



REPORT OF INDEPENDENT AUDITORS AND
FINANCIAL STATEMENTS

OLD GLOBE THEATRE DBA THE OLD GLOBE

December 31, 2019 and 2018



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Report of Independent Auditors

To the Board of Directors
Old Globe Theatre dba The Old Globe

Report on Financial Statements

We have audited the accompanying financial statements of Old Globe Theatre dba The Old Globe (“The Old Globe”), which comprise the statements of financial position as of December 31, 2019 and 2018, the statements of activities, 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 audits 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 that 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 The Old Globe as of December 31, 2019 and 2018, and its changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

San Diego, California
April 1, 2020

Old Globe Theatre dba The Old Globe
Statements of Financial Position

	December 31,	
	2019	2018
ASSETS		
Cash and cash equivalents	\$ 7,624,712	\$ 7,872,470
Investments	40,318,366	2,458,506
Receivables, net	8,821,099	9,813,079
Inventories	138,263	153,312
Prepaid expenses and other assets	1,107,762	536,906
Property and equipment	22,297,801	23,593,788
Other asset	28,955,451	-
Endowment assets		
Investments	6,252,208	6,082,443
Pledges receivable, net	6,629,714	6,520,353
	<u>\$ 122,145,376</u>	<u>\$ 57,030,857</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 2,667,846	\$ 2,183,042
Deferred revenue	2,985,585	4,331,001
Debt	2,328,309	2,500,686
	<u>7,981,740</u>	<u>9,014,729</u>
COMMITMENTS AND CONTINGENCIES (Notes 9, 12, and 13)		
NET ASSETS		
Without donor restrictions:		
Undesignated	604,793	417,994
Designated by Board of Directors	37,632,350	378,773
Designated for property and equipment	18,634,331	19,753,546
	<u>56,871,474</u>	<u>20,550,313</u>
With donor restrictions	57,292,162	27,465,815
	<u>114,163,636</u>	<u>48,016,128</u>
Total net assets	<u>114,163,636</u>	<u>48,016,128</u>
Total liabilities and net assets	<u>\$ 122,145,376</u>	<u>\$ 57,030,857</u>

Old Globe Theatre dba The Old Globe

Statement of Activities

	Year Ended December 31, 2019			Year Ended December 31, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE						
Ticket sales	\$ 14,216,308	\$ -	\$ 14,216,308	\$ 14,614,306	\$ -	\$ 14,614,306
Enhancements	4,228,323	-	4,228,323	2,056,656	-	2,056,656
Retail	876,391	-	876,391	927,299	-	927,299
Investment income	636,580	-	636,580	311,904	-	311,904
Other revenue	119,393	-	119,393	223,499	-	223,499
Royalties	25,218	-	25,218	71,697	-	71,697
Education	12,157	-	12,157	51,262	-	51,262
Rental income	7,853	-	7,853	10,898	-	10,898
Total operating revenue	<u>20,122,223</u>	<u>-</u>	<u>20,122,223</u>	<u>18,267,521</u>	<u>-</u>	<u>18,267,521</u>
OPERATING EXPENSES						
Program services	25,992,717	-	25,992,717	23,498,398	-	23,498,398
Management and general	3,793,475	-	3,793,475	3,354,634	-	3,354,634
Total operating expenses	<u>29,786,192</u>	<u>-</u>	<u>29,786,192</u>	<u>26,853,032</u>	<u>-</u>	<u>26,853,032</u>
Operating loss	<u>(9,663,969)</u>	<u>-</u>	<u>(9,663,969)</u>	<u>(8,585,511)</u>	<u>-</u>	<u>(8,585,511)</u>
CONTRIBUTED INCOME						
Contributions	43,431,580	30,784,664	74,216,244	5,556,656	3,202,363	8,759,019
Net assets released from restrictions	2,030,703	(2,030,703)	-	2,511,278	(2,511,278)	-
	<u>45,462,283</u>	<u>28,753,961</u>	<u>74,216,244</u>	<u>8,067,934</u>	<u>691,085</u>	<u>8,759,019</u>
Special events	1,467,292	-	1,467,292	1,352,565	-	1,352,565
Government grants	591,712	28,900	620,612	586,640	-	586,640
Endowment earnings	-	1,395,062	1,395,062	-	(411,354)	(411,354)
Appropriated endowment earnings	-	(367,815)	(367,815)	-	(268,073)	(268,073)
In-kind contributions	884,814	-	884,814	407,364	-	407,364
Total contributed income	<u>48,406,101</u>	<u>29,810,108</u>	<u>78,216,209</u>	<u>10,414,503</u>	<u>11,658</u>	<u>10,426,161</u>
EXPENSES						
Fund-raising	2,209,110	-	2,209,110	2,087,492	-	2,087,492
Special events	386,756	-	386,756	466,382	-	466,382
Total expenses	<u>2,595,866</u>	<u>-</u>	<u>2,595,866</u>	<u>2,553,874</u>	<u>-</u>	<u>2,553,874</u>
Net contributed income	<u>45,810,235</u>	<u>29,810,108</u>	<u>75,620,343</u>	<u>7,860,629</u>	<u>11,658</u>	<u>7,872,287</u>
Change in net assets before gains (losses)	36,146,266	29,810,108	65,956,374	(724,882)	11,658	(713,224)
Gains/(Losses)						
Net realized and unrealized gains/(losses) on investments	174,895	16,239	191,134	(36,713)	(16,551)	(53,264)
Total gains/(losses)	<u>174,895</u>	<u>16,239</u>	<u>191,134</u>	<u>(36,713)</u>	<u>(16,551)</u>	<u>(53,264)</u>
CHANGE IN NET ASSETS	<u>36,321,161</u>	<u>29,826,347</u>	<u>66,147,508</u>	<u>(761,595)</u>	<u>(4,893)</u>	<u>(766,488)</u>
NET ASSETS						
Beginning of year	20,550,313	27,465,815	48,016,128	21,311,908	27,470,708	48,782,616
End of year	<u>\$ 56,871,474</u>	<u>\$ 57,292,162</u>	<u>\$ 114,163,636</u>	<u>\$ 20,550,313</u>	<u>\$ 27,465,815</u>	<u>\$ 48,016,128</u>

