Travellers' Rest Historic House Museum, Inc. and Affiliate

COMBINING FINANCIAL STATEMENTS

June 30, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Travellers' Rest Historic House Museum, Inc.
Nashville, Tennessee

We have audited the accompanying combining financial statements of Travellers' Rest Historic House Museum, Inc. and Affiliate (a nonprofit organization), which comprise the combining statements of financial position as of June 30, 2020 and 2019, and the related combining statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combining financial statements.

Management's Responsibility for the Combining Financial Statements

Management is responsible for the preparation and fair presentation of these combining 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 combining 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 combining 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 audit to obtain reasonable assurance about whether the combining financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combining financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combining 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 combining 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 combining 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 combining financial statements referred to above present fairly, in all material respects, the financial position of Travellers' Rest Historic House Museum, Inc. and Affiliate as of June 30, 2020 and 2019, and the changes in their net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Nashville, Tennessee
September 13, 2021

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Financial Position

June 30,				**2020**
	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Assets				
Cash	$ -	$ 279,052	$ -	$ 279,052
Promises to give	-	-	-	-
Investments	182,802	-	1,961,899	2,144,701
Other assets	6,370	-	-	6,370
Property and equipment	543,809	-	-	543,809
Collections - Note 13	-	-	-	-
Total assets	$ 732,981	$ 279,052	$ 1,961,899	$ 2,973,932
Liabilities				
Accounts payable and accrued expenses	$ 26,801	$ -	$ -	$ 26,801
Due to (from) other funds	58,903	(58,903)	-	-
Deferred revenue	26,831	-	-	26,831
Paycheck Protection Program loan	45,577	-	-	45,577
Total liabilities	158,112	(58,903)	-	99,209
Net Assets				
Without donor restrictions	574,869	-	-	574,869
With donor restrictions	-	337,955	1,961,899	2,299,854
Total net assets	574,869	337,955	1,961,899	2,874,723
Total liabilities and net assets	$ 732,981	$ 279,052	$ 1,961,899	$ 2,973,932

The accompanying notes are an integral part of these combined financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Financial Position

June 30,				2019
	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Assets				
Cash	$ 56,614	$ 370,922	$ -	$ 427,536
Promises to give	-	49,853	-	49,853
Investments	191,095	-	2,025,083	2,216,178
Other assets	3,962	-	-	3,962
Property and equipment	610,967	-	-	610,967
Collections - Note 12	-	-	-	-
Total assets	$ 862,638	$ 420,775	$ 2,025,083	$ 3,308,496
Liabilities				
Accounts payable and accrued expenses	$ 31,259	$ -	$ -	$ 31,259
Due to (from) other funds	-	-	-	-
Deferred revenue	55,521	-	-	55,521
Paycheck Protection Program loan	-	-	-	-
Total liabilities	86,780	-	-	86,780
Net Assets				
Without donor restrictions	775,858	-	-	775,858
With donor restrictions	-	420,775	2,025,083	2,445,858
Total net assets	775,858	420,775	2,025,083	3,221,716
Total liabilities and net assets	$ 862,638	$ 420,775	$ 2,025,083	$ 3,308,496

The accompanying notes are an integral part of these combined financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Activities

For the Year Ended June 30, **2020**

	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Support and Revenue				
Contributions and grants	$ 103,443	$ 31,900	$ -	$ 135,343
Admissions	16,185	-	-	16,185
Museum Shop sales	4,468	-	-	4,468
Educational activity programs	57,395	-	-	57,395
Education Center rental income	79,495	-	-	79,495
Investment return designated for operations	4,982	-	62,376	67,358
Net assets released from restrictions	177,096	(114,720)	(62,376)	-
Total support and revenues	443,064	(82,820)	-	360,244
Expenses				
Program expenses				
Education and interpretation	121,620	-	-	121,620
Building maintenance	35,781	-	-	35,781
Collections	17,255	-	-	17,255
Education Center rental expenses	62,505	-	-	62,505
Grounds	36,150	-	-	36,150
Museum Shop	12,265	-	-	12,265
Other	119,714	-	-	119,714
Total program expenses	405,290	-	-	405,290
Supporting services				
Management and general	171,011	-	-	171,011
Fundraising	63,334	-	-	63,334
Total expenses	639,635	-	-	639,635
Net change in net assets from operations	(196,571)	(82,820)	-	(279,391)
Other Changes in Net Assets				
Investment return under the amount designated for operations	(4,418)	-	(63,184)	(67,602)
Net change in net assets	(200,989)	(82,820)	(63,184)	(346,993)
Net assets at beginning of year	775,858	420,775	2,025,083	3,221,716
Net assets at end of year	$ 574,869	$ 337,955	$ 1,961,899	$ 2,874,723

