

**SOCIETY FOR CREATIVE ANACHRONISM, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2020**

**AND**

**INDEPENDENT AUDITORS' REPORT**



**SOCIETY FOR CREATIVE ANACHRONISM, INC.**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Society for Creative Anachronism, Inc.  
Milpitas, California

We have audited the accompanying consolidated financial statements of Society for Creative Anachronism, Inc. (a California nonprofit public benefit corporation) and subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2020, 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 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.

### **Auditors' 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 financial position of Society for Creative Anachronism, Inc. as of December 31, 2020, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited Society for Creative Anachronism, Inc.'s 2019 financial statements, and our report dated October 6, 2020 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Johanson & Yau Accountancy Corporation*

Campbell, California  
September 27, 2021

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2020**  
**(With Comparative Totals as of December 31, 2019)**

**ASSETS**

	<b>2020</b>	<b>2019</b>
Current assets		
Cash and cash equivalents	\$ 7,106,754	\$ 7,370,344
Investments - Note 3	952,940	1,109,606
Other receivables	29,881	47,944
Inventory	136,207	144,707
Prepaid expenses	197,632	179,048
Total current assets	8,423,414	8,851,649
Property and equipment, net - Note 4	139,801	176,127
Other asset	136,909	454,558
Cash - restricted	27,790	27,789
	\$ 8,727,914	\$ 9,510,123

**LIABILITIES AND NET ASSETS**

Current liabilities		
Accounts payable	\$ 1,241	\$ 2,831
Accrued expenses	89,278	121,448
Subscription liability and deferred revenue	183,835	309,898
Other liabilities	7,804	9,111
Refundable advance - Note 8	37,087	-
Total current liabilities	319,245	443,288
Net assets		
Without donor restrictions	8,380,879	9,039,046
With donor restrictions - Note 5	27,790	27,789
	8,408,669	9,066,835
	\$ 8,727,914	\$ 9,510,123

See accompanying notes to financial statements

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2020**  
(With Comparative Totals For The Year Ended December 31, 2019)

	<u>2020</u>			<u>2019</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
Operating activities				
Support and revenue				
Donations	\$ 134,663	\$ -	\$ 134,663	\$ 179,587
Fundraising	50,700	-	50,700	179,366
Membership fees	795,263	-	795,263	932,883
Program service revenue	703,942	-	703,942	3,635,471
Affiliation fee	6,591	-	6,591	10,063
Stock clerk	24,065	-	24,065	11,495
Interest and dividends	28,328	1	28,329	29,650
Sales of inventory	231	-	231	4,466
Other income	35,161	-	35,161	28,904
	<u>1,778,944</u>	<u>1</u>	<u>1,778,945</u>	<u>5,011,885</u>
Expenses				
Program services	1,152,936	-	1,152,936	3,118,513
Supporting expenses				
Management and general	1,294,827	-	1,294,827	1,496,991
Fundraising	5,821	-	5,821	22,200
	<u>2,453,584</u>	<u>-</u>	<u>2,453,584</u>	<u>4,637,704</u>
Change in net assets from operations	(674,640)	1	(674,639)	374,181
Non-operating activities				
Investment return, net - Note 3	16,473	-	16,473	142,497
Change in net assets	(658,167)	1	(658,166)	516,678
Net assets, beginning of the year	<u>9,039,046</u>	<u>27,789</u>	<u>9,066,835</u>	<u>8,550,157</u>
Net assets, end of year	<u>\$ 8,380,879</u>	<u>\$ 27,790</u>	<u>\$ 8,408,669</u>	<u>\$ 9,066,835</u>

See accompanying notes to financial statements

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2020**  
**(With Comparative Totals For The Year Ended December 31, 2019)**

