

BRYN MAWR FILM INSTITUTE

FINANCIAL STATEMENTS

(AND INDEPENDENT AUDITOR'S REPORT)

YEARS ENDED DECEMBER 31, 2020 AND 2019



Independent Auditor's Report

To the Board of Directors of
Bryn Mawr Film Institute
Bryn Mawr, Pennsylvania

We have audited the accompanying financial statements of Bryn Mawr Film Institute (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bryn Mawr Film Institute as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Isdaner + Company llc

June 4, 2021

BRYN MAWR FILM INSTITUTE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

ASSETS

	2020	2019
Current assets:		
Cash and cash equivalents	\$ 1,494,434	\$ 1,976,667
Contributions and grants receivable	88,740	58,498
Prepaid expenses and other	38,637	50,088
Total current assets	1,621,811	2,085,253
Property and equipment, net	7,405,753	7,725,786
Contributions and grants receivable	42,000	75,000
Investments, at fair value	2,429,709	1,574,069
Total assets	\$11,499,273	\$11,460,108

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	\$ 52,116	\$ 271,521
Deferred revenue	435,485	423,018
PPP loan payable, current	12,049	-
Note payable	500,000	-
Total current liabilities	999,650	694,539
EIDL loan payable	150,000	-
PPP loan payable, non-current	234,751	-
Note payable	-	500,000
Total liabilities	1,384,401	1,194,539
Net assets:		
Without donor restrictions:		
Board designated for endowment	2,429,709	1,574,069
Undesignated	7,564,734	8,504,508
	9,994,443	10,078,577
With donor restrictions	120,429	186,992
	10,114,872	10,265,569
Total liabilities and net assets	\$11,499,273	\$11,460,108

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions			With Donor Restrictions	Total
	Operating	Board Designated	Total		
Revenues and support:					
Admissions	\$ 397,533	\$ -	\$ 397,533	\$ -	\$ 397,533
Concessions	67,636	-	67,636	-	67,636
Membership	252,415	-	252,415	-	252,415
Rentals	22,450	-	22,450	-	22,450
Sponsorships	40,871	-	40,871	-	40,871
Education programs	35,716	-	35,716	-	35,716
Contributions	518,350	-	518,350	11,000	529,350
Investment income	10,456	42,463	52,919	-	52,919
Net unrealized gain on investments	-	236,081	236,081	-	236,081
Donated services	526	-	526	-	526
Miscellaneous	11,763	-	11,763	-	11,763
Net assets released from restrictions	77,563	-	77,563	(77,563)	-
	<u>1,435,279</u>	<u>278,544</u>	<u>1,713,823</u>	<u>(66,563)</u>	<u>1,647,260</u>
Expenses:					
Program services	1,257,842	-	1,257,842	-	1,257,842
Management and general	384,984	-	384,984	-	384,984
Membership and fundraising	155,131	-	155,131	-	155,131
	<u>1,797,957</u>	<u>-</u>	<u>1,797,957</u>	<u>-</u>	<u>1,797,957</u>
Change in net assets	(362,678)	278,544	(84,134)	(66,563)	(150,697)
Interfund transfer	(577,096)	577,096	-	-	-
Net assets at beginning of year	<u>8,504,508</u>	<u>1,574,069</u>	<u>10,078,577</u>	<u>186,992</u>	<u>10,265,569</u>
Net assets at end of year	<u>\$7,564,734</u>	<u>\$2,429,709</u>	<u>\$9,994,443</u>	<u>\$120,429</u>	<u>\$10,114,872</u>