The accompanying notes are an integral part of these combining financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Activities

For the Year Ended June 30, 2019

	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Support and Revenue				
Contributions and grants	$ 44,158	$ 107,600	$ 47,949	$ 199,707
Admissions	34,027	-	-	34,027
Museum Shop sales	7,827	-	-	7,827
Educational activity programs	93,272	-	-	93,272
Education Center rental income	102,053	-	-	102,053
Investment return designated for operations	6,121	-	54,200	60,321
Net assets released from restrictions	233,224	(179,024)	(54,200)	-
Total support and revenues	520,682	(71,424)	47,949	497,207
Expenses				
Program expenses				
Education and interpretation	120,691	-	-	120,691
Building maintenance	46,944	-	-	46,944
Collections	33,920	-	-	33,920
Education Center rental expenses	53,827	-	-	53,827
Grounds	31,045	-	-	31,045
Museum Shop	19,486	-	-	19,486
Other	125,371	-	-	125,371
Total program expenses	431,284	-	-	431,284
Supporting services				
Management and general	177,577	-	-	177,577
Fundraising	42,948	-	-	42,948
Total expenses	651,809	-	-	651,809
Net change in net assets from operations	(131,127)	(71,424)	47,949	(154,602)
Other Changes in Net Assets				
Investment return under the amount designated for operations	(3,029)	-	(32,787)	(35,816)
Net change in net assets	(134,156)	(71,424)	15,162	(190,418)
Net assets at beginning of year	910,014	492,199	2,009,921	3,412,134
Net assets at end of year	$ 775,858	$ 420,775	$ 2,025,083	$ 3,221,716

The accompanying notes are an integral part of these combining financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Functional Expenses

For the Year Ended June 30, **2020**

Expenses	Education and Interpretation	Building Maintenance	Collections	Education Center Rental	Grounds	Museum Shop	Other	Total Program	Management and General	Fundraising	Total Expenses
Salaries	$ 94,909	$ -	$ 16,035	$ 34,141	$ -	$ 9,390	$ -	$ 154,475	$ 56,825	$ 44,253	$ 255,553
Payroll taxes	7,223	-	1,220	2,598	-	715	-	11,756	4,324	3,368	19,448
Advertising and brochures	-	-	-	-	-	-	-	-	17,131	-	17,131
Annual giving	-	-	-	-	-	-	-	-	-	2,743	2,743
Business fees and property taxes	-	-	-	-	-	-	-	-	536	-	536
Cleaning	-	-	-	9,266	-	-	-	9,266	-	-	9,266
Conferences and travel	-	-	-	-	-	-	-	-	520	-	520
Conservation and cataloging	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold	-	-	-	-	-	2,160	-	2,160	-	-	2,160
Depreciation	-	-	-	-	-	-	93,342	93,342	5,784	-	99,126
Discretionary fund	-	-	-	-	-	-	-	-	632	-	632
Fundraising events	-	-	-	-	-	-	-	-	-	6,573	6,573
Insurance	-	-	-	-	-	-	26,372	26,372	18,138	6,397	50,907
Maintenance	-	-	-	-	36,150	-	-	36,150	-	-	36,150
Maintenance of systems	-	5,333	-	-	-	-	-	5,333	-	-	5,333
Materials	-	614	-	-	-	-	-	614	-	-	614
Miscellaneous	-	-	-	-	-	-	-	-	1,134	-	1,134
Office expense and telephone	-	-	-	-	-	-	-	-	26,515	-	26,515
Other	-	-	-	16,500	-	-	-	16,500	-	-	16,500
Professional affiliations	-	-	-	-	-	-	-	-	817	-	817
Professional services	-	-	-	-	-	-	-	-	28,938	-	28,938
Security	-	2,920	-	-	-	-	-	2,920	-	-	2,920
Special programs	19,488	-	-	-	-	-	-	19,488	-	-	19,488
Technology	-	-	-	-	-	-	-	-	9,717	-	9,717
Utilities and waste removal	-	26,914	-	-	-	-	-	26,914	-	-	26,914
Total expenses	$ 121,620	$ 35,781	$ 17,255	$ 62,505	$ 36,150	$ 12,265	$ 119,714	$ 405,290	$ 171,011	$ 63,334	$ 639,635

The accompanying notes are an integral part of these combining financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Functional Expenses

