



Shreveport Opera

Financial Statements
Year Ended June 30, 2021

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Independent Auditor's Report

The Board of Directors
Shreveport Opera
Shreveport, Louisiana

I have audited the accompanying financial statements of the Shreveport Opera (a nonprofit organization) which comprise the statements of financial position for the year ended June 30, 2021 and the related statements of activities, functional expenses, and cash flows for the year then ended, and summary of significant accounting policies and related notes to 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion


In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Shreveport Opera as of June 30, 2021, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head on page 23 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits and Other payments to Agency Head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, The Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Empahsis of Matters

As discussed in Note 15 to the financial statements, the Shreveport Opera adopted new accounting pronouncements for the year ended June 30, 2021. My opinion is not modified with respect to this matter.



Certified Public Accountant

Shreveport, Louisiana
December 10, 2021

Shreveport Opera

Statement of Financial Position

<i>June 30, 2021</i>	General Fund	Opera Guild	Total
Assets			
Current assets:			
Cash and cash equivalents (Note 1)	\$ 400,604	\$42,886	\$ 443,490
Cash and cash equivalents, restricted (Note 1 and 13)	81,750	-	81,750
Prepaid expenses	12,345	-	12,345
Total current assets	494,699	42,886	537,585
Operating lease right of use asset (Note 4)	28,950	-	28,950
Long-term investments (Notes 7, 8 and 10)	778,013	-	778,013
Property and equipment (Note 2)	340,648	-	340,648
	\$1,642,310	42,886	\$1,685,196
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued expenses	\$ 7,217	\$ -	\$ 7,217
Refundable advances	2,000	-	2,000
Contract liabilities	-	15,275	15,275
Intermediary funds (Note 13)	81,750	-	81,750
Operating lease liability (Note 4)	13,931	-	13,931
Total current liabilities	104,898	15,275	120,173
Operating lease liability (Note 4)	15,019	-	15,019
Total liabilities	119,917	15,275	135,192
Net assets:			
Without donor restrictions:			
Unrestricted and undesignated	744,380	27,611	771,991
Board designated (Note 10)	778,013	-	778,013
Total net assets	1,522,393	27,611	1,550,004
	\$1,642,310	\$42,886	\$1,685,196

See accompanying summary of accounting policies and notes to financial statements.

Shreveport Opera

Statement of Activities

<i>Year Ended June 30, 2021</i>	General Fund	Opera Guild	Total
Changes in net assets without donor restrictions			
Support and revenues:			
Contributions	\$ 394,594	\$ -	\$ 394,594
Return on investment, net	127,975	-	127,975
Other grants	126,920	-	126,920
Governmental grants (Note 12)	111,805	-	111,805
Miscellaneous	12,890	-	12,890
Box office receipts (Note 14)	8,810	-	8,810
Performance fees (Note 14)	5,250	-	5,250
Fundraising revenues	-	4,735	4,735
Total support and revenues without donor restrictions	788,244	4,735	792,979
Expenses:			
General and administrative program	255,072	-	255,072
Education and awareness program	133,971	-	133,971
Stage productions program	51,869	-	51,869
Fundraising program	157	795	952
Total expenses	441,069	795	441,864
Increase in net assets without donor restrictions	347,175	3,940	351,115
Net assets, beginning of year	1,174,883	24,006	1,198,889
Interfund transfers	335	(335)	-
Net assets, end of year	\$1,522,393	\$ 27,611	\$1,550,004

See accompanying summary of accounting policies and notes to financial statements.

