

BRYN MAWR FILM INSTITUTE

FINANCIAL STATEMENTS

(AND INDEPENDENT AUDITOR'S REPORT)

YEARS ENDED DECEMBER 31, 2023 AND 2022





Independent Auditor's Report

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

Opinion

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, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 Bryn Mawr Film Institute as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bryn Mawr Film Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Bryn Mawr Film Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's 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 auditor's 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 Bryn Mawr Film Institute'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 Bryn Mawr Film Institute'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.

Bala Cynwyd, Pennsylvania

June 20, 2024

BRYN MAWR FILM INSTITUTE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

ASSETS

| | 2023 | 2022 |
|---|---------------|---------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 1,473,013 | \$ 1,248,534 |
| Contributions and grants receivable, current | 65,927 | 37,000 |
| Prepaid expenses and other | 47,633 | 50,055 |
| Total current assets | 1,586,573 | 1,335,589 |
| Property and equipment, net | 6,556,529 | 6,855,467 |
| Contributions and grants receivable, noncurrent | 40,812 | 9,000 |
| Investments, at fair value | 3,702,778 | 3,216,578 |
| Total assets | \$ 11,886,692 | \$ 11,416,634 |

LIABILITIES AND NET ASSETS

| | | |
|---------------------------------------|---------------|---------------|
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$ 128,657 | \$ 92,502 |
| Deferred revenue | 407,278 | 364,685 |
| Total current liabilities | 535,935 | 457,187 |
| Net assets: | | |
| Without donor restrictions: | | |
| Board designated for endowment | 3,702,778 | 3,216,578 |
| Undesignated | 7,564,167 | 7,676,013 |
| | 11,266,945 | 10,892,591 |
| With donor restrictions | 83,812 | 66,856 |
| | 11,350,757 | 10,959,447 |
| Total liabilities and net assets | \$ 11,886,692 | \$ 11,416,634 |

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

| | Without Donor Restrictions | | | With Donor Restrictions | Total |
|---------------------------------------|-----------------------------------|-----------------------------|----------------------|------------------------------------|----------------------|
| | Operating | Board Designated | Total | | |
| Revenues and support: | | | | | |
| Admissions | \$ 1,374,893 | \$ - | \$ 1,374,893 | \$ - | \$ 1,374,893 |
| Concessions | 345,011 | - | 345,011 | - | 345,011 |
| Membership | 392,770 | - | 392,770 | - | 392,770 |
| Rentals | 41,400 | - | 41,400 | - | 41,400 |
| Sponsorships | 73,760 | - | 73,760 | - | 73,760 |
| Education programs | 110,330 | - | 110,330 | - | 110,330 |
| Contributions and grants | 593,329 | - | 593,329 | 96,000 | 689,329 |
| Investment income | 30,702 | 72,460 | 103,162 | - | 103,162 |
| Net unrealized gain on investments | - | 386,452 | 386,452 | - | 386,452 |
| Miscellaneous | 12,252 | - | 12,252 | - | 12,252 |
| Net assets released from restrictions | 79,044 | - | 79,044 | (79,044) | - |
| | <u>3,053,491</u> | <u>458,912</u> | <u>3,512,403</u> | <u>16,956</u> | <u>3,529,359</u> |
| Expenses: | | | | | |
| Program services | 2,449,275 | - | 2,449,275 | - | 2,449,275 |
| Management and general | 510,947 | - | 510,947 | - | 510,947 |
| Membership and fundraising | 177,827 | - | 177,827 | - | 177,827 |
| | <u>3,138,049</u> | <u>-</u> | <u>3,138,049</u> | <u>-</u> | <u>3,138,049</u> |
| Change in net assets | (84,558) | 458,912 | 374,354 | 16,956 | 391,310 |
| Interfund transfer | (27,288) | 27,288 | - | - | - |
| Net assets at beginning of year | <u>7,676,013</u> | <u>3,216,578</u> | <u>10,892,591</u> | <u>66,856</u> | <u>10,959,447</u> |
| Net assets at end of year | <u>\$ 7,564,167</u> | <u>\$ 3,702,778</u> | <u>\$ 11,266,945</u> | <u>\$ 83,812</u> | <u>\$ 11,350,757</u> |