For the Year Ended June 30, 2019

Expenses	Education and interpretation	Building Maintenance	Collections	Education Center Rental	Grounds	Museum Shop	Other	Total Program	Management and General	Fundraising	Total Expenses
Salaries	$ 88,380	$ -	$ 22,245	$ 33,724	$ -	$ 14,152	$ -	$ 158,501	$ 36,855	$ 28,044	$ 223,400
Payroll taxes	6,634	-	1,670	233	-	1,062	-	9,599	2,767	4,404	16,770
Advertising and brochures	-	-	-	-	-	-	-	-	14,466	-	14,466
Annual giving	-	-	-	-	-	-	-	-	-	1,348	1,348
Business fees and property taxes	-	-	-	-	-	-	-	-	536	-	536
Cleaning	-	-	-	10,289	-	-	-	10,289	-	-	10,289
Conferences and travel	-	-	-	-	-	-	-	-	-	-	-
Conservation and cataloging	-	-	10,005	-	-	-	-	10,005	-	-	10,005
Cost of goods sold	-	-	-	-	-	4,272	-	4,272	-	-	4,272
Depreciation	-	-	-	-	-	-	99,721	99,721	5,248	-	104,969
Discretionary fund	-	-	-	-	-	-	-	-	1,839	-	1,839
Fundraising events	-	-	-	-	-	-	-	-	-	4,101	4,101
Insurance	-	-	-	-	-	-	25,650	25,650	17,959	5,051	48,660
Maintenance	-	-	-	-	31,045	-	-	31,045	-	-	31,045
Maintenance of systems	-	14,235	-	-	-	-	-	14,235	-	-	14,235
Materials	-	308	-	-	-	-	-	308	-	-	308
Miscellaneous	-	-	-	-	-	-	-	-	291	-	291
Office expense and telephone	-	-	-	-	-	-	-	-	32,255	-	32,255
Other	-	-	-	9,581	-	-	-	9,581	-	-	9,581
Professional affiliations	-	-	-	-	-	-	-	-	1,225	-	1,225
Professional services	-	-	-	-	-	-	-	-	54,775	-	54,775
Security	-	2,060	-	-	-	-	-	2,060	-	-	2,060
Special programs	25,677	-	-	-	-	-	-	25,677	-	-	25,677
Technology	-	-	-	-	-	-	-	-	9,361	-	9,361
Utilities and waste removal	-	30,341	-	-	-	-	-	30,341	-	-	30,341
Total expenses	$ 120,691	$ 46,944	$ 33,920	$ 53,827	$ 31,045	$ 19,486	$ 125,371	$ 431,284	$ 177,577	$ 42,948	$ 651,809

The accompanying notes are an integral part of these combining financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Cash Flows

For the Year Ended June 30, **2020**

	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Operating Activities				
Change in net assets	$ (200,989)	$ (82,820)	$ (63,184)	$ (346,993)
Adjustment to reconcile change in net assets to Net cash provided by (used in) by operating activities				
Depreciation	99,126	-	-	99,126
Losses (gains) on investments	2,497	-	24,667	27,164
Changes in operating assets and liabilities:				
Accounts receivable	-	-	-	-
Promises to give	-	49,853	-	49,853
Other assets	(2,408)	-	-	(2,408)
Accounts payable and accrued expenses	(4,458)	-	-	(4,458)
Due to (from) other funds	58,903	(58,903)	-	-
Deferred revenue	(28,690)	-	-	(28,690)
Net cash provided by (used in) by operating activities	(76,019)	(91,870)	(38,517)	(206,406)
Investing Activities				
Purchases of property and equipment	(31,968)	-	-	(31,968)
Purchases of investments	(121,015)	-	(1,262,186)	(1,383,201)
Proceeds from sales and maturities of investments	126,811	-	1,300,703	1,427,514
Net cash provided by (used in) by investing activities	(26,172)	-	38,517	12,345
Financing Activities				
Proceeds from Paycheck Protection Program loan	45,577	-	-	45,577
Net cash provided by (used in) by financing activities	45,577	-	-	45,577
Net change in cash and cash equivalents	(56,614)	(91,870)	-	(148,484)
Cash and cash equivalents at beginning of year	56,614	370,922	-	427,536
Cash and cash equivalents at end of year	$ -	$ 279,052	$ -	$ 279,052

The accompanying notes are an integral part of these combining financial statements.