Shreveport Opera

Statement of Functional Expenses

Year ended June 30, 2021	Program Activities		Supporting Activities		Total Expenses
	Stage Productions Program	Education and Awareness Program	Management and General Program	Fundraising Program	
Expenses:					
Accounting and auditing	\$ -	\$ -	\$ 10,420	\$ -	\$ 10,420
Advertising and promotion	161	-	582	-	743
Artists and stage costs	45,546	37,484	103	157	83,290
Bank and credit card fees	281	-	1,772	-	2,053
Contract services	-	1,355	1,265	-	2,620
Depreciation	191	10,078	-	-	10,269
Dues and subscriptions	-	-	2,174	-	2,174
Employee benefits	-	10,939	10,939	-	21,878
Insurance	-	3,461	23,025	-	26,486
Legal services	-	9,885	-	-	9,885
Meals	615	669	59	-	1,343
Miscellaneous	750	740	1,293	-	2,783
Occupancy	-	6,877	6,877	-	13,754
Office Supplies	79	-	4,526	-	4,605
Payroll taxes	33	2,111	12,867	-	15,011
Postage and delivery	-	-	273	-	273
Printing and reproduction	-	1,225	2,167	410	3,802
Production costs, other	-	111	-	-	111
Repairs and maintenance	-	341	-	-	341
Retirement	-	180	4,962	-	5,142
Salary and wages	462	26,108	169,326	-	195,896
SOX house utilities	-	19,170	-	-	19,170
Special events	-	-	693	385	1,078
Telephone	360	1,079	1,749	-	3,188
Travel and transportation	3,391	2,158	-	-	5,549
Total expenses	\$51,869	\$133,971	\$255,072	\$ 952	\$441,864

See accompanying summary of accounting policies and notes to financial statements.

Shreveport Opera

Statement of Cash Flows

<i>Year Ended June 30, 2021</i>	General Fund	Opera Guild	Total
Cash Flows from Operating Activities:			
Excess of support and revenues over expenses	\$347,175	\$3,940	\$351,115
Adjustments to reconcile excess of support and revenues over expenses to net cash used by operating activities:			
Interfund transfers	335	(335)	-
Depreciation and amortization	10,269	-	10,269
Net realized and unrealized gains on investments	(118,860)	-	(118,860)
Change in operating assets and liabilities:			
Accounts receivable	17	-	17
Prepaid expenses	(8,999)	-	(8,999)
Accounts payable and accrued expenses	(2,876)	-	(2,876)
Contract liabilities and refundable advances	2,000	15,275	17,275
Net cash provided by operating activities	229,061	18,880	247,941
Cash Flows Used by Investing Activities –			
Purchase of investment securities	(135,451)	-	(135,451)
Cash Flows From Financing Activities –			
Intermediary	81,750	-	81,750
Net increase in cash and restricted cash	175,360	18,880	194,240
Cash and restricted cash, at beginning of year	306,994	24,006	331,000
Cash and restricted cash, at end of year	\$482,354	\$42,886	\$525,240

The following provides a reconciliation of unrestricted cash and restricted cash reported within the statements of cash flows that sum to the total of the same such amounts shown in the statements of cash flows:

<i>Year Ended June 30, 2021</i>	General Funds	Opera Guild	Total
Cash, unrestricted	\$400,604	\$42,886	\$443,490
Cash, restricted	81,750	-	81,750
Total cash	\$482,354	\$42,886	\$525,240

See accompanying summary of accounting policies and notes to financial statements.

Shreveport Opera

Summary of Accounting Policies

Summary of Accounting Policies

This summary of accounting policies of the Shreveport Opera (the "Opera") is presented to assist in understanding the the Opera's financial statements. The financial statements and notes are representations of the Opera's management, who is responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of the financial statements.

Nature of Business

The Opera is a nonprofit corporation organized under the laws of the State of Louisiana. The Opera was organized to foster and promote the production of quality performances of opera and music drama, to aid in furthering the development of opera, and to further educational efforts which support the growth, development and appreciation of opera as viable art form within the Ark-La-Tex region.

Substantially all of the Opera's revenue is from the sale of admissions to Opera sponsored events, fundraising and sponsorships, rentals and grant income.

Method of Accounting

The Opera uses the accrual basis of accounting. The Opera recognizes revenues, expenses, assets, liabilities, and changes in net assets among two fund groups: General Fund and Opera Guild.