Old Globe Theatre dba The Old Globe Statements of Cash Flows

	Years Ended December 31,	
	2019	2018
OPERATING ACTIVITIES		
Change in net assets	\$ 66,147,508	\$ (766,488)
Reconciliation to net cash from operating activities:		
Depreciation and amortization	1,663,971	1,591,585
Change in allowance on pledges receivable	(75,000)	100,000
Change in discount on pledges receivable	(308,449)	(257,819)
Net realized and unrealized gains/(losses)	(1,369,558)	673,964
Restricted contributions - pledges receivable	(1,154,292)	(2,988,400)
Noncash contribution - other asset	(28,955,451)	-
Gain on sale of property and equipment	(1,280)	-
(Increase) decrease in operating assets		
Receivables	279,935	(623,309)
Inventories	15,049	(15,725)
Prepaid expenses and other assets	(570,856)	171,692
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	484,804	785,028
Deferred revenue	(1,345,416)	896,394
	<u>34,810,965</u>	<u>(433,078)</u>
INVESTING ACTIVITIES		
Purchases of investments	(39,113,786)	(5,272,671)
Proceeds from sale of investments	2,453,719	2,970,401
Proceeds from sale of fixed assets	1,280	-
Purchases of property and equipment	(363,589)	(608,198)
Additions to construction-in-progress	-	(42,920)
	<u>(37,022,376)</u>	<u>(2,953,388)</u>
FINANCING ACTIVITIES		
Collections of restricted pledges receivable	2,140,425	4,412,250
Principal payments on debt	(176,772)	(170,117)
	<u>1,963,653</u>	<u>4,242,133</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(247,758)	855,667
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>7,872,470</u>	<u>7,016,803</u>
End of year	<u>\$ 7,624,712</u>	<u>\$ 7,872,470</u>

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 1 – Nature of the Organization and Significant Accounting Policies

Nature of the organization – Old Globe Theatre dba The Old Globe (“The Old Globe”) is a not-for-profit California organization located in San Diego, California. The Old Globe’s mission is to preserve, strengthen, and advance American theatre by: creating theatrical experiences of the highest professional standards; producing and presenting works of exceptional merit designed to reach current and future audiences; ensuring diversity and balance in programming; and providing an environment for the growth and education of theatre professionals, audiences, and the community at large.

Income taxes – The Old Globe is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Old Globe may be subject to federal or state income taxes on unrelated business income. For each of the years ended December 31, 2019 and 2018, no provision for such taxes is required. The Old Globe has no unrecognized tax benefits or liabilities as of December 31, 2019 and 2018. The Old Globe files an exempt organization return in the United States federal jurisdiction and with the Franchise Tax Board in the state of California.

Method of accounting – The accompanying financial statements have been prepared on the accrual basis of accounting.

Net assets – Net assets are classified as with or without donor restrictions based upon the following criteria:

- Net assets without donor restrictions represent expendable funds available for operations that are not otherwise limited by donor restrictions.
- Net assets with donor restrictions consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before The Old Globe can spend the funds or to irrevocable donor restrictions requiring that the assets be maintained in perpetuity, usually for the purpose of generating investment income to fund current operations.

Cash and cash equivalents – The Old Globe considers all highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents held within the investment portfolio as part of The Old Globe’s investment strategy are included in investments in the statements of financial position.

Restricted cash – The Actors’ Equity Association requires The Old Globe to maintain a separate bank account to ensure payments of actors’ benefits. As of December 31, 2019 and 2018, approximately \$222,000 and \$160,000, respectively, is held in a cash account in The Old Globe’s name, but is not available to The Old Globe unless a release is received from the Actors’ Equity Association. This amount is included in cash and cash equivalents in the accompanying statement of financial position.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 1 – Nature of the Organization and Significant Accounting Policies (continued)

Investments – The fair value of investments in equities, corporate bond funds, and money market funds is based on quoted prices in an active market.

The fair value of corporate bonds, government securities, and certificates of deposit is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

The fair value of investments held by The San Diego Foundation (TSDF), for which quoted market prices are not available, is based on the unit value of The Old Globe's interest in the pools in which it is invested. The unit value is based on the fair value of the underlying assets in the pool. The pools in which The Old Globe has funds are invested primarily in domestic and international equities. Management of The Old Globe reviews and evaluates the values and methodology used to determine the fair value provided by TSDF quarterly. The Old Globe agrees with the valuation methods used at December 31, 2019 and 2018. The funds held at TSDF are not redeemable, and there is no commitment to make future investments.

Investment income or loss (including interest and realized and unrealized gains and losses) is included in revenues without restrictions, unless restricted by donor or law.

Receivables – Pledges receivable that are expected to be collected in future years are recorded at fair value when the promise is made based on a discounted cash-flow model. Discounts are computed using risk-free rates applicable in the years in which those promises are received. Amortization of the discounts is included in contributions. Conditional promises to give are not recorded until the conditions are substantially met.

Government grant receivables are recorded when the conditions of the grant have been met.