	<u>2020</u>			<u>2019</u>	
	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
Salaries	\$ -	\$ 219,468	\$ -	\$ 219,468	\$ 223,453
Payroll taxes	-	19,720	-	19,720	15,238
Employee benefits	-	27,731	-	27,731	19,894
<b>Total salaries and related expenses</b>	<b>-</b>	<b>266,919</b>	<b>-</b>	<b>266,919</b>	<b>258,585</b>
Tournaments illuminated	-	10,848	-	10,848	24,226
Food	91,935	1,405	1,811	95,151	414,691
Bank fees	844	49,887	-	50,731	56,422
Printing and publication	11,105	62,684	565	74,354	124,700
Professional services	-	92,566	-	92,566	79,385
Rent and site charges (refund)	324,526	183,688	(610)	507,604	1,522,000
Equipment rental and maintenance	162,141	26,703	2,762	191,606	708,826
Dues and fees	41,085	28,047	-	69,132	155,896
Insurance	3,045	165,016	-	168,061	165,496
Advertising	1,422	-	-	1,422	3,183
Bad debts	1,348	464	-	1,812	2,873
Repairs and maintenance	-	40,107	-	40,107	30,244
Property tax	-	-	-	-	592
Donations	9,486	-	-	9,486	9,726
Stock clerk	-	19,971	-	19,971	11,988
Postage	4,282	27,721	-	32,003	25,691
Supplies	400,236	32,771	1,293	434,300	420,300
Office expense	-	67,337	-	67,337	61,213
Depreciation expense	63,967	8,259	-	72,226	88,056
Utilities	-	9,360	-	9,360	8,636
Other expenses	135	44,059	-	44,194	87,545
Travel, meeting and conferences	37,379	28,965	-	66,344	241,992
Website	-	128,050	-	128,050	135,438
<b>Total functional expenses</b>	<b>\$ 1,152,936</b>	<b>\$ 1,294,827</b>	<b>\$ 5,821</b>	<b>\$ 2,453,584</b>	<b>\$ 4,637,704</b>

See accompanying notes to financial statements

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2020**  
**(With Comparative Totals For The Year Ended December 31, 2019)**

	<b>2020</b>	<b>2019</b>
Cash flow from operating activities		
Change in net assets	\$ (658,166)	\$ 516,678
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities		
Reinvested dividends and interest	(22,629)	(24,318)
Investment return, net	(16,473)	(142,497)
Depreciation	72,226	88,056
Inventory write-off	3,213	42,209
(Increase) decrease in assets		
Other receivables	18,063	24,132
Inventory	5,287	(2,164)
Prepaid expenses	(18,584)	38,803
Other asset	317,649	(9,806)
Increase (decrease) in liabilities		
Accounts payable	(1,590)	(23,907)
Accrued expenses	(32,170)	28,145
Subscription liability and deferred revenue	(126,063)	1,288
Other liabilities	(1,307)	(12,554)
Net cash provided by (used for) operating activities	(460,544)	524,065
Cash flows from investing activities		
Purchase of property and equipment	(35,900)	(78,249)
Proceeds from sales of investments	890,731	-
Purchase of investments	(694,964)	(79,851)
Net cash provided by (used for) investing activities	159,867	(158,100)
Cash flows from financing activities		
Refundable advance	37,087	-
Net cash provided by financing activities	37,087	-
Net (decrease) increase in cash and cash equivalents	(263,590)	365,965
Cash and cash equivalents, beginning of year	7,370,344	7,004,379
Cash and cash equivalents, end of year	\$ 7,106,754	\$ 7,370,344

See accompanying notes to financial statements



**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Organization - Society for Creative Anachronism, Inc. (the Organization) is an international organization dedicated to researching and re-creating the arts and skills of pre-17<sup>th</sup> century Europe. The Organization consists of kingdoms across the United States of America, Canada, Europe and other foreign countries and wholly owned subsidiaries, with over 30,000 members residing in countries around the world. Members, dressed in clothing of the Middle Ages and Renaissance, attend events which may feature tournaments, arts exhibits, classes, workshops, dancing, feasts and more.

Consolidation - These consolidated financial statements include the activities of the Corporate Office, 16 Kingdoms operating in the United States of America that are not considered to be an affiliate or subsidiary and 16 Subsidiaries in which the Organization has both an economic interest and controlling interest. There is an element of economic interest since the Subsidiaries hold significant resources that must be used only for the purposes of the Organization. The Organization and Subsidiaries have common control since officers of the Organization's Board of Directors sit on the Subsidiaries' Board of Directors. Accordingly, the accounts of the Subsidiaries have been consolidated herein, in accordance with accounting principles generally accepted in the United States of America. All material intra-entity balances and transactions have been eliminated.

The Corporate Office runs the day to day operations of the Organization including the processing of memberships and all membership-related matters, while the Kingdoms support administration and activities of the local groups.