Financial Statement Presentation

The Opera adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU 2016-14, the Opera is required to report information regarding the financial position and activities according to two classes of net assets; assets with donor restrictions and assets without donor restrictions.

Net Assets

Assets without donor restrictions – The part of net assets that are not restricted by donor/grantor-imposed stipulations.

Assets with donor restrictions – The part of net assets that are restricted by donor/grantor-imposed stipulations

Summary of Accounting Policies (Continued)

Revenue from Unconditional Contributions

Unconditional contributions received may be recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Support and 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 support is recognized. All other donor-restricted support and contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the 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 Statement of Activities as net assets released from restrictions

Revenue from Conditional Contributions, Grants, and Non-exchange Contracts

The Opera adopted ASU 2018-08 – “Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.” The ASU introduces the concept of “barriers” and provides guidance on identifying conditions that would preclude the recognition of a contribution as revenue or effect the timing thereof. A barrier or condition represents a criteria the Opera must achieve before becoming entitled to the transferred asset.

Assets received as conditional contributions, grants, and non-exchange contracts are accounted for as refundable advances on the statement of financial position until the condition has been substantially met or explicitly waived by the donor. Revenue is recognized on the date the condition was met as an increase in net assets without donor restrictions on the statement of activities.

Refundable Advances

The Opera records refundable advances related to contributions, grants, and non-exchange contracts received with donor-imposed conditions where the condition has not been substantially met or explicitly waived. Refundable advances were \$2,000 as of June 30, 2021.

Shreveport Opera

Summary of Accounting Policies (Continued)

Revenue from Contracts with Customers

The Opera adopted ASU 2014-09 – “Revenue from Contracts with Customers (Topic 606)” as amended. Under the ASU, entities are required to identify and segment contracts into performance obligations and to account for certain contract costs and revenues as contract assets or contract liabilities. Revenue is recognized upon completion of contractual performance obligations as an increase in net assets without donor restrictions.

Performance Obligations

Ticket Sales and Performance Fees – Revenue from ticket sales performance fees is recognized at a point in time directly associated with the performance date in an amount that reflects the consideration the Opera expects to be entitled to in exchange for those sales.

Season Ticket Sales – Revenue from season ticket sales is recognized over time throughout the show season in an amount the Opera expects to be entitled to in exchange for those sales.

Ticket Surcharges – Revenue from online ticket sales surcharges and processing fees charged to customers are recognized at a point in time directly associated with the performance date for the tickets sold in an amount that reflects the consideration the Opera expects to be entitled to in exchange for those sales.

Program Ad Sales – Revenue from program ad sales is recognized over time throughout the show season in an amount the Opera expects to be entitled to in exchange for the goods and services provided.

Sponsorships – Revenue from sponsorships may have elements of both an exchange transaction and conditional contribution. To the extent fundraising sponsorships constitutes an exchange transaction, revenue is recognized at a point in time directly associated with the sponsored event in an amount that reflects the consideration the Opera expects to receive in exchange for the goods or services provided.

(Continued)

Shreveport Opera

Summary of Accounting Policies (Continued)

Performance Obligations (continued)

Concessionaire Booth Rentals – Revenue from booth rentals to concessionaires is recognized at a point in time directly associated with the event in which the concessionaire participates in an amount the Opera expects to be entitled to in exchange for the services provided.

Fund Raising Event Ticket Sales – Revenue from fund raising event ticket sales is recognized at a point in time directly associated with the event in an amount that reflects the consideration the Opera expects to be entitled to in exchange for access to the event.

Shipping and Handling

The Opera treats shipping and handling activities as a part of the underlying promise to transfer goods to customers and to not treat them as a separate performance obligation. Thus, no portion of revenue received from customers is allocated to shipping and handling activities. All shipping and handling costs are classified as fulfillment costs

Contract Assets and Contract Liabilities

The Opera records contract assets and liabilities related to contracts with customers.