The Old Globe is the beneficiary of an irrevocable charitable remainder trust administered by a third party. The trust terminates upon the death of the grantor, at which time The Old Globe will receive the remaining trust assets. The fair value of the future benefits to be received by The Old Globe was determined using a discounted cash-flow model and was recorded as a contribution in the statement of activities in the year the trust was established. The fair value of the remainder interest at December 31, 2019 and 2018, is calculated using an interest rate of 4.5 percent and the life expectancy of the donor based on applicable mortality tables. The unobservable inputs used in this calculation are evaluated and adjusted annually by finance management of The Old Globe, as necessary.

Other receivables are recorded when services are provided or as expenses are incurred.

An allowance for estimated uncollectible receivables is based on past experience and on an analysis of current receivable balances. Receivables are considered past due when payments are not received according to an established payment schedule. Receivables are written-off against the allowance in the period deemed uncollectible. The Old Globe does not obtain collateral.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 1 – Nature of the Organization and Significant Accounting Policies (continued)

Inventories – Inventories, which consist of gift shop items, concession foods and beverages, and stage materials, are stated at the lower of cost (first-in, first-out) or net realizable value.

Property and equipment – Property and equipment are recorded at cost if purchased or estimated fair value at the date of donation, if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which is generally 5 years for furniture, fixtures, and equipment; 25 years for building and improvements; and 25 to 50 years for leasehold improvements based on lesser of estimated useful lives or associated lease terms. It is The Old Globe's policy to capitalize property and equipment costing in excess of \$10,000.

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as an increase in net assets with donor restrictions. The Old Globe reclassifies net assets with donor restrictions to net assets without donor restrictions when the related property or equipment is acquired and placed in service.

Impairment of long-lived assets – The Old Globe evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the estimated future cash flows (undiscounted and without interest charges) from the use of an asset are less than the carrying value, a write-down is recorded to reduce the related asset to its estimated fair value. To date, no such write-downs have occurred.

Other asset – The other asset, representing contributed units in a limited partnership, was recorded at fair value at the date of receipt of the contribution. The Old Globe owns less than a 20 percent interest in the partnership. Going forward, this asset will be carried at cost using the initial fair value as the cost. The asset will be evaluated for impairment annually.

Debt issuance costs – Debt issuance costs are capitalized and amortized over the term of the related debt and are presented as a reduction of the related debt balance on the statements of financial position.

Revenue recognition

Ticket sales – Ticket sales to the general public are recorded as operating revenue on a specific performance basis. Ticket sales for future performances are initially deferred in the statements of financial position and are subsequently recognized as revenue when the performances take place when The Old Globe's performance obligation is completed.

Enhancements – Enhancements represent funds received from others to expand budgets for specific productions. Revenue is recognized when the performance obligations present in the associated agreements are completed, which is generally when the related performance is performed.

Retail – Retail sales to the general public represent revenue earned at the gift shop and pub. Revenue is recognized at the time of sale when The Old Globe's performance obligation is completed.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 1 – Nature of the Organization and Significant Accounting Policies (continued)

Royalties – Royalties represent revenue earned under agreements with other performing arts-related entities for the use of specific productions created by The Old Globe. Revenue is recognized as others perform the productions as The Old Globe's performance obligation for the provision of the rights to use of its production is completed.

Education – Education revenue represents fees charged for educational programs and is recognized at the time the programs are offered, at which time The Old Globe's performance obligation is completed.

Contributions – Contributions are recognized as revenue when received or unconditionally pledged. Contributions subject to donor-imposed restrictions for use in a future period or for a specific purpose are reported as net assets with donor restrictions. When a donor restriction expires, 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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

Donated assets are initially recorded at fair value at the date of the gift.

Special events – Special events revenue is generated from sponsorships, ticket sales, and sale of items at events held during the year and are recognized when the events occur, which is the completion of The Old Globe's performance obligation.

Government grants – Revenue from grants, depending on the terms of the grants, is recognized when an unconditional promise to give has been made to The Old Globe.

In-kind contributions – The value of services, facilities, and non-capitalized equipment donated is recorded as contributions with or without donor restrictions and expensed in the year donated. These contributions are valued at the estimated fair value of similar services and materials. Donated assets are capitalized at fair value at the date of donation and recorded as in-kind contributions with or without donor restrictions, depending on the wishes of the donor. The Old Globe receives donated services from a variety of unpaid volunteers assisting in the operations of The Old Globe which have not been recognized in the accompanying financial statements because the criteria for recognition under generally accepted accounting principles have not been satisfied.

Marketing and production costs – Costs of marketing (which includes advertising), scenery, costumes, and stage properties are recorded as expenses in the year the related production is first performed. Marketing and production costs relating to future performances are deferred and included in prepaid expenses in the statements of financial position until the production is presented. Total advertising costs for the years ended December 31, 2019 and 2018, were approximately \$764,000 and \$796,000, respectively.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 1 – Nature of the Organization and Significant Accounting Policies (continued)

Functional allocation of expenses – The costs of providing the programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Depreciation, interest, and facilities costs are allocated to functional categories based on square footage dedicated to the specific function. Labor is allocated to functional categories based on time spent on activities within each function.

Use of estimates – The preparation of financial statements in accordance 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events – Subsequent events are events or transactions that occur after the statement of financial position date, but before the financial statements are issued. The Old Globe recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Old Globe's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements are available to be issued. The Old Globe has evaluated subsequent events through April 1, 2020, which is the date the financial statements were available to be issued.

Subsequent to December 31, 2019, the World Health Organization declared the novel coronavirus outbreak a public health emergency. In response, The Old Globe postponed all performances beginning March 14, 2020, and scheduled through mid-May 2020. Dependent upon further developments, additional postponements or cancellations may be necessary. Ticket holders have been given the option to receive a refund, have their tickets automatically rescheduled to future dates, donate the value of the tickets back to The Old Globe, or transfer the tickets to a gift certificate.

