

The Arts Center of Cannon County, Inc.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management of
The Arts Center of Cannon County, Inc.
Woodbury, Tennessee

Opinion

We have audited the accompanying financial statements of The Arts Center of Cannon County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Arts Center of Cannon County, Inc. as of December 31, 2022 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Arts Center of Cannon County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Arts Center of Cannon County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Arts Center of Cannon County, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Arts Center of Cannon County, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of activities by function is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Prior Period Financial Statements

The financial statements of The Arts Center of Cannon County, Inc. as of December 31, 2021, were audited by other auditors whose report dated May 10, 2022, expressed an unmodified opinion on those financial statements.

Dempsey Vantrease & Follis PLLC

Murfreesboro, Tennessee
March 16, 2023

THE ARTS CENTER OF CANNON COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 638,950	\$ 314,654
Prepaid expenses	29,751	17,254
TOTAL CURRENT ASSETS	<u>668,701</u>	<u>331,908</u>
PROPERTY, PLANT, AND EQUIPMENT:		
Land	143,664	143,664
Building and improvements	1,464,541	1,399,086
Land improvements	233,948	233,948
Furniture, fixtures, and equipment	378,134	298,848
	<u>2,220,287</u>	<u>2,075,546</u>
Less accumulated depreciation	(994,985)	(989,787)
TOTAL PROPERTY, PLANT, AND EQUIPMENT	<u>1,225,302</u>	<u>1,085,759</u>
OTHER ASSETS:		
Beneficial interest in assets held by Community Foundation of Middle Tennessee	152,329	174,189
Museum Collection	58,310	58,310
Other	1,475	1,475
TOTAL OTHER ASSETS	<u>212,114</u>	<u>233,974</u>
TOTAL ASSETS	<u><u>\$ 2,106,117</u></u>	<u><u>\$ 1,651,641</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 2,763	\$ 919
Sales tax payable	1,972	1,375
Deferred revenue	19,793	9,425
TOTAL CURRENT LIABILITIES	<u>24,528</u>	<u>11,719</u>
NET ASSETS:		
Without Donor Restrictions	2,023,279	1,581,612
With Donor Restrictions	58,310	58,310
TOTAL NET ASSETS	<u>2,081,589</u>	<u>1,639,922</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,106,117</u></u>	<u><u>\$ 1,651,641</u></u>

See accompanying notes to the financial statements.

THE ARTS CENTER OF CANNON COUNTY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2022 and 2021

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
SUPPORT AND REVENUES:				
Public Support:				
Grants	\$ 173,420	\$ -	\$ 173,420	\$ 203,304
Contributions	457,638	-	457,638	66,029
Fundraising	-	-	-	4,048
Distribution received from The Community Foundation of Middle Tennessee	6,600	-	6,600	5,500
Program:				
Events	153,277	-	153,277	28,813
Memberships and tickets	19,962	-	19,962	2,516
Classes	14,044	-	14,044	14,863
Lease income	13,951	-	13,951	16,231
Interest and dividend income	2,341	-	2,341	3,699
Other	6,554	-	6,554	9,545
TOTAL SUPPORT AND REVENUES	847,787	-	847,787	354,548
EXPENSES:				
Program	352,200	-	352,200	196,121
Administrative and general	28,549	-	28,549	22,376
TOTAL EXPENSES	380,749	-	380,749	218,497
INCOME FROM OPERATIONS	467,038	-	467,038	136,051
OTHER REVENUES AND EXPENSES:				
Change in value of beneficial interest in assets held by The Community Foundation of Middle Tennessee	(25,371)	-	(25,371)	13,379
Paycheck Protection Program loan forgiven	-	-	-	18,450
TOTAL OTHER REVENUES AND EXPENSES	(25,371)	-	(25,371)	31,829
CHANGE IN NET ASSETS	441,667	-	441,667	167,880
Net assets, beginning of year	1,581,612	58,310	1,639,922	1,472,042
Net assets, end of year as restated	<u>\$ 2,023,279</u>	<u>\$ 58,310</u>	<u>\$ 2,081,589</u>	<u>\$ 1,639,922</u>

See accompanying notes to the financial statements.