Contract assets consist of the Opera's right to payment from customers for goods or services that have been provided to those customers, with the right to collection conditional on something other than the passage of time. Contract assets were \$0 for the year ended June 30, 2021

Contract liabilities consist of the Opera's obligation to transfer goods or services to customers for which the Opera has received consideration from customers, including advance payments received from customers for future goods and services. Contract liabilities were \$15,275 for the year ended June 30, 2021.

Refund Liability

The Opera records a refund liability in the amount of advanced ticket sales and fees for performances that were cancelled. When a performance is cancelled, customers who purchased tickets in advance of the performance may received a refund, exchange their tickets for an alternative performance, or have their purchase converted to a contribution. The refund liability was \$0 for the year ended June 30, 2021.

Shreveport Opera

Summary of Accounting Policies (Continued)

Sales Taxes	Under Louisiana law, the Opera is exempt from collecting local and state sales taxes on ticket sales to qualified performances.
Contributed Services	The Opera receives donated services from many unpaid volunteers who donate their time and perform a variety of tasks that assist the the Opera. The value of contributed services meeting the requirements for recognition in the financial statements for 2021 was not material and has not been recorded.
Functional Expenses	Expenses are charged directly to program services, general and administrative, and Opera Guild expenses in general categories based on specific identification. For the year ended June 30, 2021, management had not allocated any supporting activity expenses to program activities.
Use of Estimates	The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Significant estimates in the financial statements are depreciation and amortization of property, as well as the value of investments and refund liability.
Property and Equipment	The Opera capitalizes property and equipment with useful lives over three years. Property and equipment are stated at cost, or if donated, at the fair market value at the date of donation. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets, which range from 5 to 39 years. Maintenance and repairs which do not improve or extend the life of the respective assets are expensed as incurred.
Concentrations of Credit Risk	The Opera serves a limited geographic area. Due to the nature of its operations, the Opera is dependent upon the local community and the health of the local economy in which it operates.

Shreveport Opera

Summary of Accounting Policies (Concluded)

Income Taxes

The Opera is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and exempt from state income tax under appropriate provisions in the laws of the State of Louisiana. The Opera is not a private foundation within the meaning of Section 509(a) and there was no unrelated net business taxable income for the year ended June 30, 2021. Accordingly, no provision for income taxes has been made in the financial statements.

The Opera has adopted ASC 740, Accounting for Uncertainty in Income Taxes. Management has evaluated the Opera's tax positions and concluded that the Opera has taken no uncertain tax positions that require adjustment to the financial statements in order to comply with the provisions of ASC 740. In addition, Management is not aware of any matters that would cause the Opera to lose its tax-exempt status. The income tax filings for the Opera's years ending in 2019 through 2021 are subject to examination by taxing authorities.

Statements of Cash Flows

For purposes of the statements of cash flows, the Opera considers all cash in bank accounts and highly liquid debt instruments purchased with original maturities of three months or less, including restricted funds not pledged as collateral or for long-term purposes, to be cash equivalents.

The Opera has adopted Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The Opera considers cash received with donor restrictions and cash maintained as intermediary funds as restricted cash.

Collective Bargaining Agreement

Certain wages paid by the Opera were covered by a collective bargaining agreement. The agreement sets wage rates for various job classifications along with other terms and conditions. The signed agreement ended August 31, 2020 but continues to remain in effect per terms of the contract.

Advertising

The Opera expenses advertising as it is incurred. The Opera expended \$744 in the year ended June 30, 2021 for advertising.

Subsequent Events

Management evaluated events subsequent to the Opera's most recent year end through December 10, 2021, the date the financial statements became available for issuance.

Shreveport Opera

Notes to Financial Statements

- 1. Cash and cash equivalents** Cash and cash equivalents include interest and non-interest bearing demand deposits and time deposits with maturities of less than three months.

At June 30, 2021, \$212,924 of demand deposits exceeded Federal Depository insurance limits.