The outbreak has disrupted economic markets, and The Old Globe has experienced a decline in the fair value of its investments after December 31, 2019. The duration and severity of the outbreak and the resulting disruption to The Old Globe's operations is uncertain but the results of operations and liquidity could be adversely affected as of and for the year ending December 31, 2020.

Note 2 – Concentrations

Financial instruments that potentially subject The Old Globe to concentrations of credit risk consist principally of cash deposits at financial institutions and investments. At times, balances in The Old Globe's cash and investment accounts exceed the Federal Deposit Insurance Corporation or Securities Investors Protection Corporation insurance limits. The Old Globe has not experienced any losses in such accounts as of December 31, 2019 and 2018.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 2 – Concentrations (continued)

As of December 31, 2019 and 2018, approximately 73 percent and 70 percent, respectively, of non-endowment pledges receivable is due from three donors. For both of the years ended December 31, 2019 and 2018, approximately 99 percent of endowment pledges receivable is due from one donor.

For the year ended December 31, 2019 and 2018, approximately 89 percent and 22 percent, respectively, of total contributions was from one donor.

Note 3 – Investments

Investments at December 31, 2019 and 2018, are comprised of the following:

	2019	2018
Equities:		
Domestic equities	\$ 3,473,103	\$ 338,110
International equities	1,653,607	-
Fixed income:		
Corporate bond funds	3,205,721	-
Government and government agency securities	2,092,795	-
Corporate bonds	1,280,784	191,209
Money market funds	21,167,179	17,352
Cash and cash equivalents	5,022,362	3,449
Certificate of deposit	-	512,818
	37,895,551	1,062,938
Accumulated endowment earnings	2,422,815	1,395,568
Total	\$ 40,318,366	\$ 2,458,506

Endowment investments for which the corpus is restricted at December 31, 2019 and 2018, are comprised of the following:

	2019	2018
Equities:		
Domestic equities	\$ 3,180,439	\$ 3,114,050
International equities	1,524,029	1,386,229
Fixed income:		
Corporate bonds	1,758,810	-
Government and government agency securities	1,097,848	421,028
Corporate bond funds	712,968	2,350,262
Cash and cash equivalents	238,523	3,150
Money market funds	-	57,125
Funds held by The San Diego Foundation	162,406	146,167
	8,675,023	7,478,011
Accumulated endowment earnings	(2,422,815)	(1,395,568)
Total	\$ 6,252,208	\$ 6,082,443

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 4 – Receivables

Receivables at December 31, 2019 and 2018, consist of the following:

	<u>2019</u>	<u>2018</u>
Pledges receivable	\$ 7,644,754	\$ 8,337,017
Charitable remainder trust	<u>731,852</u>	<u>712,777</u>
	8,376,606	9,049,794
Other receivables	149,229	451,596
Government grants	<u>295,264</u>	<u>311,689</u>
 Total	 <u><u>\$ 8,821,099</u></u>	 <u><u>\$ 9,813,079</u></u>

Pledges receivable and charitable remainder trust included in receivables at December 31, 2019 and 2018, are due as follows:

	<u>2019</u>	<u>2018</u>
Due in less than one year	\$ 2,646,409	\$ 1,352,687
Due in one to five years	7,384,770	4,804,667
Due in more than five years	<u>-</u>	<u>4,570,000</u>
 Total unconditional promises to give	 10,031,179	 10,727,354
 Less allowance for uncollectible receivables	 (750,000)	 (800,000)
Less discount to net present value ^(a)	<u>(904,573)</u>	<u>(877,560)</u>
 Net unconditional promises to give	 <u><u>\$ 8,376,606</u></u>	 <u><u>\$ 9,049,794</u></u>

Old Globe Theatre dba The Old Globe
Notes to Financial Statements

Note 4 – Receivables (continued)

Endowment assets – Pledges receivable at December 31, 2019 and 2018, are due as follows:

	2019	2018
Due in less than one year	\$ 1,300	\$ 2,400
Due in one to five years	-	-
Due in more than five years	13,899,000	14,149,000
Total unconditional promises to give	13,900,300	14,151,400
Less allowance for uncollectible receivables	(1,375,000)	(1,400,000)
Less discount to net present value ^(a)	(5,895,586)	(6,231,047)
Net unconditional promises to give	\$ 6,629,714	\$ 6,520,353

^{a)} Pledges receivable due in more than one year have been discounted to their net present value using a rate of approximately 2 or 4.5 percent.

Note 5 – Fair Value Measurements

Fair value is 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. A fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities;

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

See Note 1 for the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position. See Note 3 for investments and endowment investments by class.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 5 – Fair Value Measurements (continued)

The following fair value hierarchy table presents information about each major category of The Old Globe's financial assets measured at fair value on a recurring basis as of December 31, 2019 and 2018:

	Fair Value Measurements			2019 Total
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Investments ^(a)	\$ 34,521,972	\$ 3,373,579	\$ -	\$ 37,895,551
Endowment investments ^(a)	5,655,959	2,856,658	162,406	8,675,023
Charitable remainder trust	-	-	731,852	731,852
	<u>\$ 40,177,931</u>	<u>\$ 6,230,237</u>	<u>\$ 894,258</u>	<u>\$ 47,302,426</u>

	Fair Value Measurements			2018 Total
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Investments ^(a)	\$ 550,120	\$ 512,818	\$ -	\$ 1,062,938
Endowment investments ^(a)	7,331,844	-	146,167	7,478,011
Charitable remainder trust	-	-	712,777	712,777
	<u>\$ 7,881,964</u>	<u>\$ 512,818</u>	<u>\$ 858,944</u>	<u>\$ 9,253,726</u>

^(a) Investments exclude accumulated endowment earnings and endowment investments include accumulated endowment earnings in the fair value measurements table.