THE ARTS CENTER OF CANNON COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2022 and 2021

	2022			2021		
	Program Services	Administrative and General	Total	Program Services	Administrative and General	Total
Salaries and wages	\$ 94,674	10,519	\$ 105,193	\$ 62,809	\$ 10,000	\$ 72,809
Payroll taxes	7,328	814	8,142	5,611	765	6,376
	<u>102,002</u>	<u>11,333</u>	<u>113,335</u>	<u>68,420</u>	<u>10,765</u>	<u>79,185</u>
Advertising	2,620	-	2,620	2,075	-	2,075
Bank charges	6,439	-	6,439	4,350	-	4,350
Classes	16,547	-	16,547	15,474	-	15,474
Contract services	27,343	1,439	28,782	10,492	-	10,492
Depreciation	53,604	5,956	59,560	49,100	5,478	54,578
Events	55,156	-	55,156	6,625	-	6,625
Gain (loss) on disposal of property, plant, and equipment	552	553	1,105	(450)	(450)	(900)
Insurance	8,970	-	8,970	5,226	-	5,226
Miscellaneous	4,835	-	4,835	3,685	-	3,685
Office	4,265	-	4,265	2,462	-	2,462
Online ticket fees	9,526	-	9,526	3,083	-	3,083
Printing and postage	2,736	-	2,736	526	-	526
Professional and legal fees	-	7,133	7,133	-	6,583	6,583
Repairs and maintenance	17,582	-	17,582	6,245	-	6,245
Supplies	18,147	-	18,147	1,039	-	1,039
Telephone	2,659	-	2,659	2,911	-	2,911
Utilities	19,217	2,135	21,352	14,858	-	14,858
TOTAL EXPENSES	<u><u>\$ 352,200</u></u>	<u><u>\$ 28,549</u></u>	<u><u>\$ 380,749</u></u>	<u><u>\$ 196,121</u></u>	<u><u>\$ 22,376</u></u>	<u><u>\$ 218,497</u></u>

See accompanying notes to the financial statements.

The Arts Center of Cannon County, Inc.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
CHANGE IN NET ASSETS	\$ 441,667	\$ 167,880
To reconcile change in net assets to net cash provided by operating activities		
Depreciation	59,560	54,578
Loss on disposal of property, plant, and equipment	1,105	-
Change in value of beneficial interest in assets held by the Community Foundation of Middle Tennessee	21,860	(21,287)
Distributions received from The Community Foundation of Middle Tennessee	-	6,600
(Increase) decrease in:		
Grants receivable	-	14,820
Prepaid expenses	(12,497)	(17,254)
Increase (decrease) in:		
Accounts payable	1,844	(35)
Sales tax payable	597	621
Deferred revenue	10,368	9,425
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>524,504</u>	<u>215,348</u>
CASH FLOWS FROM INVESTING ACTIVITIES -		
Purchase of property, plant, and equipment	<u>(200,208)</u>	<u>-</u>
NET INCREASE IN CASH	324,296	215,348
Cash, beginning of year	<u>314,654</u>	<u>99,306</u>
CASH, END OF YEAR	<u><u>\$ 638,950</u></u>	<u><u>\$ 314,654</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Non-cash transactions-		
Donor contribution to The Community Foundation of Middle Tennessee	<u><u>\$ 2,440</u></u>	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Arts Center of Cannon County, Inc. (the "Arts Center") was organized to operate a multi-functional, inter-arts facility; to preserve the cultural, historical, and craft heritage of Cannon County; and to promote and product stage and theatre arts including dance, music, children's cultural activities, and educational activities that enhance the appreciation of all the arts. The Arts Center's support comes primarily from grants, individual contributions, and event ticket sales.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Recently Adopted Accounting Standards

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-02, *Leases* ("ASU 2016-02"), which along with subsequent amendments, superseded prior lease accounting requirements. The updated standard requires balance sheet recognition for all leases with lease terms greater than one year including a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The Arts Center adopted the provisions of ASU 2016-02 and all of the related amendments effective January 1, 2022 using a modified retrospective approach.

In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* ("ASU 2020-07"), to provide accounting guidance about reporting for nonfinancial assets received. The Organization adopted the provisions of ASU 2020-07 effective January 1, 2022 which did not have a material impact on net assets.