- 2. Property and Equipment** Major classes of property and equipment consist of the following at June 30, 2021:

Buildings	\$369,719
Furniture, fixtures and equipment	38,089
Vehicles	30,000
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	437,808
Less accumulated depreciation and amortization	97,160
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Net property and equipment	\$340,648

- 3. Notes Payable** The Opera had available a Wall Street Journal prime plus 2% (5.25% at June 30, 2021) \$50,000 unsecured line of credit that was closed in August 2020. There were no other borrowings as of June 30, 2021.

- 4. Leases** The Opera adopted FASB ASC 842, *Leases*. Under this Statement, a lessee is required to recognize a lease liability and an intangible lease right-of-use asset ("ROU").

The Opera has the following lease obligations as of June 30, 2021:

Office equipment with an initial present value of \$9,772, a stated annual interest rate of 4.0% included in 60 monthly payments of \$180 beginning February 2017 with an option to purchase the equipment at fair market value at the end of the lease term.

Office space with an initial present value of \$55,726, an imputed interest rate of 5.25% included in 60 monthly payments of \$1,058 beginning November 2018 with no option to purchase the facility at the end of the lease term.

(Continued)

Shreveport Opera

Notes to Financial Statements (Continued)

4. Leases - Continued

The following schedule summarizes lease information for 2021:

Operating lease expense	\$14,856
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Cash paid for amounts included in the measurement of lease and liabilities for operating leases:

Operating cash flows	\$14,856
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ROU assets obtained in exchange for lease liabilities:

Operating leases	\$ -
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Weighted average remaining term (in years):

Operating lease	1.4
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Weighted average discount rate:

Operating leases	4.63%
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	Operating Leases
Maturity Analysis	
2022	13,931
2023	12,696
2024	4,003
Total	30,630
Lease: Present value discount	(1,680)
Lease liability	\$28,950

5. Supplemental Cash Flows Information

There was no cash paid for interest or income taxes for the year ended June 30, 2021.

Shreveport Opera

Notes to Financial Statements (Continued)

6. **Employee Benefit Plans** The Opera uses hourly employees who belong to the International Alliance of Theatrical Stage Employees Union and are covered under the IATSE National Benefit Funds pension plan. Benefits paid to union employees was \$0 for the year ended June 30, 2021.

The Opera maintains a Savings Incentive Match Plan for Employees Individual Retirement Account (SIMPLE IRA). The Opera matches employee contributions up to a maximum of 3% of wages. Employer contribution to the SIMPLE IRA plan was \$5,142 for the year ending June 30, 2021.

7. **Investments** Investments are stated at fair market value and consist of the following:

June 30, 2021	Cost	Market
Money Market Funds	\$ 48,735	\$ 48,735
Exchange Traded Funds	451,850	627,778
Mutual Funds	101,496	101,500
Total	\$602,081	\$778,013

Interest, dividends, and net realized and unrealized gains for the year ended June 30, 2021 were \$127,975.

8. **Fair Value of Financial Instruments** The Opera has adopted the provisions of FASB ASC 820-10 and subsections. Under FASB ASC 820-10, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

FASB ASC 820-10 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

(Continued)

Shreveport Opera

Notes to Financial Statements (Continued)

8. Fair Value of Financial Instruments (continued)

Level 1 – Valuations based on adjusted quoted prices in active markets for identical assets or liabilities as of the reporting date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, as of the reporting date.

Level 3 – Valuations based on inputs are unobservable and include situations where there is little, if any, market activity of the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Assets measured at fair value on a recurring basis at June 30, 2020 consist of the following:

	Level 1	Level 2	Level 3	Fair Market Value
Money Market	\$ 48,735	\$ -	\$ -	\$ 48,735
Mutual Funds	101,500	-	-	101,500
Exchange Traded Funds	627,778	-	-	627,778
Total	\$778,013	\$ -	\$ -	\$778,013

9. Related Party Transactions

The spouse of a member of management is a part-time employee. Wages and benefits paid were \$6,288.