Old Globe Theatre dba The Old Globe
Notes to Financial Statements

Note 5 – Fair Value Measurements (continued)

Changes in the fair value of The Old Globe’s Level 3 assets for the years ended December 31, 2019 and 2018, are as follows:

	Charitable Remainder Trust	Investments Held by SDF	Total
	<u> </u>	<u> </u>	<u> </u>
BALANCE, January 1, 2018	\$ 712,777	\$ 162,718	\$ 875,495
Interest and dividends	-	7,662	7,662
Distributions	-	(7,662)	(7,662)
Unrealized losses	-	(16,551)	(16,551)
Change in value of charitable remainder trust	<u>-</u>	<u>-</u>	<u>-</u>
BALANCE, December 31, 2018	712,777	146,167	858,944
Interest and dividends	-	7,788	7,788
Distributions	-	(7,788)	(7,788)
Unrealized gains	-	16,239	16,239
Change in value of charitable remainder trust	<u>19,075</u>	<u>-</u>	<u>19,075</u>
BALANCE, December 31, 2019	<u>\$ 731,852</u>	<u>\$ 162,406</u>	<u>\$ 894,258</u>

The change in value of the charitable remainder trust is included in the statement of activities as a component of contributions. The unrealized gains on investments held by the TSDF are included as a component of the change in net assets with donor restrictions. The change in value and the unrealized gains for 2019 relate to Level 3 assets still held at December 31, 2019.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 6 – Property and Equipment

Property and equipment at December 31, 2019 and 2018, are comprised of the following:

	<u>2019</u>	<u>2018</u>
Leasehold improvements	\$ 34,387,492	\$ 34,245,994
Furniture, fixtures, and equipment	6,177,816	5,912,805
Building and improvements	5,426,173	5,426,173
Land	1,750,000	1,750,000
Construction-in-progress	-	42,920
	<u>47,741,481</u>	<u>47,377,892</u>
Less accumulated depreciation	<u>(25,443,680)</u>	<u>(23,784,104)</u>
Total	<u><u>\$ 22,297,801</u></u>	<u><u>\$ 23,593,788</u></u>

Note 7 – Debt

In August 2010, The Old Globe issued tax-exempt bonds for \$3,802,430. The bonds were purchased by a bank who is the sole bondholder. Proceeds from the bonds were used to repay existing notes payable. The bonds bear interest at 3.850 percent with monthly principal and interest payments of \$22,659. The bonds mature on September 1, 2030, and are collateralized by first deeds of trust on property. The balance outstanding as of December 31, 2019 and 2018, is \$2,375,189 and \$2,551,961, respectively, and is shown net of debt issuance costs of \$46,880 and \$51,275, respectively, on the accompanying statements of financial position. Debt issuance costs are amortized over the life of the bonds.

Principal payments on debt are due as follows:

2020	\$ 182,850
2021	190,271
2022	197,727
2023	205,476
2024	213,356
Thereafter	<u>1,385,509</u>
Total	<u><u>\$ 2,375,189</u></u>

Interest expense totaled approximately \$95,000 and \$102,000 for the years ended December 31, 2019 and 2018, respectively.

Old Globe Theatre dba The Old Globe
Notes to Financial Statements

Note 8 – Deferred Revenue

Included in deferred revenue on the accompanying statements of financial position are amounts related to future performance obligations under contracts including tickets sold in advance of the related performance and amounts received under enhancement agreements not yet earned. The following table summarizes activity for each type of deferred revenue as of and for the years ended December 31, 2019 and 2018.

	2019			
	Balance at December 31, 2018	Funds received in advance of performance	Revenue recognized included in December 31, 2018 balance	Balance at December 31, 2019
Deferred ticket sales	<u>\$ 3,509,028</u>	<u>\$ 2,482,370</u>	<u>\$ (3,005,813)</u>	<u>\$ 2,985,585</u>
	Balance at December 31, 2018	Funds received in advance of expenditure	Revenue recognized included in December 31, 2018 balance	Balance at December 31, 2019
Deferred enhancement funds	<u>\$ 821,973</u>	<u>\$ -</u>	<u>\$ (821,973)</u>	<u>\$ -</u>
	2018			
	Balance at December 31, 2017	Funds received in advance of performance	Revenue recognized included in December 31, 2017 balance	Balance at December 31, 2018
Deferred ticket sales	<u>\$ 3,434,607</u>	<u>\$ 3,047,831</u>	<u>\$ (2,973,410)</u>	<u>\$ 3,509,028</u>
	Balance at December 31, 2017	Funds received in advance of expenditure	Revenue recognized included in December 31, 2017 balance	Balance at December 31, 2018
Deferred enhancement funds	<u>\$ -</u>	<u>\$ 821,973</u>	<u>\$ -</u>	<u>\$ 821,973</u>

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 9 – Commitments and Contingencies

Leases – The Old Globe’s facilities are on land leased from the city of San Diego, and The Old Globe also leases rehearsal space from the city of San Diego. The leases expire in August 2029 and 2026, respectively. In lieu of rental payments, The Old Globe is obligated to conduct a minimum number of specific theatrical performances annually. As The Old Globe is required to conduct these performances in connection with the leases, no amount is recorded in the accompanying financial statements for an estimated fair value of the leases.

Benefit plans – The Old Globe offers a 401(k) plan which is available to eligible employees with an employer contribution of three percent of annual eligible compensation. Contributions totaling approximately \$208,000 and \$198,000 were made by The Old Globe during the years ended December 31, 2019 and 2018, respectively.

