

BAY STREET THEATRE FESTIVAL, INC.

Financial Statements

for the years ended
December 31, 2018 and 2017

BAY STREET THEATRE FESTIVAL, INC.

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Sabel & Oplinger, CPA, PC

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Bay Street Theatre Festival, Inc.
Sag Harbor, New York

We have audited the accompanying financial statements of Bay Street Theatre Festival, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Bay Street Theatre Festival, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Sabel & Oplinger

Sabel & Oplinger, CPA, PC
Southampton, New York

March 28, 2019

BAY STREET THEATRE FESTIVAL, INC.

Statements of Financial Position

	December 31	
	<u>2018</u>	<u>2017</u>
Assets		
Current Assets		
Cash and cash equivalents:		
Unrestricted	\$ 277,156	\$ 128,009
Restricted	166,095	329,736
Investments	45,960	45,940
Accounts receivable	3,688	16,692
Prepaid expenses	26,096	24,261
Total Current Assets	<u>518,995</u>	<u>544,638</u>
Property, equipment and leasehold improvements, net	<u>406,583</u>	<u>423,891</u>
Other Assets		
Security deposits	<u>24,625</u>	<u>17,143</u>
Total Assets	<u>\$ 950,203</u>	<u>\$ 985,672</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 93,787	\$ 290,633
Advance box office sales	253,446	216,818
Loan payable – board member	26,126	-
Line of credit	63,890	263,164
Total Current Liabilities	<u>437,249</u>	<u>770,615</u>
Net Assets		
Without donor restrictions	429,565	171,057
With donor restrictions	<u>83,389</u>	<u>44,000</u>
Total Net Assets	<u>512,954</u>	<u>215,057</u>
Total Liabilities and Net Assets	<u>\$ 950,203</u>	<u>\$ 985,672</u>

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Notes to Financial Statements

BAY STREET THEATRE FESTIVAL, INC.

Statements of Activities

for the years ended

	December 31	
	2018	2017
Revenues		
Box office	\$ 1,873,391	\$ 1,385,507
Contributions	1,416,224	1,225,243
Special events	605,525	576,439
Advertising	215,548	218,452
Education income and grants	62,965	58,878
Concessions	105,728	82,576
Other income	58,701	47,381
Government support	44,000	42,500
Investment income	7,177	2,072
(Losses) gains on investments:		
Realized	(166)	476
Unrealized	20	3,900
Net assets released from restrictions	(52,111)	-
Total Revenues	<u>4,441,224</u>	<u>3,643,424</u>
Expenses		
Programs and productions	3,454,160	3,020,300
Fundraising	509,207	574,893
General and administrative	219,349	214,552
Total Expenses	<u>4,182,716</u>	<u>3,809,745</u>
Change in Net Assets	258,508	(166,321)
Net Assets, beginning of year	<u>171,057</u>	<u>381,378</u>
Net Assets, end of year	<u>\$ 429,565</u>	<u>\$ 215,057</u>

See Independent Auditors' Report and Notes to Financial Statements

BAY STREET THEATRE FESTIVAL, INC.

Statements of Functional Expenses

for the years ended

	Programs and Productions	Fundraising	General and Administrative	December 31	
				2018	2017
Payroll and related expenses	\$ 1,245,176	\$ 201,377	\$ 68,867	\$ 1,515,420	\$ 1,448,150
Production costs	1,168,924	-	-	1,168,924	953,420
Rent and utilities	301,895	17,866	17,868	337,629	338,888
Advertising and promotion	291,354	-	-	291,354	288,507
Fundraising costs	-	236,543	-	236,543	203,842
Educational program costs	79,729	-	-	79,729	43,327
Professional fees	21,174	1,467	54,645	77,286	95,207
Repairs and maintenance	55,724	3,860	3,861	63,445	74,358
Office supplies, postage and other expenses	25,063	12,531	25,063	62,657	66,915
Insurance	56,416	3,908	3,909	64,233	67,637
Credit card discounts	110,379	27,595	-	137,974	94,744
Administrative travel and housing	-	-	26,493	26,493	21,709
Concession supplies	39,733	-	-	39,733	35,849
Telephone	9,588	665	664	10,917	11,042
Interest and bank charges	-	-	14,584	14,584	15,380
Subtotal	<u>3,405,155</u>	<u>505,812</u>	<u>215,954</u>	<u>4,126,921</u>	<u>3,758,975</u>
Depreciation	<u>49,005</u>	<u>3,395</u>	<u>3,395</u>	<u>55,795</u>	<u>50,770</u>
Total Expenses	<u>\$ 3,454,160</u>	<u>\$ 509,207</u>	<u>\$ 219,349</u>	<u>\$ 4,182,716</u>	<u>\$ 3,809,745</u>

See Independent Auditors' Report and
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BAY STREET THEATRE FESTIVAL, INC.