Shreveport Opera

Notes to Financial Statements (Continued)

- 10. Board Restricted Net Assets** Board designated net assets without donor restrictions consist of quasi-endowment long-term investments subject to spending policy and appropriation to support the following purposes as of June 30, 2021:

General activities	\$778,013
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Total	\$778,013

- 11. Availability of Financial Assets**

The following reflects the Opera's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date. Amounts not available also include amounts set aside by the board of directors that could be drawn upon if the board approves that action.

Year ended June 30, 2021

Financial assets at year end:	\$ 1,303,253
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Less those designated by the board of directors as quasi-endowments subject to spending policy and appropriation to support general activities	(778,013)
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Less amounts held as an intermediary subject to release by donors to the designated beneficiary	(81,750)
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Financial assets available to meet cash needs for general expenditures within one year	\$ 443,490
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Financial assets available to meet cash needs for general expenditures within one year consist of the following:

Year ended June 30, 2021

Cash and cash equivalents	\$443,490
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Total	\$443,490
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Shreveport Opera

Notes to Financial Statements (Continued)

12. Government Grants

The Opera received grants from the following governmental entities to support general operations:

Year ended June 30, 2021

National Endowment for the Arts	65,000
Employee Retention Credit	19,153
Caddo Parish School Board	10,000
Louisiana Division of the Arts	6,100
State of Louisiana	5,000
Caddo Parish Commission	4,000
Apollo Elementary School	1,732
De Soto Parish School Board	820
	<u>111,805</u>

Included in governmental grants above is \$19,153 Employee Retention Credit (ERC). The ERC was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the ERC program, an eligible entity may take a credit against employer's portion of Social Security taxes withheld on qualified wages paid to employees after March 12, 2020, and before January 1, 2021.

Management believes the Opera has meet the requirements to claim the ERC and has recorded the credit amount as a conditional governmental grant under the provisions of ASC 958-605. However, laws and regulations concerning the ERC are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Opera's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Opera.

13. Intermediary Funds

Restricted cash includes \$81,750 received by the Opera as an intermediary between certain donors and a third-party beneficiary as defined in Statement on Accounting Standards No. 116. The funds are not contributions to the Opera and cannot inure to the benefit of the Opera. The Opera maintains custody of the funds for the benefit of the beneficiary until released by the donors for remittance to the beneficiary.

Shreveport Opera

Notes to Financial Statements (Concluded)

14. **Disaggregation of Revenue** Revenue, disaggregated by timing of transfer of goods and services is summarized as follows:

Year ended June 30, 2021

Revenue recognized based on goods and services transferred to customers at a point in time:	
Ticket sales	8,695
Performance fees	5,250
Ticket surcharges	115
Total revenue recognized at a point in time	14,060

