financial assets in such a manner to be available for general expenditures as the obligations come due.

**5. Property and Equipment:**

The components of property and equipment consisted of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land	\$ 63,498	\$ 63,498
Buildings and improvements	8,195,845	8,195,845
Machinery and equipment	<u>889,722</u>	<u>897,248</u>
	9,149,065	9,156,591
Less, accumulated depreciation	<u>1,564,247</u>	<u>1,265,883</u>
	<u>\$ 7,584,818</u>	<u>\$ 7,890,708</u>

Depreciation expense amounted to \$298,364 and \$299,368, respectively, for the years ended June 30, 2024 and 2023.

**6. Investment in Debt Securities:**

Investments consisted of the following as of June 30 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Debt securities:		
Certificates of deposit	<u>\$ 199,909</u>	<u>\$ -</u>

The debt securities are scheduled to mature during the year ended June 30, 2025. The debt securities had unrealized losses of \$91 at June 30, 2024.

**7. Fair Value Information:**

The accounting guidance for fair value measurements established a fair value hierarchy to prioritize the inputs of valuation techniques used to measure fair value. Outlined below is the application of the fair value hierarchy established by the accounting guidance for fair value measurements to the Organization's assets that are carried at fair value.

Level 1 - Inputs to the valuation methodology are quoted prices for identical assets in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets in active markets and significant other observable inputs that.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**7. Fair Value Information (Continued):**

Assets measured at fair value on a recurring basis at June 30, 2024 were as follows:

<u>Description</u>	<u>Assets at Fair Value as of December 31, 2024</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Debt securities:				
Certificates of deposit	\$ 199,909		\$ 199,909	

The Organization's debt securities are measured at fair value through quoted prices for similar assets in active market and significant other observable inputs.

**8. Deferred Revenue:**

Deferred revenue includes funds collected in advance for venue rentals, rental subsidy programs, and sponsorships for next year's event season in the amount of \$179,948 and \$188,490 for the years ended June 30, 2024 and 2023. During the year ended June 30, 2022, the Organization received funds that were deferred for use as salary or contract labor for development responsibilities. The Organization had deferred revenue for use as salary or contract labor totaling \$1,651 and \$39,410 at June 30, 2024 and 2023.

**9. Contributions of Nonfinancial Assets:**

The Organization has recorded contributions of nonfinancial assets related to a portion of office rent that were utilized by the Organization's supporting services. There were no donor-imposed restrictions associated with these contributions. Donated office rent is valued at the estimated fair market value of similar office rentals in the area. A summary of these contributed nonfinancial assets is as follows for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Donated office rent	\$ 11,880	\$ -

**10. Employee Benefit Plan:**

The Organization maintains a Savings Incentive Match Plan for Employees of Small Employers (Simple) Individual Retirement Account (IRA) retirement plan for full and part-time employees who make over \$5,000 a calendar year and have been employed for twelve months. The Organization will provide a matching contribution up to 3% for all eligible Plan participants. Total contributions by the Organization to the Plan were \$10,217 and \$3,131, respectively, for the years ended June 30, 2024 and 2023.

**11. Income Tax Status:**

The Organization has been determined to be exempt from income taxes under Code Section 501(c)(3) of the Internal Revenue Code. Annual information returns are filed as required.

The Organization has determined that it has no uncertain income tax positions as of June 30, 2024 and 2023. Also, the Organization does not anticipate any increase or decrease in unrecognized tax benefits during the next twelve months that would result in a material change to its financial position. The Organization's income tax returns for years ended after June 30, 2021 remain open for examination.

The Organization includes interest and penalties in the financial statements as a component of income tax expense. No interest or penalties are included in the Organization's income tax expense for the years ended June 30, 2024 and 2023.

**APPALACHIAN THEATRE OF THE HIGH COUNTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**12. Contingencies:**

The Organization has received proceeds from state and federal grants. Periodic audits of these grants may be required, and certain costs may be disallowed, thus requiring the Organization to refund the grant monies to the grantor agencies. Management is not aware of any disallowed costs. No provision has been made in the accompanying financial statements for the refund of grant monies.

The Organization purchased the land and building out of which it operates from the Town of Boone in 2013. The purchase agreement stipulates that the land and building would revert back to the Town of Boone should the Organization cease operations.

**13. Reclassifications:**

Certain items in the June 30, 2023 financial statements have been reclassified to conform to the June 30, 2024 financial statements presentation.

**14. Subsequent Events:**

The Organization's management has evaluated all subsequent events through December 11, 2024, the date the financial statements were available to be issued. No events were identified that would require adjustment of or disclosure in the accompanying financial statements.