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>			<u>With Donor Restrictions</u>	<u>Total</u>
	<u>Operating</u>	<u>Board Designated</u>	<u>Total</u>		
Revenues and support:					
Admissions	\$1,746,445	\$ -	\$ 1,746,445	\$ -	\$ 1,746,445
Concessions	291,026	-	291,026	-	291,026
Membership	529,945	-	529,945	-	529,945
Rentals	59,665	-	59,665	-	59,665
Sponsorships	126,260	-	126,260	-	126,260
Education programs	129,389	-	129,389	-	129,389
Contributions	387,933	-	387,933	126,748	514,681
Special events	31,980	-	31,980	-	31,980
Less direct costs of special events	(14,164)	-	(14,164)	-	(14,164)
Investment income	31,449	30,314	61,763	-	61,763
Net unrealized loss on investments	-	250,477	250,477	-	250,477
Donated services	5,657	-	5,657	-	5,657
Miscellaneous	15,938	-	15,938	-	15,938
Net assets released from restrictions	159,875	-	159,875	(159,875)	-
	<u>3,501,398</u>	<u>280,791</u>	<u>3,782,189</u>	<u>(33,127)</u>	<u>3,749,062</u>
Expenses:					
Program services	2,462,926	-	2,462,926	-	2,462,926
Management and general	516,100	-	516,100	-	516,100
Membership and fundraising	217,378	-	217,378	-	217,378
	<u>3,196,404</u>	<u>-</u>	<u>3,196,404</u>	<u>-</u>	<u>3,196,404</u>
Change in net assets	304,994	280,791	585,785	(33,127)	552,658
Interfund transfer	(7,766)	7,766	-	-	-
Net assets at beginning of year	<u>8,207,280</u>	<u>1,285,512</u>	<u>9,492,792</u>	<u>220,119</u>	<u>9,712,911</u>
Net assets at end of year	<u><u>\$8,504,508</u></u>	<u><u>\$1,574,069</u></u>	<u><u>\$10,078,577</u></u>	<u><u>\$186,992</u></u>	<u><u>\$10,265,569</u></u>

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020				2019			
	Program Services	Management and General	Membership and Fundraising	Total	Program Services	Management and General	Membership and Fundraising	Total
Payroll, taxes, and benefits	\$ 547,550	\$188,220	\$119,777	\$ 855,547	\$ 721,444	\$267,633	\$174,543	\$1,163,620
Accounting and audit	-	18,000	-	18,000	-	18,000	-	18,000
Advertising and promotion	972	2,916	-	3,888	6,206	18,619	-	24,825
Bank charges	31,840	-	1,675	33,515	64,777	-	3,409	68,186
Building maintenance	46,675	12,566	598	59,839	81,888	22,047	1,050	104,985
Concessions	28,327	10,656	-	38,983	82,905	18,665	-	101,570
Depreciation	278,215	74,904	3,567	356,686	271,906	73,206	3,486	348,598
Donated services	526	-	-	526	3,758	-	1,899	5,657
Faculty	9,338	-	1,991	11,329	39,857	-	2,134	41,991
Film rental	121,649	-	-	121,649	900,875	-	-	900,875
Insurance	27,952	7,526	358	35,836	31,892	8,587	409	40,888
Miscellaneous	2,745	460	873	4,078	12,355	1,484	3,953	17,792
Office	17,631	12,725	11,222	41,578	25,488	20,128	8,724	54,340
Postage and mailing	2,835	5,301	3,946	12,082	9,625	4,897	4,278	18,800
Printing	11,662	5,424	9,934	27,020	26,479	5,503	11,705	43,687
Professional fees	6,000	24,656	-	30,656	16,499	30,164	20	46,683
Real estate taxes	50,881	13,699	652	65,232	49,922	13,440	640	64,002
Ticket fees	40,548	-	-	40,548	57,049	-	-	57,049
Travel	3,039	-	160	3,199	9,016	-	474	9,490
Utilities	29,457	7,931	378	37,766	50,985	13,727	654	65,366
	<u>\$1,257,842</u>	<u>\$384,984</u>	<u>\$155,131</u>	<u>\$1,797,957</u>	<u>\$2,462,926</u>	<u>\$516,100</u>	<u>\$217,378</u>	<u>\$3,196,404</u>