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

| | Without Donor Restrictions | | | With Donor Restrictions | Total |
|---------------------------------------|-----------------------------------|-----------------------------|----------------------|------------------------------------|----------------------|
| | Operating | Board Designated | Total | | |
| Revenues and support: | | | | | |
| Admissions | \$ 806,096 | \$ - | \$ 806,096 | \$ - | \$ 806,096 |
| Concessions | 186,463 | - | 186,463 | - | 186,463 |
| Membership | 344,387 | - | 344,387 | - | 344,387 |
| Rentals | 32,863 | - | 32,863 | - | 32,863 |
| Sponsorships | 49,900 | - | 49,900 | - | 49,900 |
| Education programs | 77,514 | - | 77,514 | - | 77,514 |
| Contributions and grants | 607,604 | - | 607,604 | 33,000 | 640,604 |
| PPP loan forgiveness income | 236,647 | - | 236,647 | - | 236,647 |
| Investment income | 4,366 | 53,541 | 57,907 | - | 57,907 |
| Net unrealized loss on investments | - | (564,181) | (564,181) | - | (564,181) |
| Miscellaneous | 9,931 | - | 9,931 | - | 9,931 |
| Net assets released from restrictions | 94,480 | - | 94,480 | (94,480) | - |
| | <u>2,450,251</u> | <u>(510,640)</u> | <u>1,939,611</u> | <u>(61,480)</u> | <u>1,878,131</u> |
| Expenses: | | | | | |
| Program services | 2,096,418 | - | 2,096,418 | - | 2,096,418 |
| Management and general | 493,068 | - | 493,068 | - | 493,068 |
| Membership and fundraising | 168,981 | - | 168,981 | - | 168,981 |
| | <u>2,758,467</u> | <u>-</u> | <u>2,758,467</u> | <u>-</u> | <u>2,758,467</u> |
| Change in net assets | (308,216) | (510,640) | (818,856) | (61,480) | (880,336) |
| Interfund transfer | (14,594) | 14,594 | - | - | - |
| Net assets at beginning of year | <u>7,998,823</u> | <u>3,712,624</u> | <u>11,711,447</u> | <u>128,336</u> | <u>11,839,783</u> |
| Net assets at end of year | <u>\$ 7,676,013</u> | <u>\$ 3,216,578</u> | <u>\$ 10,892,591</u> | <u>\$ 66,856</u> | <u>\$ 10,959,447</u> |

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2023 AND 2022

| | 2023 | | | 2022 | | | | |
|------------------------------|-----------------------------|---------------------------------------|---|---------------------|-----------------------------|---------------------------------------|---|---------------------|
| | Program Services | Management and General | Membership and Fundraising | Total | Program Services | Management and General | Membership and Fundraising | Total |
| Payroll, taxes, and benefits | \$ 1,004,785 | \$ 287,081 | \$ 143,541 | \$ 1,435,407 | \$ 955,195 | \$ 273,067 | \$ 136,534 | \$ 1,364,796 |
| Accounting and audit | - | 19,500 | - | 19,500 | - | 19,000 | - | 19,000 |
| Advertising and promotion | 2,234 | 6,702 | - | 8,936 | 2,203 | 6,611 | - | 8,814 |
| Bank charges | 66,018 | - | 3,475 | 69,493 | 48,303 | - | 2,542 | 50,845 |
| Building maintenance | 54,153 | 14,579 | 694 | 69,426 | 61,499 | 15,778 | 751 | 78,028 |
| Concessions | 100,710 | 15,477 | - | 116,187 | 60,466 | 16,074 | - | 76,540 |
| Depreciation | 258,810 | 69,680 | 3,318 | 331,808 | 267,076 | 71,463 | 3,403 | 341,942 |
| Faculty | 27,623 | - | - | 27,623 | 21,252 | - | - | 21,252 |
| Film rental | 644,650 | - | - | 644,650 | 398,564 | - | - | 398,564 |
| Insurance | 35,987 | 9,689 | 461 | 46,137 | 34,263 | 9,494 | 452 | 44,209 |
| Miscellaneous | 6,451 | 3,865 | 9 | 10,325 | 5,850 | 2,500 | 166 | 8,516 |
| Office | 27,456 | 20,105 | 14,147 | 61,708 | 29,390 | 18,492 | 15,499 | 63,381 |
| Postage and mailing | 13,436 | 6,783 | 5,883 | 26,102 | 11,645 | 5,674 | 4,954 | 22,273 |
| Printing | 29,533 | 722 | 4,432 | 34,687 | 10,997 | 1,051 | 2,896 | 14,944 |
| Professional fees | 18,000 | 25,300 | - | 43,300 | 19,500 | 25,150 | - | 44,650 |
| Real estate taxes | 54,543 | 14,685 | 699 | 69,927 | 50,441 | 13,680 | 651 | 64,772 |
| Ticket fees | 35,557 | - | - | 35,557 | 55,499 | - | - | 55,499 |
| Travel | 7,005 | - | 369 | 7,374 | 8,434 | - | 417 | 8,851 |
| Utilities | 62,324 | 16,779 | 799 | 79,902 | 55,841 | 15,034 | 716 | 71,591 |
| | <u>\$ 2,449,275</u> | <u>\$ 510,947</u> | <u>\$ 177,827</u> | <u>\$ 3,138,049</u> | <u>\$ 2,096,418</u> | <u>\$ 493,068</u> | <u>\$ 168,981</u> | <u>\$ 2,758,467</u> |