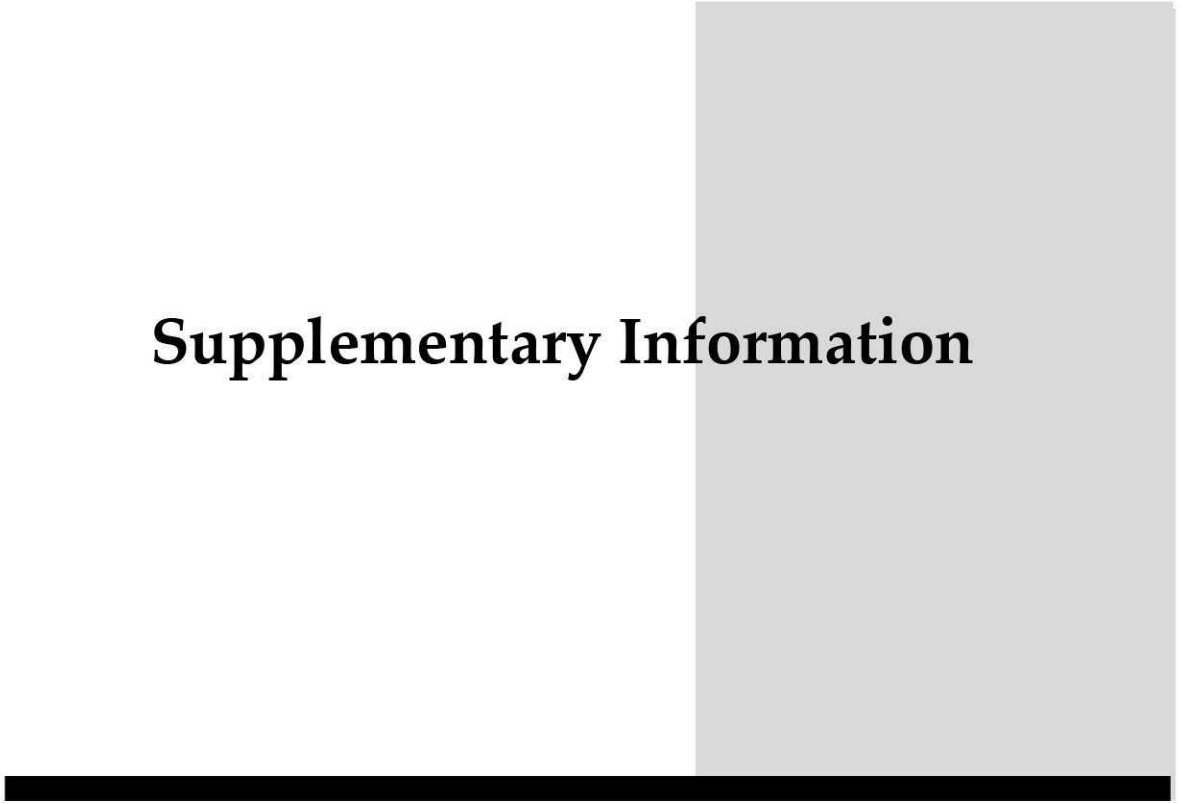
15. **Adoption of New Prouncements**

Effective July 1, 2020, the Opera adopted ASU 2014-09, "Revenue from Contracts with Customers" and subsequent amendments. The amendments are required by GAAP, and collectively create a new Accounting Standards Codification (ASC) 606, "Revenue from Contracts with Customers," which replaces most of the existing revenue recognition guidance found in GAAP. ASC 606 establishes a new, single revenue framework to recognize revenue from contracts with customers and requires expanded disclosures for revenue transactions.

Effective July 1, 2020, the Opera adopted ASU 2018-08, "Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made." The ASU clarified and improved current guidance by providing criteria for determining whether a nonprofit is receiving commensurate value in return for the resources transferred. The outcome of the anlysys determines whether the contract or grant constitutes either a contribution or an exchange transaction accounted for under ASC 606. The guidance also provides a more robust framework for determining whether a contribution is condition or unconditional, and for distinguishing a donor-imposed condition form a donor-imposed restriction.

The Opera examined the effect of adopting ASC 606 and ASU 2018-08 on the financial statements conjunction with one another using the full retrospective method for all contracts not completed as of June 30, 2020. There was no effect on the statement of financial position as of that date.

Supplementary Information



Shreveport Opera

Schedule of Compensation, Benefits and Other Payments to Agency Head

Louisiana Revised Statute 24:513 (A) (3) requires reporting of the total compensation, reimbursements, and benefits paid to the agency head or chief executive officer. This law was further amended by Act 462 of the 2015 Regular Session of the Louisiana Legislature to clarify that nongovernmental or not-for-profit local auditees are required to report only the compensation, reimbursements, and benefits paid to the agency head or chief executive officer from public funds.

Year Ended June 30,

2021

Steven P. Aiken, General and Artistic Director

Salary	\$96,500
Benefits – insurance	-
Benefits – retirement	2,895
Deferred compensation contributions	-
Car allowance	-
Vehicle provided by organization	-
Parking	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	2,062
Travel	-
Registration fees	-
Conference travel	-
Education expenses	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<u>\$101,457</u>

Shreveport Opera

Schedule of Findings

Current Findings:

There were no findings for the year ended June 30, 2021.

Past Findings:

There were no findings for the year ended June 30, 2020.