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ (150,697)	\$ 552,658
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	356,686	348,598
Net unrealized gain on investments	(236,081)	(250,477)
Changes in operating assets and liabilities:		
Contributions and grants receivable	2,758	(8,750)
Prepaid expenses and other	11,451	(7,110)
Accounts payable and accrued expenses	(219,405)	73,155
Deferred revenue	12,467	19,652
Net cash (used in) provided by operating activities	<u>(222,821)</u>	<u>727,726</u>
Cash flows from investing activities:		
Purchase of property and equipment	(36,653)	(159,250)
Purchase of investments	<u>(619,559)</u>	<u>(38,080)</u>
Net cash used in investing activities	<u>(656,212)</u>	<u>(197,330)</u>
Cash flows from financing activities:		
Proceeds from EIDL loan payable	150,000	-
Proceeds from PPP loan payable	<u>246,800</u>	<u>-</u>
Net cash provided by financing activities	<u>396,800</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(482,233)	530,396
Cash and cash equivalents at beginning of year	<u>1,976,667</u>	<u>1,446,271</u>
Cash and cash equivalents at end of year	<u><u>\$1,494,434</u></u>	<u><u>\$1,976,667</u></u>

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(1) ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Bryn Mawr Theatre Film Institute, dba Bryn Mawr Film Institute (the “Institute”) is a Pennsylvania nonprofit corporation formed in 2002 for the purpose of purchasing and restoring the Bryn Mawr Theater, a nationally registered historical landmark located in Bryn Mawr, Pennsylvania, to create and operate a film institute to expose the film-going public to the best of world cinema, to expand audiences for films of historical, cultural, and artistic significance, and to educate the general public through discussion groups, workshops and seminars on the appreciation of films and filmmaking.

Coronavirus

In December 2019, an outbreak of a novel strain of coronavirus, COVID-19, emerged in China and continues to spread globally, including in the United States. COVID-19 is currently impacting countries, communities, supply chains, and markets around the world.

In response to the health and safety concerns caused by COVID-19, the Institute postponed all future in-person presentations on March 13, 2020 and began hosting online presentations. The Institute re-opened on April 9, 2021 and implemented plans, protocols, and precautions to ensure the health and safety of both staff and patrons. Management is actively monitoring the global situation on its financial condition, liquidity, and availability of resources. As of the date of this report, management cannot predict whether the COVID-19 outbreak will have a material impact on the Institute’s financial condition and results of operations in the foreseeable future.

As a result of the COVID-19 outbreak, the Institute has obtained a forgivable loan through the Paycheck Protection Program (“PPP”) (Note 6) and a non-forgivable loan through the Economic Injury Disaster Loan program (“EIDL”) (Note 7). The Institute also extended all memberships by one year as further described herein.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of Presentation

Accounting principles generally accepted in the United States of America require classification of a nonprofit organization’s net assets and its revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for general operations.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(1) ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Presentation - Continued

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Institute did not have any net assets to be held in perpetuity as of December 31, 2020 or 2019.

Revenue Recognition

In accordance with Accounting Standards Codification (“ASC”) Topic 606, BMFI recognizes revenues primarily via the following steps:

- Identification of the contract with the customer;
- Identification of the performance obligation(s) under the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the identified performance obligation(s); and
- Recognition of revenue as (or when) BMFI satisfies the identified performance obligation(s).

Admissions and Concessions Revenue

Earned revenues are generated principally through admissions and concessions sales with proceeds received in cash or via credit card at the point of sale. Admissions and concessions are recognized as revenues in the period earned as the related films are presented.

Membership and Deferred Revenue

Membership revenue is recognized as substantive benefits are available to members, which is measured as a single performance obligation satisfied over time. In response to the Institute being closed for most of 2020 due to the COVID-19 pandemic, the Institute extended all memberships by one year. Amounts received but not yet earned by the end of the year are recorded as a contract liability (deferred revenue). At December 31, 2020 and 2019, respectively, deferred membership revenues totaled \$363,552 and \$312,291. The remaining deferred revenue shown on the statements of financial position primarily consists of amounts received in advance for sponsorships and gift certificates that have been purchased but not yet redeemed as of the end of the year.

Contributions and Grants

Contributions and grants received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. The Institute has elected to report as without donor restrictions, donor-restricted contributions whose restrictions are met in the same reporting period. Unconditional promises to give are recorded at fair value. No allowance for uncollectible receivables was considered necessary at December 31, 2020 or 2019.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(1) ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

The Institute considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents are primarily held in operating accounts at major financial institutions and also in money market mutual funds, in which the Institute is exposed to market and credit risk. The Institute's uninsured cash balances total \$1,242,108 and \$1,697,474 at December 31, 2020 and 2019, respectively. No losses have been incurred to date.