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ 391,310 | \$ (880,336) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation | 331,808 | 341,942 |
| Net unrealized (gain) loss on investments | (386,452) | 564,181 |
| Loss on disposal of equipment | 384 | |
| Forgiveness of PPP loan payable | - | (236,647) |
| Changes in operating assets and liabilities: | | |
| Contributions and grants receivable | (60,739) | 197,084 |
| Prepaid expenses and other | 2,422 | (3,230) |
| Accounts payable and accrued expenses | 36,155 | 13,786 |
| Deferred revenue | 42,593 | 58,593 |
| Refundable advance | - | (248,106) |
| | <u>357,481</u> | <u>(192,733)</u> |
| Net cash provided by (used in) operating activities | | |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (33,254) | (101,349) |
| Purchase of investments | (99,748) | (68,135) |
| | <u>(133,002)</u> | <u>(169,484)</u> |
| Net cash used in investing activities | | |
| Net increase (decrease) in cash and cash equivalents | 224,479 | (362,217) |
| Cash and cash equivalents at beginning of year | <u>1,248,534</u> | <u>1,610,751</u> |
| Cash and cash equivalents at end of year | <u>\$ 1,473,013</u> | <u>\$ 1,248,534</u> |

The accompanying notes are an integral part of these statements.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

(1) ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Bryn Mawr Theatre Film Institute, d/b/a 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.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as described in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 958, *Not-for-Profit Entities*. Accordingly, the Institute distinguishes between net assets with donor restrictions and net assets without donor restrictions, based upon the existence or absence of donor-imposed restrictions, 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.

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, 2023 or 2022.

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.

Revenue Recognition

In accordance with ASC Topic 606, the Institute recognizes earned revenues primarily via admissions, concessions sales, and memberships.

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.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Membership and Deferred Revenue

Amounts received but not yet earned by the end of the year are recorded as contract liabilities (deferred revenue). At December 31, 2023 and 2022, respectively, deferred membership revenues totaled \$267,565 and \$241,553. 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, 2023 or 2022.

Cash, Cash Equivalents and Concentration of Credit Risk

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 bank accounts at major financial institutions and also in money market mutual funds, in which the Institute may be exposed to market and credit risk. At times, cash and cash equivalent balances are in excess of the \$250,000 and \$500,000 insurance limits established by the Federal Deposit Insurance Corporations and the Securities Investor Protection Corporation, 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.

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 \$8,936 and \$8,814 for the years ended December 31, 2023 and 2022, respectively.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

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.

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 FASB ASC Topic 740, *Income Taxes*, 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, 2023 or 2022.

Adoption of New Accounting Pronouncement

Effective January 1, 2023, the Institute adopted ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASC 326”). This standard replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The adoption of ASC 326 had no material impact on the Institute's financial statements.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Subsequent Events

Management has evaluated subsequent events through June 20, 2024 which is the date the Institute's financial statements were available to be issued.