Travellers' Rest Historic House Museum, Inc. and Affiliate
Combining Statements of Cash Flows

For the Year Ended June 30,				2019
	Travellers' Rest		NSCDA-TN Foundation	
	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Total
Operating Activities				
Change in net assets	$ (134,156)	$ (71,424)	$ 15,162	$ (190,418)
Adjustment to reconcile change in net assets to Net cash provided by (used in) by operating activities				
Depreciation	104,969	-	-	104,969
Losses (gains) on investments	644	-	1,724	2,368
Changes in operating assets and liabilities:				
Accounts receivable	2,800	-	-	2,800
Promises to give	-	97,525	-	97,525
Other assets	8,812	-	-	8,812
Accounts payable and accrued expenses	(8,187)	-	-	(8,187)
Due to (from) other funds	-	-	-	-
Deferred revenue	(10,868)	-	-	(10,868)
Net cash provided by (used in) by operating activities	(35,986)	26,101	16,886	7,001
Investing Activities				
Purchases of property and equipment	(22,711)	-	-	(22,711)
Purchases of investments	(456,901)	-	(3,759,797)	(4,216,698)
Proceeds from sales and maturities of investments	504,152	-	3,742,911	4,247,063
Net cash provided by (used in) by investing activities	24,540	-	(16,886)	7,654
Financing Activities				
Proceeds from Paycheck Protection Program loan	-	-	-	-
Net cash provided by (used in) by financing activities	-	-	-	-
Net change in cash and cash equivalents	(11,446)	26,101	-	14,655
Cash and cash equivalents at beginning of year	68,060	344,821	-	412,881
Cash and cash equivalents at end of year	$ 56,614	$ 370,922	$ -	$ 427,536

The accompanying notes are an integral part of these combining financial statements.

Note 1: NATURE OF OPERATIONS

In November 1988, the National Society of The Colonial Dames of America in the State of Tennessee ("NSCDA-TN") voted to establish a separate corporation named Travellers' Rest Historic House Museum, Inc. ("Travellers' Rest") to operate and maintain the Travellers' Rest site. The Travellers' Rest site is the 1799 home of Judge John Overton, one of Tennessee's most influential citizens in the late 18th and early 19th century. Travellers' Rest leases the site from the NSCDA-TN and operates the historic house located in Nashville, Tennessee. Travellers' Rest's primary sources of revenue are contributions, admissions, site rentals, and educational programs.

The combining financial statements include the accounts of Travellers' Rest and The National Society of The Colonial Dames of America in Tennessee Foundation for Travellers' Rest (the NSCDA-TN Foundation), which are collectively referred to as the "Museum". The NSCDA-TN Foundation is a separate trust that was established by NSCDA-TN. Although the NSCDA-TN's authorization is required for all expenditures from the NSCDA-TN Foundation, they have delegated this authority to Travellers' Rest for net assets with donor restrictions. The funds in the NSCDA-TN Foundation are restricted for the maintenance, repair, upkeep, and improvement of the Travellers' Rest site. Significant intercompany transactions and balances have been eliminated in the combination.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying combining financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the combining financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly-liquid investments with an original maturity of 90 days or less, except for those held for long-term investment. Cash and cash equivalents that are designated for long-term investment and included in brokerage accounts are included in Investments in the combining statements of financial position.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give

Conditional promises to give are not recognized in the combining 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.

Investments

The Museum reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the combining statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combining statement 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.

In the combining statement of activities, the Museum includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Investment income earned in excess of the Museum's aggregate authorized spending amount, which includes net realized and unrealized gains and losses, interest and dividend income, and investment expenses, and contributions to net assets with donor restrictions are recognized as nonoperating support, revenues, gains, and losses.

Investment income derived from the Museum's investments is included in operating activities in the combining statements of activities based on a spending rule of 3.5% to 4.1%, as this income is used to offset the Museum's operating expenses. All other investment return is considered non-operating.

Property and Equipment

All acquisitions of property and equipment in excess of $1,000 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.

The Travellers' Rest site is leased to Travellers' Rest from NSCDA-TN for one dollar per year for 99 years. The lease expires in December 2089. The lease has a provision that the property must be used as an historical shrine. In the event Travellers' Rest does not use the property as an historical shrine, the lease automatically terminates. Due to the nominal rental, the restrictions placed on the property, and the difficulty in estimating fair value, the property is not recorded on the books of the Museum. However, the cost of Travellers' Rest's improvements to the property are capitalized and amortized.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets

The Museum reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Museum, the environment in which it operates, the purposes specified in it corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve, deaccession proceeds reserve, and a collections reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the combining financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

The Museum recognizes revenue from admissions, museum shop sales, educational activity programs, and education center rental revenues when persuasive evidence of an arrangement exists, delivery of products has occurred, the sales price is fixed or determinable and collectability is reasonably assured.

Contributions are recognized when cash, 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 or the donor has explicitly released the restriction.

Donated Assets

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

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Museum. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the combining financial statements since the recognition criteria were not met.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on a fixed percentage.

Advertising

The Museum uses advertising to promote its programs among the audiences it serves. Advertising are expensed as incurred. During the years ended June 30, 2020 and 2019, advertising costs totaled $17,131 and $14,466, respectively.