The Old Globe contributes to various pension and welfare funds for its actors, stagehands, stage directors, musicians, choreographers, and designers pursuant to collective bargaining agreements in amounts ranging from five to fourteen percent of eligible compensation. Total contributions for the years ended December 31, 2019 and 2018, were approximately \$619,000 and \$527,000, respectively.

Legal matters – The Old Globe is involved in legal matters in the ordinary course of business. Management is not aware of any legal matters that could have a material adverse impact on The Old Globe’s current financial position.

Note 10 – Globe Guilders

The Old Globe is supported, in part, by the Globe Guilders (the “Guilders”), a volunteer service organization. The Guilders raise money and provide volunteer services to The Old Globe throughout the year. The Guilders’ annual fundraising goal, which is set in conjunction with management, is included in the operating budget of The Old Globe. The Guilders contributed approximately \$239,000 and \$301,000 to The Old Globe for the years ended December 31, 2019 and 2018, respectively.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 11 – Net Assets

Net assets with donor restrictions at December 31, 2019 and 2018, are comprised of:

	2019	2018
Subject to expenditure for specified purpose		
Future seasons (bridge)	\$ 3,841,178	\$ 3,673,191
James Irvine Foundation grant - arts engagement	1,293,334	1,939,949
General operating expenses, including artistic and educational outreach	615,421	142,158
Subject to the passage of time		
Pledges receivable and charitable remainder trust	7,282,039	7,712,153
Other asset - to be held in perpetuity	28,955,451	-
Subject to The Old Globe spending policy and appropriation		
Investment in perpetuity (including amounts above original gift amounts) which, once appropriated, is expendable to support		
General operating expenses, including artistic and educational outreach	15,123,951	13,833,815
Theatre programs held by The San Diego Foundation	162,406	146,167
Pagliotti Fund	18,382	18,382
	\$ 57,292,162	\$ 27,465,815

During the years ended December 31, 2019 and 2018, net assets were released from net assets with donor restrictions by incurring expenditures satisfying the restricted purposes and satisfying time restrictions in the amount of \$2,030,703 and \$2,511,278, respectively.

Endowment - The Board of Directors of The Old Globe (the "Board") has interpreted California's enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, The Old Globe classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also included in the donor-restricted endowment fund are amounts in excess of the original gift amounts that have not yet been appropriated for expenditure by The Old Globe in a manner consistent with the standard of prudence prescribed by UPMIFA.

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 11 – Net Assets (continued)

Endowment assets managed by The Old Globe (held and administered by Goldman Sachs) – In accordance with UPMIFA, The Old Globe considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The mission of The Old Globe and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of The Old Globe; and
- The investment policies of The Old Globe.

In order to meet its needs, the investment strategy of The Old Globe is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objective in the investment management of the endowment assets is to emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

The Old Globe has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs. The overriding objective of this endowment is to grow the aggregate portfolio value at the rate of inflation over the endowment's investment horizon.

Endowment earnings are undesignated, allowing The Old Globe to use it to support artistic and educational projects and general operations. The Board approved a spending policy for the use of the earnings on endowment investments which states that a maximum of up to 5 percent (5 percent in 2019 and 4 percent in 2018) of the trailing three-year average market value of the investments is available for use in operations, unless otherwise restricted.

Endowment investments held by TSDF are managed in accordance with UPMIFA. The Old Globe classifies as net assets with donor restrictions to be held in perpetuity investments held by TSDF consistently with (a) through (c) above and also classifies as net assets with donor restrictions to be held in perpetuity realized and unrealized gains and losses on these investments in excess of amounts appropriated for expenditure.

The Old Globe established a charitable endowment fund with TSDF, an unrelated not-for-profit corporation. TSDF has the contractual right to make all decisions regarding the investment of the funds held and to determine the distribution rate. Endowment investments held by the SDF are invested in a "Balanced Pool" portfolio, which is structured for long-term total return. To provide diversification and to moderate risk, the investments are divided into carefully defined asset classes. The SDF's spending policy is to disburse five percent annually, based upon endowment principal market value over the last 36 months. These calculations are made on a monthly basis. If the fair value of the endowment principal of any fund at the end of each month is less than the initial value of all contributions made to the endowment principal, then distributions will be limited to interest and dividends received.

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Notes to Financial Statements

Note 11 – Net Assets (continued)

The net asset composition of board-designated (without donor restrictions) and donor-restricted net assets for the endowment at December 31, 2019 and 2018, is as follows:

	Without Donor Restrictions	With Donor Restrictions			2019 Total
		Accumulated Endowment Earnings	Original Gift Amount	Total With Donor Restrictions	
Designated for endowment	\$ 30,642,791	\$ -	\$ -	\$ -	\$ 30,642,791
Donor-restricted endowment funds					
Donor corpus restricted in perpetuity	-	-	6,252,208	6,252,208	6,252,208
Unappropriated endowment earnings	-	2,422,815	-	2,422,815	2,422,815
Pledges receivable	-	-	6,629,714	6,629,714	6,629,714
Total	\$ 30,642,791	\$ 2,422,815	\$ 12,881,922	\$ 15,304,737	\$ 45,947,528

	Without Donor Restrictions	With Donor Restrictions			2018 Total
		Accumulated Endowment Earnings	Original Gift Amount	Total With Donor Restrictions	
Board-designated endowment funds	\$ 378,773	\$ -	\$ -	\$ -	\$ 378,773
Donor-restricted endowment funds					
Donor corpus restricted in perpetuity	-	-	6,082,443	6,082,443	6,082,443
Unappropriated endowment earnings	-	1,395,568	-	1,395,568	1,395,568
Pledges receivable	-	-	6,520,353	6,520,353	6,520,353
Total	\$ 378,773	\$ 1,395,568	\$ 12,602,796	\$ 13,998,364	\$ 14,377,137