Functional Allocation of Expenses

The costs of providing the various program and supporting services activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Certain expenses applicable to more than one program or activity have been allocated among the programs and supporting services based on activities of personnel and the usage of materials and services.

Donated Property and Services

In-kind contributions are recognized in the financial statements if the services or goods received enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. There were no such contributions for the years ended December 31, 2020 or 2019.

Contributed securities and other non-cash donations are recorded at their fair values at the date of donation.

Advertising

Advertising and promotion costs are expensed as incurred. Advertising and promotion expense totaled \$3,888 and \$24,825 for the years ended December 31, 2020 and 2019, respectively.

Property and Equipment

Property and equipment are stated at cost. Major renewals and improvements are capitalized, while maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred. Depreciation is provided by the straight-line method over estimated useful lives of the assets as follows:

Building and improvements	5-40 years
Furniture, equipment and software	5-15 years

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(1) ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Value Measurements

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statements of financial position. Changes in unrealized gains and losses resulting from changes in fair value are reflected in the statements of activities. Dividends and interest are reported as investment income as they are earned. See Note 3 for a summary of inputs used to value the Institute’s investments reported at fair value.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Income Taxes

The Institute is a public charity that has obtained an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision has been made for federal or state income taxes. The Institute is subject, however, to federal income taxes on unrelated business taxable income.

Pursuant to Financial Accounting Standards Board (“FASB”) ASC Topic 740, the Institute recognizes tax benefits only if it is more likely than not that a tax position will be sustained upon examination. No liability for uncertain tax positions was recorded as of December 31, 2020 or 2019.

New Lease Standard Considerations

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases*, which once implemented will result in the recognition of most leased assets and corresponding lease liabilities on the balance sheets. The standard is effective for years beginning after December 15, 2021 and early adoption is permitted. Management does not expect a significant impact on the financial statements once the new lease standard is adopted.

Subsequent Events

Management has evaluated subsequent events through June 4, 2021, which is the date the Institute’s financial statements were available to be issued.

(2) CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable as of December 31, 2020 and 2019 are expected to be collected as follows:

	2020	2019
Within one year	\$ 88,740	\$ 58,498
One to five years	42,000	75,000
	<u>\$130,740</u>	<u>\$133,498</u>

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(3) FAIR VALUE MEASUREMENTS

The Institute has adopted authoritative accounting guidance related to fair value measurements. The guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal market or, in the absence of a principal market, the most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. This guidance also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The following tables present the fair value hierarchy for those assets measured at fair value on a recurring basis at December 31, 2020 and 2019:

<u>December 31, 2020</u>	<u>Total</u>	<u>Quoted Prices In Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual and exchange-traded funds	<u>\$2,429,709</u>	<u>\$2,429,709</u>	<u>\$ -</u>	<u>\$ -</u>
<u>December 31, 2019</u>				
Mutual and exchange-traded funds	<u>\$1,574,069</u>	<u>\$1,574,069</u>	<u>\$ -</u>	<u>\$ -</u>

(4) PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Land	<u>\$ 459,375</u>	<u>\$ 459,375</u>
Buildings and improvements	<u>9,623,392</u>	<u>9,594,411</u>
Furniture, equipment, and software	<u>1,031,391</u>	<u>1,023,719</u>
	<u>11,114,158</u>	<u>11,077,505</u>
Less accumulated depreciation	<u>3,708,405</u>	<u>3,351,719</u>
	<u>\$7,405,753</u>	<u>\$ 7,725,786</u>

(5) NOTE PAYABLE

The Institute has a \$500,000 non-interest-bearing note payable to Township of Lower Merion, which is due on October 17, 2021. The loan was obtained under the Commonwealth of Pennsylvania Anchor Building Grant Program, which was designed to provide interest-free loans for the rehabilitation of commercial properties considered significant for revitalization within commercial areas.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(6) PAYCHECK PROTECTION PROGRAM LOAN

On June 24, 2020, the Institute received a forgivable loan of \$246,800 under the terms of the Paycheck Protection Program (“PPP”) bearing interest at 1% with a maturity of five years. The PPP was established as part of the Coronavirus Aid, Relief, and Economic Security Act (“Program”) and is administered by the United States Small Business Administration through an eligible lender. Under the terms of the PPP, loan recipients can apply for and be granted forgiveness for all or a portion of the loan proceeds received. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and the maintenance of the Institute’s payroll levels. While the Institute believes it has complied with the terms of the Program, forgiveness of the loan, in whole or in part, is uncertain. If all or a portion of the PPP loan is forgiven, the Institute plans to record income from the extinguishment of its loan obligation when it is legally released as the primary obligor.