Reclassifications

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

(2) CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable as of December 31, 2023 and 2022 are expected to be collected as follows:

| | 2023 | 2022 |
|-------------------|------------|-----------|
| Within one year | \$ 65,927 | \$ 37,000 |
| One to five years | 40,812 | 9,000 |
| | \$ 106,739 | \$ 46,000 |

(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, 2023 and 2022:

| | | Quoted Prices In Active Markets (Level 1) | Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|----------------------------------|-------------|--|--|--|
| December 31, 2023 | Total | | | |
| Mutual and exchange-traded funds | \$3,702,778 | \$3,702,778 | \$ - | \$ - |
| December 31, 2022 | | | | |
| Mutual and exchange-traded funds | \$3,216,578 | \$3,216,578 | \$ - | \$ - |

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

(4) PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2023 and 2022:

| | 2023 | 2022 |
|------------------------------------|--------------|--------------|
| Land | \$ 459,375 | \$ 459,375 |
| Building and improvements | 9,753,737 | 9,753,737 |
| Furniture, equipment, and software | 1,071,563 | 1,045,990 |
| | 11,284,675 | 11,259,102 |
| Less accumulated depreciation | 4,728,146 | 4,403,635 |
| | \$ 6,556,529 | \$ 6,855,467 |

(5) PAYCHECK PROTECTION PROGRAM LOAN

On April 8, 2021 the Institute received a forgivable loan in the amount of \$236,647 under the terms of the PPP, bearing interest at 1%. The PPP was established as part of the CARES Act and was administered by the United States Small Business Administration (“SBA”) through an eligible lender. The Institute applied for forgiveness and was notified on March 2, 2022 that full forgiveness of the PPP loan was granted by the SBA. As such, the income from the extinguishment of debt totaling \$236,647 was recognized on the statement of activities during the year ended December 31, 2022.

(6) SHUTTERED VENUE OPERATIONS GRANT

In connection with the COVID-19 outbreak described in Note 1, the Institute received two SVOGs totaling \$1,626,127 during fiscal year 2021 under the SBA’s SVOG program to support the ongoing operations of the Institute during the uncertain economic conditions caused by the COVID-19 pandemic. The funds could be used to cover allowable costs during the period March 1, 2020 to June 30, 2022. The Institute incurred the remaining \$248,106 of allowable costs during the year ended December 31, 2022 and concluded that the SVOG funds represented, in substance, a conditional government grant. Accordingly, the allowable credits totaling \$248,106 were included as contributions and grants revenue in the statement of activities for the year ended December 31, 2022.

(7) 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 \$16,749 and \$14,837 for the years ended December 31, 2023 and 2022, respectively, which is included in payroll, taxes, and benefits on the statements of functional expenses.

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

(8) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2023 and 2022 consisted of:

| | 2023 | 2022 |
|---------------------------------|----------|----------|
| Maintenance of projection booth | \$ - | \$ 8,114 |
| Computers | - | 12,742 |
| Subsequent years operations | 83,812 | 46,000 |
| | \$83,812 | \$66,856 |

Subsequent years operations of net assets with donor restrictions as of December 31, 2023 are as follows:

| | |
|------|----------|
| 2024 | \$38,000 |
| 2025 | 34,812 |
| 2026 | 11,000 |
| | \$83,812 |

(9) 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.

Changes in the board-designated endowment fund for the years ended December 31, 2023 and 2022 were as follows:

| | | |
|----------------------------|-----------|-------------|
| Balance, January 1, 2022 | | \$3,712,624 |
| Interfund transfer | | 14,594 |
| Investment return: | | |
| Investment income | \$ 53,541 | |
| Net unrealized loss | (564,181) | (510,640) |
| Balance, December 31, 2022 | | 3,216,578 |
| Interfund transfer | | 27,288 |
| Investment return: | | |
| Investment income | 72,460 | |
| Net unrealized gain | 386,452 | 458,912 |
| Balance, December 31, 2023 | | \$3,702,778 |

BRYN MAWR FILM INSTITUTE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

(10) 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 \$1,538,940 at December 31, 2023. 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. In addition, the board of directors have designated a portion of net assets without donor restrictions totaling \$3,702,778 at December 31, 2023 as endowment assets which may be drawn upon to meet liquidity needs.