Changes in endowment net assets for the years ended December 31, 2019 and 2018, are as follows:

	Without Donor Restrictions	With Donor Restrictions			Total
		Accumulated Endowment Earnings	Original Gift Amount	Total With Donor Restrictions	
Net assets January 1, 2018	\$ 378,773	\$ 2,074,995	\$ 12,067,508	\$ 14,142,503	\$ 14,521,276
Contributions	-	-	551,839	551,839	551,839
Investment income					
Interest income	-	209,346	-	209,346	209,346
Realized and unrealized (losses)	-	(620,700)	(16,551)	(637,251)	(637,251)
Appropriated earnings	-	(268,073)	-	(268,073)	(268,073)
Net assets December 31, 2018	378,773	1,395,568	12,602,796	13,998,364	14,377,137
Contributions	30,062,500	-	262,887	262,887	30,325,387
Investment income					
Interest income	150,215	216,638	-	216,638	366,853
Realized and unrealized gains	51,303	1,178,424	16,239	1,194,663	1,245,966
Appropriated earnings	-	(367,815)	-	(367,815)	(367,815)
Net assets December 31, 2019	\$ 30,642,791	\$ 2,422,815	\$ 12,881,922	\$ 15,304,737	\$ 45,947,528

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 11 – Net Assets (continued)

In addition to the board-designated net assets for endowment, the Board has also designated net assets without donor restrictions for other purposes as of December 31, 2019. Total board-designated net assets as of December 31, 2019 and 2018, are comprised of the following:

	<u>2019</u>	<u>2018</u>
Physical plant reserve	\$ 3,496,584	\$ -
Artistic reserve	1,750,149	-
Cash reserve	1,742,826	-
Endowment	<u>30,642,791</u>	<u>378,773</u>
Total	<u>\$ 37,632,350</u>	<u>\$ 378,773</u>

Note 12 – Government Grants

Income from government grants on the accompanying statement of activities for the years ending December 31, 2019 and 2018, is comprised of the following:

	<u>2019</u>	<u>2018</u>
City of San Diego	\$ 475,034	\$ 483,270
California State Arts Council	94,078	36,370
National Endowment for the Arts	40,000	40,000
County of San Diego	11,500	25,000
Local government grants	<u>-</u>	<u>2,000</u>
Total	<u>\$ 620,612</u>	<u>\$ 586,640</u>

The Old Globe's grants with government agencies are subject to audit. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. Management believes that any liability which may result from such audits would not be material.

Note 13 – Collective Bargaining Agreement

Substantially, all actors employed by The Old Globe are subject to a collective bargaining agreement with the Actors' Equity Association, which expires February 13, 2022. Certain crew members employed by The Old Globe are subject to a collective bargaining agreement with the International Alliance of Theatrical Stage Employees that is under renegotiation, and certain members are subject to a new agreement that expires in December 2024.

Note 14 – Related Parties

Certain members of the Board are employed at banks that have provided financing to The Old Globe (Note 7) and in which The Old Globe maintains cash and investment accounts.

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Notes to Financial Statements

Note 14 – Related Parties (continued)

Contributions in the accompanying statements of activities for the years ended December 31, 2019 and 2018, include approximately \$2,776,000 and \$2,272,000, respectively, received from members of the Board. Receivables on the accompanying statements of financial position as of December 31, 2019 and 2018, include approximately \$5,053,000 and \$4,664,000, respectively, of pledges receivable due from members of the Board.

Note 15 – Liquidity

The Old Globe is supported primarily by ticket sales revenue and contributions. Because donor restrictions may require resources to be used in a particular manner or in a future period, financial assets may not be available for general expenditures within one year. The Old Globe structures its financial assets to be available as general expenditures, liabilities, and other obligations become due. In addition, The Old Globe invests cash in excess of immediate requirements in short-term investments.

The following table reflects The Old Globe's financial assets, excluding endowment assets, as of December 31, 2019, reduced by amounts not available for general expenditures due to contractual or donor-imposed restrictions within one year. Amounts not available for general expenditures include cash and pledges receivable with purpose or time restrictions imposed by donors, accumulated earnings on endowment funds included in investments, cash on hand restricted to support for future seasons, and amounts set aside for long-term investing in board-designated net assets that could be drawn only upon the approval of the Board. However, amounts appropriated for expenditure from the donor-restricted accumulated earnings on the endowment within one year of December 31, 2019 and 2018, are considered available.

	2019	2018
Cash and cash equivalents	\$ 7,624,712	\$ 7,872,470
Investments	40,318,366	2,458,506
Receivables, net	8,821,099	9,813,079
Total financial assets	56,764,177	20,144,055
Restricted cash - Actors' Equity Association	(222,605)	(160,000)
Assets restricted for specified purpose or passage of time	(9,190,794)	(9,794,260)
Accumulated earnings on endowment included in investments	(2,422,815)	(1,395,568)
Board approved 2020 appropriation of accumulated earnings on endowment	476,000	305,000
Financial assets available before restricted cash for future seasons and board-designated net assets subject to Board approval before use	45,403,963	9,099,227
Restricted cash to support future seasons (bridge)	(3,841,178)	(3,673,191)
Board-designated net assets	(37,632,350)	(378,773)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,930,435	\$ 5,047,263

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 16 – Classification of Expenses

The following reflects the classification of The Old Globe's expenses by both the underlying nature of the expense and the function for the years ended December 31, 2019 and 2018. An individual expense is allocated to the underlying activity to which it was incurred. The statement of activities includes certain expenses that must be allocated on a reasonable basis, which has been consistently applied; see methodology in Note 1.