No interest or principal will be due from the time the loan was received through the earlier of (1) the date the Small Business Administration remits the Institute’s loan forgiveness amount to the lender or (2) if the Institute does not apply for loan forgiveness, ten months after the end of the Institute’s loan forgiveness covered period. Interest will continue to accrue over the deferred loan period. After such deferral period and after taking into account any loan forgiveness applicable to the PPP loan pursuant to the Program, any remaining principal and accrued interest will be payable in substantially equal monthly installments on the first day of each month over the remaining term of the loan.

Annual maturities of the PPP loan at December 31, 2020 are as follows:

<u>Years ending December 31,</u>	
2021	\$ 12,049
2022	48,499
2023	48,986
2024	49,479
2025	49,976
Thereafter	37,811
	\$246,800

On April 8, 2021, the Institute received a second PPP loan of \$236,647. The loan terms are substantially similar to the first PPP loan described above.

(7) ECONOMIC INJURY DISASTER LOAN

In connection with the COVID-19 outbreak described in Note 1, the Institute received loan proceeds of \$150,000 under the SBA’s EIDL program to be used for working capital purposes. The loan proceeds were received on July 28, 2020 and bears interest at 2.75% over a 30-year term. The loan is secured by substantially all assets of the Institute, and is due in monthly installment of \$641 beginning July 26, 2022.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(7) ECONOMIC INJURY DISASTER LOAN - Continued

Annual maturities of the loan at December 31, 2020 are as follows:

<u>Years ending December 31,</u>	
2021	\$ -
2022	1,794
2023	3,662
2024	3,764
2025	3,869
Thereafter	<u>136,911</u>
	<u>\$150,000</u>

As part of the EIDL program, the Institute also received a tax-free grant in the amount of \$10,000 on May 1, 2020, which is not required to be repaid.

(8) RETIREMENT PLAN

The Institute offers a SIMPLE IRA retirement plan for substantially all employees. The Institute presently matches employee contributions to a maximum of 3% of each participant's compensation. Retirement plan expense was \$11,316 and \$14,298 for the years ended December 31, 2020 and 2019, respectively, which is included in payroll, taxes, and benefits on the statements of functional expenses.

(9) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2020 and 2019 consisted of:

	<u>2020</u>	<u>2019</u>
Maintenance of projection booth	\$ 21,687	\$ 28,502
Computers	12,742	12,742
Subsequent year operations	<u>86,000</u>	<u>145,748</u>
	<u>\$120,429</u>	<u>\$186,992</u>

(10) BOARD-DESIGNATED ENDOWMENT FUND

The board of directors has established an endowment fund and has adopted investment and spending policies for endowment assets that attempt to both preserve capital and achieve long-term growth, while providing a predictable stream of funding to support the Institute's operations and programs. The Institute targets a diversified asset allocation of fixed income and equity investments.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

(10) BOARD DESIGNATED ENDOWMENT FUND - Continued

Changes in the board-designated endowment fund for the years ended December 31, 2020 and 2019 were as follows:

Balance, January 1, 2019		\$ 1,285,512
Interfund transfer		7,766
Investment return:		
Investment income	\$ 30,314	
Net unrealized gain	<u>250,477</u>	<u>280,791</u>
Balance, December 31, 2019		1,574,069
Interfund transfer		577,096
Investment return:		
Investment income	42,463	
Net unrealized gain	<u>236,081</u>	<u>278,544</u>
Balance, December 31, 2020		<u>\$2,429,709</u>

(11) LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, include cash and cash equivalents and contributions and grants receivable in the amount of \$1,548,745 at December 31, 2020. As part of their liquidity management plan, the Institute has a goal to maintain financial assets, which consist of cash and cash equivalents and contributions and grants receivable, on hand to meet normal operating expenses.