Statements of Cash Flows

for the years ended

	<u>December 31</u>	
	<u>2018</u>	<u>2017</u>
<u>Cash Flow from Operating Activities:</u>		
Change in Net Assets	\$ 297,897	\$ (166,321)
Adjustment to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation	55,795	50,770
Change in unrealized adjustment on investments	(20)	(3,900)
Realized gains on investments	166	(476)
(Increase) Decrease in:		
Accounts receivable	13,004	3,657
Prepaid expenses	(1,835)	(7,705)
Security deposits	(7,482)	8,551
Increase (Decrease) in:		
Accounts payable and accrued expenses	(196,846)	196,940
Advance box office sales	36,628	(55,956)
Net Cash Provided by Operating Activities	197,307	25,560
<u>Cash Flows from Investing Activities:</u>		
Stock proceeds	54,745	32,873
Donated stock	(54,911)	(32,397)
(Purchases) of property and equipment	(38,487)	(114,569)
Net Cash (Used) by Investing Activities	(38,653)	(114,093)
<u>Cash Flows from Financing Activities:</u>		
Repayment of debt	(819,274)	(585,772)
Loan advances	646,126	599,791
Net Cash (Used) Provided by Financing Activities	(173,148)	14,019
Net (Decrease) in Cash and Cash Equivalents	(14,494)	(74,514)

Continued

See Independent Auditors' Report and
Notes to Financial Statements

BAY STREET THEATRE FESTIVAL, INC.

Statements of Cash Flows

for the years ended

	<u>December 31</u>	
	<u>2018</u>	<u>2017</u>
Cash and Cash Equivalents, beginning of year	<u>457,745</u>	<u>532,259</u>
Cash and Cash Equivalents, end of year	<u>\$ 443,251</u>	<u>\$ 457,745</u>
Supplemental Disclosures:		
Interest paid	\$ 13,856	\$ 13,553
Taxes paid	125	125
Non-cash donations:		
Stock	54,911	32,397
Other	17,157	-

See Independent Auditors' Report and
Notes to Financial Statements

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 1 - Nature of Organization

Bay Street Theatre Festival, Inc. (the Organization) was incorporated under the laws of New York State on August 14, 1991 and operates as a nonprofit organization. The mission is to provide theatrical, cultural, educational events and programs for the benefit of the general public.

Note 2 - Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 28, 2019, the date that the financial statements were available to be issued.

Note 3 - Summary of Significant Accounting Policies

This summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who are responsible for their integrity and objectivity.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The organization has adjusted the presentation of these statements accordingly.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the organization to report information regarding its financial position and activities according to the following net asset classifications:

See Independent Auditors' Report.

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 3 - Continued

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, where by 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.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management may make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the revenue and expenses during the reported periods. Accordingly, actual results could differ from those estimates.

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 3 - Continued

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with original maturity of three months or less to be cash equivalents, including restricted funds. Cash consists of the following:

	<u>December 31</u>	
	<u>2018</u>	<u>2017</u>
Unrestricted:		
Actors equity-unrestricted	\$ 7,310	\$ 21,702
Box Office bank	200	200
Petty cash	23	23
Concessions' bank	800	1,000
Operating	90,775	105,084
Merrill Lynch cash	178,048	-
Total Unrestricted Cash	<u>\$ 277,156</u>	<u>\$ 128,009</u>
Restricted:		
Line of credit restricted funds	\$ 63,890	\$ 263,164
Actors equity bond	18,816	22,572
Restricted donations	83,389	44,000
Total Restricted Cash	<u>\$ 166,095</u>	<u>\$ 329,736</u>
Total Cash and Cash Equivalents	<u>\$ 443,251</u>	<u>\$ 457,745</u>

Concentration of Credit Risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Organization deposits its cash and cash equivalents with what it believes to be quality financial institutions. The Organization believes no significant concentration of credit risk exists with respect to its cash and cash equivalents. The balances have exceeded the federally insured limit at times during the year.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

See Independent Auditors' Report

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 3 - Continued

Accounts Receivable

Accounts receivable are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of the individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2018 and 2017, there are no accounts receivable allowances. Nothing has been written off to bad debt in 2018 and \$4,996 has been written off in 2017.