	Year Ended December 31, 2019					Total
	Supporting Services				Total Supporting Services	
	Program Services	Management and General	Fundraising	Special Events		
Salaries and related expenses						
Salaries and wages	\$ 11,647,988	\$ 1,304,549	\$ 1,314,600	\$ 24,474	\$ 2,643,623	\$ 14,291,611
Other employee benefits	1,155,194	87,390	108,130	2,520	198,040	1,353,234
Payroll taxes	1,088,884	93,345	94,934	2,691	190,970	1,279,854
Pension plan expenses	760,952	31,954	30,252	3,887	66,093	827,045
Total	14,653,018	1,517,238	1,547,916	33,572	3,098,726	17,751,744
Operating expenses						
Production expenses	2,779,041	-	162,530	145,359	307,889	3,086,930
Fees for services	1,522,570	543,824	10,318	41,320	595,462	2,118,032
In-kind	719,557	80,292	59,645	25,320	165,257	884,814
Insurance	671,060	177,308	16,639	926	194,873	865,933
Royalties	772,559	-	-	-	-	772,559
Advertising and promotion	727,593	8,361	200	28,061	36,622	764,215
Office expenses	497,149	128,737	60,806	6,999	196,542	693,691
Occupancy	477,806	78,379	-	-	78,379	556,185
Bank charges	-	490,489	1,827	-	492,316	492,316
Travel	455,956	13,868	4,342	224	18,434	474,390
Catering	104,949	272	204,869	104,975	310,116	415,065
Cost of goods sold	370,709	-	-	-	-	370,709
Miscellaneous	185,364	42,600	121,690	-	164,290	349,654
Information technology	14,288	309,520	-	-	309,520	323,808
Maintenance	253,482	50,750	-	-	50,750	304,232
Marketing	203,237	-	16,237	-	16,237	219,474
Fellowships	126,000	-	-	-	-	126,000
Interest	95,141	-	-	-	-	95,141
Legal	10,674	25,835	-	-	25,835	36,509
Conferences	8,308	6,287	2,091	-	8,378	16,686
Total	9,995,443	1,956,522	661,194	353,184	2,970,900	12,966,343
Depreciation and amortization	1,344,256	319,715	-	-	319,715	1,663,971
Total	\$ 25,992,717	\$ 3,793,475	\$ 2,209,110	\$ 386,756	\$ 6,389,341	\$ 32,382,058

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Notes to Financial Statements

Note 16 – Classification of Expenses (continued)

	Year Ended December 31, 2018					
	Supporting Services					Total
	Program Services	Management and General	Fundraising	Special Events	Supporting Services	
Salaries and related expenses						
Salaries and wages	\$ 10,748,678	\$ 1,340,843	\$ 1,254,875	\$ 23,019	\$ 2,618,737	\$ 13,367,415
Other employee benefits	1,052,739	115,965	103,675	3,657	223,297	1,276,036
Payroll taxes	992,879	100,036	90,376	2,498	192,910	1,185,789
Pension plan expenses	665,234	26,931	29,559	3,708	60,198	725,432
Total	13,459,530	1,583,775	1,478,485	32,882	3,095,142	16,554,672
Operating expenses						
Production expenses	2,365,763	-	161,907	231,889	393,796	2,759,559
Fees for services	1,398,709	267,181	11,540	32,610	311,331	1,710,040
Advertising and promotion	771,675	836	840	22,976	24,652	796,327
Insurance	620,569	141,063	14,317	-	155,380	775,949
Royalties	732,249	-	-	-	-	732,249
Catering	111,053	-	159,755	95,388	255,143	366,196
Office expenses	453,574	51,028	46,861	5,637	103,526	557,100
Occupancy	453,868	76,324	-	-	76,324	530,192
Bank charges	-	483,657	2,237	-	485,894	485,894
In-kind	308,023	14,835	39,506	45,000	99,341	407,364
Cost of goods sold	383,825	-	-	-	-	383,825
Travel	347,176	18,008	6,675	-	24,683	371,859
Information technology	15,170	279,056	-	-	279,056	294,226
Miscellaneous	69,872	58,858	160,974	-	219,832	289,704
Maintenance	219,497	48,527	-	-	48,527	268,024
Marketing	245,348	-	-	-	-	245,348
Fellowships	123,400	-	-	-	-	123,400
Interest	101,796	-	-	-	-	101,796
Legal	19,857	16,194	-	-	16,194	36,051
Conferences	7,425	13,726	4,395	-	18,121	25,546
Total	8,748,849	1,469,293	609,007	433,500	2,511,800	11,260,649
Depreciation and amortization	1,290,019	301,566	-	-	301,566	1,591,585
	\$ 23,498,398	\$ 3,354,634	\$ 2,087,492	\$ 466,382	\$ 5,908,508	\$ 29,406,906

Old Globe Theatre dba The Old Globe

Notes to Financial Statements

Note 17 – Schedule to Reconcile to Internal 2019 Financial Statements

	Year Ended December 31, 2019
Change in net assets without donor restrictions	\$ 36,321,161
Contribution designated by the Board	(37,000,000)
Earnings designated by the Board	(187,664)
Depreciation of property and equipment	1,659,576
Acquisition of property and equipment	(363,589)
Payment on debt	<u>(176,772)</u>
Change in undesignated net assets without donor restrictions	252,712
Net realized/unrealized gains on investments in change in net assets without donor restrictions	<u>(174,895)</u>
Change in undesignated net assets without donor restrictions net of net realized/unrealized gains on investments	<u><u>\$ 77,817</u></u>