The following 100% owned Subsidiaries, all granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code, are included in the consolidated financial statements of the Organization:

- Society for Creative Anachronism – Gulf Wars, Inc.
- Society for Creative Anachronism – Illinois, Inc.
- Society for Creative Anachronism – Maine, Inc.
- Society for Creative Anachronism – Maryland, Inc.
- Society for Creative Anachronism – Massachusetts, Inc.
- Society for Creative Anachronism – Michigan, Inc.
- Society for Creative Anachronism – Mississippi, Inc.
- Society for Creative Anachronism – New Hampshire, Inc.
- Society for Creative Anachronism – New Jersey, Inc.
- Society for Creative Anachronism – New York, Inc.
- Society for Creative Anachronism – Pennsic War, Inc.
- Society for Creative Anachronism – Pennsylvania, Inc.
- Society for Creative Anachronism – Rhode Island, Inc.
- Society for Creative Anachronism – Tennessee, Inc.
- Society for Creative Anachronism – West Virginia, Inc.
- Society for Creative Anachronism – Wisconsin, Inc.

Basis of Accounting - The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with GAAP.

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation - The Organization reports information regarding its consolidated financial position and activities according to the following net asset classifications:

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; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of Operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

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 the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statement of consolidated cash flows, cash equivalents include unrestricted cash in banks and money market fund accounts and highly liquid investments with an original maturity of three months or less. The Organization often maintains cash balances in excess of the federally insured maximum.

Investments - Investments in marketable securities with readily determinable fair value are stated at market value. Dividends and interest are accrued as earned and recorded as revenue without donor restrictions unless income is restricted by the donor. Any unrealized gains or losses from the current period are reported as investment income or loss.

Inventory - Inventory consists of printed publications and materials that are related to its exempt purpose. Inventories are stated at the lower of cost or market applied on a first-in, first-out basis.

Property and Equipment - Property and equipment are recorded at cost, or if contributed, at the estimated fair value when donated. Depreciation is computed using the straight-line method over estimated useful lives of the respective assets ranging from 5 to 10 years. Depreciation is recorded as a decrease in net assets without donor restrictions and the expense is charged to the activity benefiting from the use of the property or equipment.

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Subscription Liability - Subscription liability represents amounts received and allocated to subscriptions but not yet earned. Subscriptions are from 12 to 36 months and are amortized accordingly.

Revenue Recognition - Membership fees are charged on an annual basis. The amount internally allocated to membership is recognized when received and the portion allocated to subscriptions is recorded as revenue ratably over the membership term. The balance is recorded as subscription liability on the statement of financial position.

Program service revenue includes event income that is recognized as earned. Prepayments collected for future events are recorded as deferred revenue.

Donations are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization reports gifts of cash 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 statement of activities as net assets released from restrictions.

Functional Allocation of Expenses - The costs of providing program and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the program and support services benefited based on management's estimate. The method of allocation for all expenses is direct usage.

Contributed Services - Various individuals contribute administrative services to the Organization. The value of the contributed services, that do not require expertise but are nonetheless central to the Organization's operations, are not reflected in the financial statements.

Income taxes - The Organization is exempt from federal and state income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and similar state provisions and has been determined to be an organization which is not a private Organization. The Organization's tax filings are subject to audit by various taxing authorities.

Advertising - The Organization's policy is to expense advertising costs as the costs are incurred. Advertising expenses for the year ended December 31, 2020 totaled \$1,422.

New Accounting Pronouncement Adopted - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers, as amended (Topic 606). The five step process in the new guidance may necessitate more judgment and estimation within the revenue recognition process than required under existing pronouncements, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. This new guidance is effective for annual reporting periods beginning after December 15, 2019 and may be applied using either a full retrospective or a modified retrospective approach upon adoption. The Organization adopted this new standard effective January 1, 2020. There was no impact to the net assets as a result of adopting this standard.

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

New Accounting Pronouncement Adopted (Continued) - The FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement. The ASU was issued to improve the effectiveness of disclosure requirements for recurring and nonrecurring fair value measurements by removing, modifying and adding certain disclosures. The ASU is effective for years beginning after December 15, 2019. The Organization adopted this ASU on January 1, 2020. There was no impact to the net assets as a result of adopting this standard.