Property, Equipment and Depreciation

Expenditures for property and equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a 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 statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 3 - Continued

In Kind Donations and Services

In kind donations are recorded at fair value at the date of donation. For the years ended December 31, 2018 and 2017 there was \$72,068 and \$32,397 respectively for in kind donations.

A substantial number of volunteers have made significant contributions of their time in furtherance of the organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Barter Agreements

The Organization has entered into several barter agreements with various vendors. The vendors provide goods and or services in exchange for either advertising in the Playbill or tickets to a show or event. The total barter agreements for the years ending December 31, 2018 and 2017 were valued at approximately \$32,650 and \$38,650 respectively. The transactions are included in the statements of activities and functional expenses.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services 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. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Payroll, taxes and benefits	Percentage of time spent
Office expenses	Percentage of time spent
Occupancy	Percentage of square footage
Computer services	Percentage of square footage
Repairs and maintenance	Percentage of square footage
Insurance	Percentage of square footage
Telephone	Percentage of square footage
Depreciation	Percentage of square footage

Advertising Expense

The Organization expenses advertising when the advertisements are made. Advertising was \$291,354 and \$288,507 respectively for the years ended December 31, 2018 and 2017.

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BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 3 - Continued

Summarized Financial Information for 2017

The financial statements include prior year summarized comparative information in total but not by net asset class in the Statement of Activities. In addition, prior year expenses are shown by natural expenses on the Statement of Functional Expenses and only in total by functional expense. Such information does not include sufficient detail to constitute a presentation in conformity with United States generally accepted accounting principles. Accordingly, such information should only be read in conjunction with the Organization's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

Note 4 - Availability and Liquidity

The following represents the organization's financial assets at December 31, 2018:

Financial assets at year end:	
Cash and cash equivalents	\$ 443,251
Investments	45,960
Accounts receivable	<u>3,688</u>
Total Financial Assets	<u>\$ 492,899</u>
Less financial assets not available to be used within one year:	
Net assets with donor restrictions	83,389
Equity bond	18,816
Line of credit restrictions	<u>63,890</u>
Financial assets not available to be used within one year	<u>166,095</u>
Financial assets available to meet the cash needs for general expenditures within one year of the date of the statement of financial position	<u>\$ 326,804</u>

The organization maintains financial assets to meet operating expenses. As part of its liquidity plan, excess cash, if any, is invested in short-term investments, including money market accounts and publicly traded securities. The organization also has a \$350,000 line of credit available to meet cash flow needs.

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 5 - Tax Exempt Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

There was no unrelated business income for the year ended December 31, 2018. Accordingly, no provision for Federal or State income taxes is required. As of December 31, 2018, no amounts have been recognized for uncertain income tax positions. The Organization's tax returns for the year 2015 and forward are subject to the usual review by the appropriate taxing authorities.

Note 6 - Investments and Fair Value Measurements

Fair values for investments are determined by reference to quoted market prices for similar investments, yield curves, and other relevant information. There were no changes in valuation techniques in the year ended December 31, 2018. The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the year ended December 31, 2018.

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

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BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 6 - Continued

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

The Organization's investments consist solely of equity securities which are considered Level 1 investments. The relationship between carrying values and fair values of investments as of December 31, 2018, is as follows:

	Carrying Value	Fair Value	Unrealized Gain (Loss)
Balance, beginning of year	\$ 31,293	\$ 45,940	\$ 14,647
Balance, end of year	31,293	45,960	<u>14,667</u>
Change in unrealized gains/(losses)			<u>\$ 20</u>

Note 7 - Property, equipment and leasehold improvements are summarized as follows:

	<u>December 31</u>	
	<u>2018</u>	<u>2017</u>
Transportation equipment	\$ 26,391	\$ 26,391
Office and theatrical equipment	247,504	209,017
Furniture and fixtures	66,388	66,388
Leasehold improvements	717,530	717,530
Less: Accumulated depreciation and amortization	<u>(651,230)</u>	<u>(595,435)</u>
Net Property and Equipment	<u>\$ 406,583</u>	<u>\$ 423,891</u>

Note 8 - Advance Box Office Sales

The Organization received \$253,446 and \$216,818 respectively as of December 31, 2018 and 2017 on advance ticket sales for the following session. As each production is presented, the portion of advance ticket sales that pertains to that production will be recognized as revenue. In the event any of the scheduled productions for the 2018 season are not presented, the advance ticket sales will be refunded or substituted for another production.

See Independent Auditors' Report

BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 9 - Line of Credit

On February 6, 2017, the Theatre obtained a revolving line of credit with Bridgehampton National Bank for \$350,000 which is secured by cash and securities in the Merrill Lynch investment account. The line matured July 1, 2018 and was renewed with the same terms expiring July 1, 2020. As of December 31, 2018, the advanced principal balance was \$63,890.

Note 10 - Capital Leases

In 2017, the Organization paid off two capital leases that were obtained in 2013 for computer equipment purchased from Dell Financial Services and Zones Inc. Both lease agreements contained a bargain purchase option at the end of the lease term and the equipment was purchased in 2017 as part of the agreement. The computer equipment is recorded in the Organization's assets.

Following is a summary of these assets included in Property, Equipment and Leasehold Improvements:

	<u>December 31</u>	
	<u>2018</u>	<u>2017</u>
Office and theatrical equipment	\$ 15,809	\$ 15,809
Less: Accumulated depreciation	<u>(15,809)</u>	<u>(15,265)</u>
Total	<u>\$ -</u>	<u>\$ 544</u>

Note 11 - Note Payable

In 2017, the Theatre paid off a promissory note that was signed on May 22, 2014, to enable the purchase of theatre equipment. The note was secured by the equipment and an investment account at Merrill Lynch. The loan was payable monthly over forty-eight months and the monthly principal and interest payments were \$782 with an interest rate of 5.25%.

Note 12 - Loan Payable - Board Member

In 2018, a board member loaned the organization funds to obtain the required actors equity bond. In 2019, \$20,000 of the balance was donated to the organization and the remaining balance was repaid.

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BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 13 - Net Assets

Net assets with donor restrictions are as follows at December 31, 2018:

Specific Purpose:		
Will's new musical	\$	18,389
Time Restrictions:		
Grants received for 2019		<u>65,000</u>
Total Nets Assets with Donor Restrictions	\$	<u>83,389</u>

Funds with donor restrictions consist of unexpended balances on funds received for specific purposes and also of grants received in the current year for future years.

Net assets without donor restrictions are as follows at December 31, 2018:

Undesignated	\$	429,565
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Net assets released from net assets with donor restrictions are as follows at December 31, 2018:

Specific Purpose:		
Will's new musical	\$	22,111
Time restrictions		<u>30,000</u>
Total Net Assets Released from Restrictions	\$	<u>52,111</u>

Note 14 - Lease Commitments

- The Organization is obligated under the terms of a lease agreement dated June 1, 2002 covering its facilities in Sag Harbor, New York. The lease has been extended effective June 1, 2016 through May 31, 2023. In addition, the Organization is required to pay approximately \$226 per month for additional real estate tax adjustments over the base period established.

The future lease obligations are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Amount</u>
2019	\$ 210,000
2020	210,000
2021	210,000
2022	210,000
2023 (five months)	<u>87,500</u>
Total	<u>\$ 927,500</u>

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BAY STREET THEATRE FESTIVAL, INC.

Notes to Financial Statements

December 31, 2018

Note 14 - Continued

- The Organization also leases additional space for designing, building and painting sets for productions. The lease is for five years beginning September 1, 2018 through August 31, 2023.

The future lease obligations are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Amount</u>
2019	\$ 48,000
2020	48,000
2021	48,000
2022	48,000
2023 (eight months)	<u>32,000</u>
Total	<u>\$ 224,000</u>

Note 15 - Related Parties

Members of the Board of Trustees have provided financial support to the Organization in the amount of \$814,769 and \$752,558 respectively for the years ended December 31, 2018 and 2017.

Note 16 - Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.