Basis of Presentation

Financial statement presentation follows the recommendations of generally accepted accounting principles. Under those provisions, net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that can be filled by actions of the Arts Center pursuant to those stipulations or that expire by the passage of time.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Assets Held by The Community Foundation

Beneficial interest in assets held by the Community Foundation of Middle Tennessee (the "Fund") is stated at fair market value.

The Arts Center reports the fair market value of the Fund in the statement of financial position and reports distributions received as investment income. Changes in the value of the Fund are reported as changes in net assets with donor restrictions based on explicit donor stipulations.

The Arts Center has transferred assets to the Community Foundation of Middle Tennessee (the "Foundation") to be held and invested by the Foundation. The Foundation has variance power and is the legal owner of the funds contributed by the Arts Center. The Arts Center is beneficiary of the funds and receives distributions of income, subject to the Foundation's spending policy. The Arts Center accounts for its beneficial interest in the Foundation as an asset and is valued at fair market value based upon its proportional share of the value of the trust assets.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost. Betterments which materially add to the value of the related assets and materially extend the useful life of the assets are capitalized. The Arts Center's policy is to capitalize expenditures over \$1,000. Normal replacements and minor equipment purchases are included as expenses of the operating unrestricted net assets. When property and equipment are retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in unrestricted net assets.

Depreciation is recorded on the straight-line basis over the following useful lives:

Building and improvements	15 - 40 years
Furniture, fixtures, and office equipment	5 - 20 years

Revenue Recognition

Contributions from public support are recorded as revenue and net assets with or without donor restrictions, depending on the existence and nature of any donor restrictions or by law. In general, public support received by the Arts Center is considered contributions.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as increases in net assets with donor restrictions. When a restriction is fulfilled (that is, when a stipulated time restriction ends or the purpose of restriction is accomplished), net assets with donor restrictions are reclassified and reported in the statements of activities as net assets without donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the support is reported as net assets without donor restrictions.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

The Arts Center receives grants from private and governmental agencies. Typically, these are cost reimbursement grants for a particular purpose and are accounted for as conditional contributions. The Arts Center recognizes revenues on these grants as the funds are spent. Any unused funds are forfeited and if any expenditures are disallowed, the Arts Center would be required to refund amounts received.

Program revenue received is not recognized as revenue until earned, which is at the time of the event or class.

Membership and ticket revenue are reported at the amount that reflects the consideration to which the Arts Center expects to be entitled in exchange for providing membership privileges on an annual basis or tickets to an event. Membership revenue is recognized as performance obligations are satisfied, which is ratably over the annual membership term. Ticket revenue is recognized at the time of the event. Any unearned revenue for memberships received for the following year are included in deferred revenue. Any unearned ticket revenue received for events taking place the following year are included in deferred revenue.

Income Taxes

The Arts Center is a not-for-profit organization that is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and classification by the Internal Revenue Service. Accordingly, no provision for federal income taxes is included in the accompanying financial statements.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. Management has analyzed the tax positions taken by the Arts Center, and has concluded that as of December 31, 2022 and 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

As of December 31, 2022 and 2021, the Arts Center has accrued no interest and no penalties related to uncertain tax positions. It is the Arts Center's policy to recognize interest and/or penalties related to income tax matters in income tax expense. The Arts Center files a U.S. Federal information tax return. The Arts Center is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ended December 31, 2022, 2021, and 2020.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Arts Center to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and Noncash Gifts

Many individuals have donated time and services to advance the Arts Center's programs and objectives. The value of these services has not been recorded in the financial statements because they do not meet the definition for recognition under generally accepted accounting principles.

Paycheck Protection Program

During 2021, the Arts Center received \$18,450 from the Small Business Administration ("SBA") for the Paycheck Protection Program ("PPP"). The Arts Center obtained forgiveness on repayment of the PPP funds from the SBA. The Arts Center has accounted for the funds as other income for the year ended December 31, 2021.

NOTE B - OPERATING LEASES

The Arts Center leases various portions of their building to third parties. Lease income was \$13,951 and \$16,231 for the years ended December 31, 2022 and 2021, respectively. The terms and conditions of the lease agreements include monthly lease income ranging from \$125 to \$900 and maturity dates ranging from 2024 to 2025. The lease maturing in 2024 includes two automatic two-year extensions.