Income Taxes

Both Travellers' Rest and NSCDA-TN Foundation qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. In addition, they qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations under Section 509(a)(2).

The Museum utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the combining financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2020 and 2019, the Musuem has no uncertain tax provisions that qualify for recognition or disclosure in the combining financial statements. The Museum believes it is no longer subject to income tax examinations for years prior to 2017.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the combining financial statements were available to be issued, September 13, 2021. See Note 15 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these combining financial statements.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements

Accounting Standards Update 2016-01

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which addresses certain aspects of the recognition, measurement, presentation and disclosure of financial instruments. For non-public entities, the ASU is effective for fiscal years beginning after December 15, 2018. Thus, on July 1, 2019, the Museum adopted the provisions of this ASU, which did not have a material impact on its combining financial statements.

Accounting Standards Update 2018-08

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This new guidance is effective for transactions in which the Museum serves as a resource recipient for fiscal years beginning after December 15, 2018. Thus, on July 1, 2019 the Museum applied the provisions of this ASU on a modified prospective basis, which did not have a material impact on its combining financial statements.

Accounting Pronouncements Not Yet Adopted

Accounting Standards Update 2014-09

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments will supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance. For nonpublic entities that have not yet applied the revenue recognition standard are permitted to do so for annual reporting periods beginning after December 15, 2019, and interim reporting periods within annual reporting periods beginning after December 15, 2020. The Museum is currently evaluating the impact of the guidance on its combining financial statements.

Accounting Standards Update 2016-02

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Museum is currently evaluating the impact of the guidance on its combining financial statements.

Note 3: GOING CONCERN CONSIDERATIONS

The combining financial statements were prepared on a going concern basis. The going concern basis assumes that the Museum will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations.

At the onset of the COVID-19 pandemic in March 2020, the Museum was required to be closed to the general public for most of the 2020 calendar year. As a result, the Museum was forced to cancel or reschedule educational activity programs and education center rentals. During the year ended June 30, 2020, the Museum had a decrease in net assets of $346,993 and negative cash flow from operating activities of $206,406. The Museum's cash balance at June 30, 2020 consisted entirely of net assets with donor restrictions. The Museum spent $58,903 of net asset with donor restrictions for unrestricted purposes, which is included on the combining statement of financial position at June 30, 2020 as due to other funds. The Museum also relies upon its investment return from the endowment funds within the NSCDA-TN Foundation to fund maintenance, repair, upkeep, and improvement of the Travellers' Rest site. The net investment loss for the year ended June 30, 2020 was $244.

The Museum experienced an increase in net assets for the year ending June 30, 2021 due to reopening, receiving additional support from its donors, the forgiveness of the 2020 Paycheck Protection Plan (PPP) loan of $45,577, the receipt and of a second $66,295 PPP loan in April 2021 and the related forgiveness of that loan, and a significant increase in the overall stock market during the year ending June 30, 2021. At June 30, 2020 the Foundation had approximately $1,290,000 in funds that can be used for operations the Travellers' Rest site and the Museum had approximately $183,000 in board designated funds that could be that the board could redirect to operations.

In May 2021, the Museum was allowed to reopen to the general public which allowed for additional rental contracts for its Education Center to be entered into, offering tours of its Museum and grounds, and educational activity programs. The Museum has a development plan to increase donations in support of its programs beginning in the year ending June 30, 2022. Management believes it has sufficient liquid assets to operate for the foreseeable future.

Note 4: FINANCIAL ASSET AVAILABILITY

The Museum maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Museum's expenditures come due. The following reflects the Museum's financial assets as of the combining statement of financial position date, reduced by amounts not available for general use within one year of the combining statement of financial positon date because of contractual or donor-imposed restrictions.

Note 4: FINANCIAL ASSET AVAILABILITY (continued)

The following reflects the Museum's financial assets as of June 30, 2020, including the amounts not available within one year of the balance sheet date:

June 30,	**2020**	2019
Total assets at year end	**$ 2,973,932**	$ 3,308,496
Less: non-financial assets		
Other assets	**(6,370)**	(3,962)
Property and equipment	**(543,809)**	(610,967)
Financial assets, at year end	**$ 2,423,753**	$ 2,693,567
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	**(2,253,616)**	(2,399,620)
Restricted by donor to be held in perpetuity	**(46,238)**	(46,238)
Board designations:		
Board-designated endowment - general	**(182,802)**	(191,095)
Financial assets available to meet cash needs for general expenditures within one year	**$ (58,903)**	$ 56,614

The Museum is principally supported by contributions and grants, fees charged for the services it provides, and its return on investments. The goal of the Museum is to maintain available financial assets to meet its next 90 days of operating expenses of approximately $128,000. The Museum obtained a PPP loan of $45,577 during 2020 (see note 8), and obtained an additional PPP loan of $66,295 during 2021 (see note 15). See also Note 3 for information on restricted assets that are available.

