



Total Liabilities and Net Assets are \$25,648,289 with an undesignated deficit of \$1,158,172

Current Liabilities \$4,717,254 (includes current year portions of both pension and accrued post-retirement liabilities).

Non-Current Liabilities is \$13,327,850 which includes our long-term pension obligation and accrued post-retirement benefits.

This includes the Payroll Protection Program Loan for \$2 million that was received in April 2020 when the campus shutdown for the Covid-19 pandemic crisis.

Enterprise Operating Revenues \$30,623,876 which is down over \$7,000,000 from last year due to the 4<sup>th</sup> quarter Covid-19 campus closures of 49er Shops locations.

Enterprise Operating Expenses total \$32,610,645

Enterprise Operating Income came in at a loss of \$1,986,789

Non-Operating Income (Expense) of \$145,572

There was a decrease in Net Assets without Donor Restrictions of \$2,240,506

For end of year 2020, Net Assets without Donor Restrictions comes in lower than the previous year at \$12,320,438.

Mr. Gray reviewed the Statement of Functional Expense matrix and noted that this is the second year the Shops have done this as per the requirements for all non-profits.

G&A is at \$4,088,188 and the total expenses came out to \$19,522,149.

This number is down by \$1.5 million overall from the prior year due to employees lay-offs, location closures, and expense reductions starting in March 2020.

#### Note 1: Summary of Significant Accounting Policies

- Under the Basis of Presentation, this is the second year that the financial statements are being presented in accordance with the Financial Accounting standards for not-for-profit organizations.
- Under Use of Estimates and Assumptions, Mr. Gray spoke about the Payroll Protection Loan which has been calculated as an estimate for this year.

The Shops are currently applying for a loan forgiveness program in which we could qualify for a minimum of 24% forgiveness all the way up to 100% forgiveness.

The tax implications for how this kind of SBA loan should be allocated in regards to revenue and expenses has not been definitively defined yet which is causing a lot of confusion especially for non-0 g0 G0.0000 s.5r how this kind of SBA h00.00000912

There is a new pronouncement for Revenues from Contracts with Customers in which it requires an entity to recognize the amount of revenue which it expects to be entitled for the transfer of promised goods or services to customers.

This updated standard will replace most existing revenue recognition guidance and permits the use of either a full retrospective with cumulative retrospective or retrospective with cumulative effect transition method.

This new standard is effective for fiscal years beginning after December 15, 2019 and the Shops are currently evaluating whether the standard will have any effects on the financial statements moving forward.

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