Future minimum lease income is estimated as follows:

2023	\$	14,280
2024		14,030
2025		14,030
2026		10,800
2027		10,800
Thereafter		32,400
		<hr/>
	\$	96,340

NOTE C - FAIR VALUE MEASUREMENTS

The beneficial interest in assets held at the Foundation has been valued, as a practical expedient, at fair value of the Arts Center's share of the Foundation's investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE C - FAIR VALUE MEASUREMENTS (CONTINUED)

Accordingly, estimated fair values may differ significantly from the values that would have been used had a readily available market existed for these investments. The Arts Center considers the measurement of its beneficial interest to be a Level 3 measurement within the fair value measurement hierarchy because even though that measurement is based on the unadjusted fair value of assets, the Arts Center will never receive those assets or have the ability to direct redemption of them.

The following represents a reconciliation for the activities for the Level 3 investment:

	2022	2021
Beneficial Interest in Assets Held by Community		
Foundation at beginning of year, fair market value	\$ 174,189	\$ 159,514
Donor contribution	2,440	5,000
Interest income	2,063	3,699
Realized gain	1,799	3,359
Unrealized gain (loss)	(27,170)	10,020
Grants paid	-	(6,600)
Administrative and Investment fees	(992)	(803)
Beneficial Interest in Assets Held by Community		
Foundation at end of year, fair market value	<u>\$ 152,329</u>	<u>\$ 174,189</u>

NOTE D - RESTRICTED NET ASSETS

A donation was received in 2007 consisting of a collection of original art and hand-made baskets to be exhibited in the Arts Center's museum. A restriction by the donor was made that if any items are sold, the proceeds will be given to Planned Parenthood of Middle and Eastern Tennessee. The total donation remaining is valued at \$58,310 and is reported as a non-current asset on the statement of financial position for the years ended December 31, 2022 and 2021. There were no net assets released from restrictions during 2022 and 2021.

NOTE E - CREDIT RISK AND OTHER CONCENTRATIONS

The Arts Center occasionally maintains cash on deposit at a bank in excess of federally insured amounts. The Arts Center has not experienced any losses in such accounts, and management believes the Arts Center is not exposed to any significant credit risk related to cash.

NOTE F - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Arts Center has financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$635,021. These financial assets are not subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. As part of its liquidity management, the Arts Center has a policy to structure its financial assets to be available as general expenditures and related liabilities become due.

The Arts Center of Cannon County, Inc.
Notes to Financial Statements
December 31, 2022 and 2021

NOTE G – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. In general, most expenses can easily be identified and charged to a specific program. Some expenses such as depreciation, insurance, utilities, etc. are allocated on a reasonable basis that is consistently applied usually based upon square footage. Salaries are allocated based upon periodic time studies.

NOTE H – RESTATEMENT OF NET ASSETS

During the year ended December 31, 2022, the Arts Center made prior period adjustments to properly account for the payroll clearing account, prepaid expenses, and deferred revenue. The adjustments are as follows:

Net assets, as originally stated	\$ 1,492,181
Adjustment for payroll clearing account	2,744
Adjustment for prepaid expenses	17,254
Adjustment for deferred revenue	<u>127,743</u>
Net assets, as restated	<u><u>\$ 1,639,922</u></u>

Certain reclassifications have been made to the 2021 financial statements in order for them to confirm to the 2022 presentation. These reclassifications have no effect on net assets as previously reported.

NOTE I – SUBSEQUENT EVENTS

The Arts Center has evaluated events through March 16, 2023, which is the date the financial statements were available to be issued. Based on the evaluation no significant subsequent events were noted that would have a material effect on the balances reported herein or would significantly impact the Arts Center's ongoing operations.

THE ARTS CENTER OF CANNON COUNTY, INC.
STATEMENTS OF ACTIVITIES BY FUNCTION
Years Ended December 31, 2022 and 2021

	2022 Total	2021 Total
Events:		
Revenue	\$ 153,277	\$ 28,813
Expenses	<u>(2,620)</u>	<u>(2,075)</u>
Events Gross profit	<u>\$ 150,657</u>	<u>\$ 26,738</u>
Classes:		
Revenue	\$ 14,044	\$ 14,863
Expenses	<u>(16,547)</u>	<u>(15,475)</u>
Classes Gross profit	<u>\$ (2,503)</u>	<u>\$ (612)</u>