Note 5: PROMISES TO GIVE

Promises to give consists of the following:

June 30,	**2020**	2019
Promises to give - due in one year	**$ -**	$ 52,475
Less: unamortized discount, at 1.79%	**-**	(2,622)
Total promises to give	**$ -**	$ 49,853

Management believes the promises to give were fully collectible, and thus, no allowance for uncollectible promises to give was considered necessary at June 30, 2019.

Note 6: INVESTMENTS

Investments consist of the following:

June 30,	**2020**	
	Cost	Market Value
Short-term investments	**$ 163,026**	**$ 163,026**
Corporate bonds	**9,067**	**9,475**
U.S. Treasury and agency bonds	**96,219**	**94,424**
Common trust funds	**1,812,370**	**1,877,776**
Total investments	**$ 2,080,682**	**$ 2,144,701**

June 30,	2019	
	Cost	Market Value
Short-term investments	$ 143,202	$ 143,202
Mutual funds – bonds	194,707	192,422
Corporate bonds	9,084	9,147
Common stocks and mutual funds - equities	130,491	138,924
Common trust funds	1,646,585	1,732,483
Total investments	$ 2,124,069	$ 2,216,178

Note 7: PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

June 30,	*Estimated Useful Lives (in years)*	**2020**	2019
Education Center	5-25	**$ 770,082**	$ 774,282
Equipment	3-15	**145,363**	135,875
Leasehold improvements	7-25	**498,080**	489,015
Restoration costs	4-25	**750,814**	733,199
		2,164,339	2,132,371
Less: accumulated depreciation		**(1,631,130)**	(1,532,004)
		533,209	600,367
Land	Indefinite	**10,600**	10,600
Total property and equipment		**$ 543,809**	$ 610,967

Note 7: PROPERTY AND EQUIPMENT (continued)

Depreciation expense for the years ended June 30, 2020 and 2019 amounted to $99,126 and $104,969, respectively.

Note 8: PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, in response to the global pandemic, the Museum applied for and received a $45,577 loan through the Paycheck Protection Program (PPP) under the CARES Act from the Small Business Administration. The outstanding balance on the loan was $45,577 on June 30, 2020, was unsecured and accrued interest at 1% per annum.

Maturities of long-term debt subsequent to June 30, 2020 are as follows:

For the years ending June 30,	
2021	$ 20,275
2022	25,302
Total	$ 45,577

See note 14 for disclosure of subsequent events regarding PPP loans.

Note 9: NET ASSETS

Net assets without donor restrictions consist of the following:

June 30,	**2020**	2019
Undesignated	**$ 392,067**	$ 584,763
Board-designated:		
Endowment	**134,049**	133,698
Surplus	**14,000**	14,000
Gee fund	**7,803**	16,447
Collections	**11,802**	11,802
Deaccession proceeds	**15,148**	15,148
Total board-designated net assets	**182,802**	191,095
Total net assets without donor restrictions	**$ 574,869**	$ 775,858

Note 9: NET ASSETS (continued)

Net assets with donor restrictions consist of the following:

June 30,	**2020**	2019
Purpose restrictions:		
NSCDA –TN Foundation net assets - maintenance, upkeep and improvements of Travellers' Rest repair	**$ 1,915,661**	$ 1,978,845
Elizabeth Craig Weaver Proctor Charitable Foundation	**-**	11,202
Anne Hardeman & Combs L. Fort Fund	**53,231**	47,856
Robert & Ruth Warner Fund	**9,462**	9,462
Robinson Foundation - The Elizabeth Wade Craig Memorial Fund	**235,305**	202,040
Contra Foundation	**650**	6,000
Other projects with purpose restrictions	**39,307**	94,362
Time restrictions:		
Contributions receivable in future periods	**-**	49,853
Perpetual in nature:		
NSCDA –TN Foundation net assets - Henrietta Weaver Jackson Garden Fund	**46,238**	46,238
Total net assets with donor restrictions	**$ 2,299,854**	$ 2,445,858

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors, and consist of the following:

For the Years Ended June 30,			**2020**
	Travellers' Rest	NSCDA-TN Foundation	Total
Purpose restrictions accomplished:			
Program expenditures	**$ 67,152**	**$ 62,376**	**$ 129,528**
Time restrictions expired:			
Passage of specified time	**47,568**	**-**	**47,568**
Total net assets released from donor restrictions	**$ 114,720**	**$ 62,376**	**$ 177,096**