New Accounting Pronouncement Not Adopted - In February 2016, the FASB issued new accounting guidance for leases. The new guidance requires lessees to recognize lease assets and lease liabilities for all leases with terms more than 12 months in the statement of financial position and disclose key information about leasing agreements. This new guidance is effective for annual reporting periods beginning after December 15, 2021 with early adoption permitted. The Organization is currently evaluating the impact of adopting this standard on its financial statements.

Subsequent Events - Subsequent events were evaluated through September 27, 2021, the date the financial statements were available to be issued.

**NOTE 2 - AVAILABILITY AND LIQUIDITY**

As of December 31, 2020, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

Cash and cash equivalents	\$ 7,106,754
Investments	952,940
Other receivables	<u>29,881</u>
	<u>\$ 8,089,575</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, excess cash is invested in short-term investments, including money market accounts, certificates of deposit and mutual funds.

**NOTE 3 - INVESTMENTS**

Generally accepted accounting principles establish a hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Observable inputs are those that market participants would use in pricing the assets based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 - INVESTMENTS (Continued)**

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Values are unadjusted quoted prices for identical assets or liabilities in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The Organization's investments recorded at fair value, have been categorized based upon a fair value hierarchy in accordance with generally accepted accounting principles. The following table presents information about the Organization's assets measured at fair value.

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)
Mutual Funds	\$ 952,940	\$ 952,940

The Organization did not have any Level 2 or Level 3 investments at December 31, 2020.

Net investment return was as follows for the year ended December 31, 2020:

Net realized and unrealized investment gain	\$ 27,464
Investment fees	(10,991)
	\$ 16,473

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 4 - PROPERTY AND EQUIPMENT**

Following is a summary of property and equipment for the year ended December 31, 2020:

Computer equipment - Corporate	\$	46,426
Furniture and equipment - Corporate		9,595
Software - Corporate		41,949
Furniture and equipment - Kingdom		962,488
Furniture and equipment - Subsidiaries		<u>555,190</u>
		1,615,648
Accumulated depreciation		<u>(1,475,847)</u>
	\$	<u><u>139,801</u></u>

Depreciation expense for the year ended December 31, 2020 was \$72,226.

**NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions relate to the Christopher & Victoria Bone original donation of \$40,000. These funds are restricted for the purchase and issuance of specific dance books to “Baronial” groups within every Kingdom. The balance of the restricted assets at December 31, 2020 was \$27,790.

Subsequent to yearend in September 2021, the donor released the restriction and instructed the Organization to move the remaining balance into the general fund.

**NOTE 6 - LEASES**

The Organization leases Corporate office space under an operating lease that expires in September 2021. Rent expense includes a base rent plus charges for certain common area expenses. Rent expense for 2020 was \$73,696. Following are the future minimum lease payment required under the lease:

2021	\$	<u><u>55,915</u></u>
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**NOTE 7 - RETIREMENT PLAN**

The Organization maintains a 403(b) pension plan. Permanent employees are eligible to participate after 90 days of employment. The Organization contributes 7% of the employee’s gross salary. In addition, employees make elective contributions to the plan. The Organization contributed \$14,838 to the plan for the year ended December 31, 2020.

**SOCIETY FOR CREATIVE ANACHRONISM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 8 - REFUNDABLE ADVANCE**

In May 2020, the Organization entered into a promissory note with WebBank to borrow \$37,087 under the Paycheck Protection Program (PPP). The unsecured note payable bears an interest rate of 1%. Principal and interest payments are deferred during the first six months. Subsequent to year end, the Organization applied for loan forgiveness in June 2021 and received notification of forgiveness in August 2021 in the amount of \$37,087. As such, the note is being treated as a refundable advance on the statement of financial position as of December 31, 2020. Upon notification of forgiveness in August 2021, the forgiven portion of advance is to be reclassified into revenue included in the next fiscal year.

**NOTE 9 - UNCERTAINTIES**

The COVID-19 outbreak is disrupting events typically held by the Organization. The extent of the impact of COVID-19 on the Organization's operational performance will depend on certain developments, including the duration and spread of the outbreak and the overall impact on the community, all of which are uncertain and cannot be predicted. As of the date of the report, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain. No adjustments related to the effects of the pandemic have been recorded in the accompanying financial statements.