Note 9: NET ASSETS (continued)

For the Years Ended June 30,			**2019**
	Travellers' Rest	NSCDA-TN Foundation	Total
Purpose restrictions accomplished:			
Program expenditures	**$ 55,335**	**$ 54,200**	**$ 109,535**
Time restrictions expired:			
Passage of specified time	**123,689**	**-**	**123,689**
Total net assets released from donor restrictions	**$ 179,024**	**$ 54,200**	**$ 233,224**

Note 10: ENDOWMENT

The Museum's investment accounts consist of seven individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Museum's Board of Directors has designated $182,802 and $191,095 of unrestricted net assets at June 30, 2020 and 2019, respectively, as funds functioning as an endowment to support the mission of the Museum. Since that amount resulted from an internal designation by the board of directors and is not donor-restricted, it is classified and reported as net assets without donor restrictions – board-designated.

Interpretation of Relevant Law - The Board of Directors has interpreted the Tennessee Uniform Prudent Management of Institutional Funds Act (TN UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Museum classifies as net assets with donor restrictions that are required to be held permanently (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is subject to appropriation for expenditure by the Museum in a manner consistent with the standard of prudence prescribed by TN UPMIFA.

In accordance with TN UPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Museum and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Museum
(7) The investment policies of the Museum

Note 10: ENDOWMENT (continued)

Return Objectives and Risk Parameters – the Museum has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Museum must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that, over time, provide a return of approximately 7% annually while assuming a moderate level of investment risk. Actual returns in any given year will vary from this amount.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objectives, the Museum relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Museum targets a diversified asset allocation that places an emphasis on equity-based investments and bonds to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Museum has policies of appropriating for distribution each year ranging from 3.5 to 4.1 % of the respective endowment fund's average fair value over the prior three years. The calculation is based on the three fiscal years ending on the March 31 preceding the fiscal year in which the distribution is planned. In establishing this policy, the Museum considered the long-term expected return on its endowment. Accordingly, over the long term, the Museum expects the current spending policy to allow its endowment to grow at an average of approximately 2.9% annually. This is consistent with the Museum's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. During the years ended June 30, 2020 and 2019, the Museum appropriated approximately $16,000 and $21,000, respectively, below the spending policy, from the portion of endowment funds available for expenditure for major renovations, repairs, and maintenance.

Funds with Deficiencies (Underwater Endowments) – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or TN UPMIFA requires the Museum to retain as a fund of perpetual duration. The Board of Directors of the Museum has interpreted TN UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restrictions. Deficiencies generally result from unfavorable market fluctuations that occur shortly after the investment of new donor-restricted contributions to be held in perpetuity along with continued appropriation for certain programs that are deemed prudent by the Board of Directors. There was one fund, the Weaver Jackson Garden fund, with a deficiency of approximately $7,000 and $3,200 at June 30, 2020 and 2019, respectively. At June 30, 2020, the Weaver Jackson Garden fund, which has an original gift value, indexed at 2.9% annually to maintain its original purchasing power, of $84,279, a fair value of $77,324, and a deficiency of $6,955 that was reported in net assets with donor restrictions. During the year ended June 30, 2020, the Board of Trustees appropriated no funds from Weaver Jackson Garden fund. Management expects these amounts to be fully recovered during 2021 due to favorable market fluctuations.

Note 10: ENDOWMENT (continued)

Endowment net assets consists of the following:

June 30,	**2020**	2019
Endowment funds with donor restrictions	**$ 1,915,661**	$ 1,978,845
Endowment funds with donor restrictions - perpetual in nature	**46,238**	46,238
Total donor-restricted endowment	**1,961,899**	2,025,083
Board-designated endowment funds without donor restrictions	**182,802**	191,095
Total endowment assets	**$ 2,144,701**	$ 2,216,178

Changes in endowment net assets are as follows:

For the Year Ended June 30,			**2020**
	Without Donor Restrictions	With Donor Restrictions	Total
Balance at beginning of year	**$ 191,095**	**$ 2,025,083**	**$ 2,216,178**
Contributions	**-**	**-**	**-**
Interest and dividends, net of investment expenses	**3,063**	**23,857**	**26,920**
Net realized and unrealized losses	**(2,497)**	**(24,667)**	**(27,164)**
Amounts appropriated for expenditures	**(8,859)**	**(62,374)**	**(71,233)**
Balance at end of year	**$ 182,802**	**$ 1,961,899**	**$ 2,144,701**

For the Year Ended June 30,			2019
	Without Donor Restrictions	With Donor Restrictions	Total
Balance at beginning of year	$ 238,990	$ 2,009,921	$ 2,248,911
Contributions	-	47,949	47,949
Interest and dividends, net of investment expenses	3,736	23,137	26,873
Net realized and unrealized losses	(644)	(1,724)	(2,368)
Amounts appropriated for expenditures	(50,987)	(54,200)	(105,187)
Balance at end of year	$ 191,095	$ 2,025,083	$ 2,216,178

Note 11: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Museum has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- 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; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020 and 2019:

Equity securities consist of corporate stocks and daily traded mutual funds. Corporate stocks and mutual funds are valued based on quoted market prices in active markets obtained from exchange or dealer markets for identical assets.

Debt investments consist of U.S. Government obligations, corporate bonds and notes. The investment grade corporate bonds held by the Museum generally do not trade in active markets on the measurement date. If a bond does, it is measured at the quoted price without adjustment (a Level 1 measure); otherwise, corporate debt securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, price quotations in inactive markets (where observable), bond spreads, and fundamental data relating to the issuer (a Level 2 measure).

Common trust funds ("CTF") (collectively "the Funds") are composed of six funds managed by Diversified Trust Company ("DTC") that are valued at the net asset value (of units) of each fund. The net asset value (NAV) is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur monthly. The Funds contain no significant withdrawal restrictions. These NAV based investments have been excluded from the fair value hierarchy.

Note 11: FAIR VALUE MEASUREMENTS (continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Museum believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis, are summarized for the years ended June 30, 2020 and 2019:

June 30, 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Short-term investments	**$ 163,026**	**$ -**	**$ -**	**$ 163,026**
Corporate bonds	**9,475**	**-**	**-**	**9,475**
U.S. Treasury and agency bonds	**94,424**	**-**	**-**	**94,424**
	266,925	**-**	**-**	**266,925**
Common trust funds (A)	**-**	**-**	**-**	**-**
Total investments at fair value	**$ 266,925**	**$ -**	**$ -**	**$ 266,925**

June 30, 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
Short-term investments	$ 143,202	$ -	$ -	$ 143,202
Mutual funds – bonds	192,422	-	-	192,422
Corporate bonds	9,147	-	-	9,147
Common stocks and mutual funds - equities	138,924	-	-	138,924
	483,695	-	-	483,695
Common trust funds (A)	-	-	-	-
Total investments at fair value	$ 483,695	$ -	$ -	$ 483,695

(A) Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy leveling.

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. The Museum recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. For the years ended June 30, 2020 and 2019, there were no significant transfers in or out of Levels 1, 2 or 3.

Note 11: FAIR VALUE MEASUREMENTS (continued)

Fair Value of Investments that Calculate Net Asset Value

The following table summarizes information related to the CTFs measured at fair value based on NAV per share as of June 30, 2020 and 2019, respectively. The CTFs are maintained by an investment company which holds the investments in accordance with a stated set of fund objectives.

Year End	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
June 30, 2020	**$ 1,877,776**	**$ -**	**Monthly**	**None**
June 30, 2019	$ 1,732,483	$ -	Monthly	None

Note 12: CONCENTRATIONS

The Museum maintains cash with a financial institution in excess of the FDIC limit of $250,000 by $40,000 and $174,000 at June 30, 2020 and 2019, respectively.

Promises to give consisted of one unconditional promise from one donor at June 30, 2019.

For the year ended June 30, 2020, contributions from two donors comprised approximately 30% of total contributions.

For the year ended June 30, 2019, contributions from four donors comprised approximately 94% of total contributions.

Note 13: COLLECTIONS

The Museum's collections consist of historical items, furnishings, art objects, and real property. Each of the items in the collection is cataloged and preserved. Verification of their existence and assessment of their condition are performed continuously. In conformity with the practice followed by many museums, collection items are not included in the combining statements of financial position. The Museum purchased no collection items during June 30, 2020 and 2019, respectively. There were no disposals of collection items during June 30, 2020 and 2019, respectively.

Note 14: RELATED PARTY TRANSACTIONS

The Museum received $26,000 and $16,000 in contributions from NSCDA-TN during the years ended June 30, 2020 and 2019, respectively.

Note 15: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after June 30, 2020 through September 13, 2021, the date the Museum's combining financial statements were available to be issued. The following items occurred:

In November 2020, the Museum received notice that the Paycheck Protection Program loan with a balance of $45,577 as of June 30, 2020, and related interest, had been forgiven.

In January 2021, the Museum applied for and received a $66,295 loan through the Paycheck Protection Program under the CARES Act. The loan is payable to the Small Business Administration, is unsecured and accrues interest at 1% per annum. Management expects the loan will qualify for forgiveness. If it is not forgiven, all remaining principal and interest are due January 23, 2023.