

Ogden First, Inc.
dba Ogden Contemporary Arts
(A Non-Profit Organization)

Financial Statements
with Auditor's Report Thereon

Year Ended December 31, 2020

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Independent Auditor's Report

To the Board of Directors of
Ogden First, Inc. dba Ogden Contemporary Arts

We have audited the accompanying financial statements of Ogden First, Inc. dba Ogden Contemporary Arts (a non-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 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 Ogden First, Inc. dba Ogden Contemporary Arts as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Ulrich & Associates, P.C.

Ulrich & Associates, PC
Ogden, Utah
March 15, 2021

Statement of Financial Position

December 31, 2020

Assets

Current assets	
Cash and cash equivalents	\$ 51,525
Prepaid expenses	6,000
Receivables	1,143
	<hr/>
Total current assets	58,668
Furniture and equipment, at cost, net	407,109
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Total assets	<u>\$ 465,777</u>

Liabilities and Net Assets

Current liabilities	
Accounts payable and accrued liabilities	\$ 6,573
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Total current liabilities	6,573
	<hr/>
Net assets	
Temporarily restricted	250,000
Unrestricted	209,204
	<hr/>
Total net assets	459,204
	<hr/>
Total liabilities and net assets	<u>\$ 465,777</u>

The accompanying notes are an integral part of the financial statements.

Statement of Activities

December 31, 2020

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Public Support and Revenue</u>			
Public support			
Capital campaign	\$ -	250,000	\$ 250,000
Grants	195,306	-	\$ 195,306
Donations	17,307	-	17,307
Fundraising	9,515	-	9,515
Membership dues	1,366	-	1,366
Other income	134,151	-	134,151
Total public support and revenue	<u>357,645</u>	<u>250,000</u>	<u>607,645</u>
<u>Expenses</u>			
Program services			
Client services	213,997	-	213,997
Supporting services			
Administrative	68,011	-	68,011
Fundraising	10,706	-	10,706
Total expenses	<u>292,714</u>	<u>-</u>	<u>292,714</u>
Change in net assets	64,931	250,000	314,931
Net assets, beginning of year	<u>144,273</u>	<u>-</u>	<u>144,273</u>
Net assets, end of year	<u>\$ 209,204</u>	<u>\$ 250,000</u>	<u>\$ 459,204</u>

The accompanying notes are an integral part of the financial statements.

Statement of Functional Expenses

December 31, 2020

	Program Services	Support Services		Total
		Administrative	Fundraising	
Program services	\$ 79,634	-	-	\$ 79,634
Salaries and wages	52,254	-	-	52,254
Payroll taxes and benefits	3,997	-	-	3,997
Promotion and marketing	17,065	-	-	17,065
Rent & facilities	-	12,244	-	12,244
Office supplies and expenses	-	7,283	-	7,283
Design & graphics	18,752	-	-	18,752
Website	-	3,898	-	3,898
Postage and printing	-	7,351	-	7,351
Professional	-	37,235	-	37,235
Bad debt	40,650	-	-	40,650
Depreciation expense	1,645	-	-	1,645
Direct fundraising expense	-	-	10,706	10,706
Total expenses	\$ 213,997	68,011	10,706	\$ 292,714

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

December 31, 2020

Cash Flows from Operating Activities

Increase (decrease) in net assets	\$ 314,931
Adjustments to reconcile increase in net assets to net cash used by operating activities:	
Depreciation	-
(Increase) decrease in operating assets	
Prepaid expenses	(6,000)
Accounts receivable	69,880
Increase (decrease) in operating liabilities	
Accounts payable	<u>5,773</u>
Net cash provided (used) by operating activities	<u>384,584</u>

Cash Flows from Investing Activities

Purchase of equipment	<u>(407,109)</u>
Net cash provided by investing activities	<u>(407,109)</u>
Net change in cash and cash equivalents	(22,525)
Cash and cash equivalents at beginning of year	<u>74,050</u>
Cash and cash equivalents at end of year	<u>\$ 51,525</u>

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies

Organization

Ogden Contemporary Arts (the Organization) is a Utah not-for-profit corporation incorporated in 2016 and established to create and share globally influenced, culturally diverse, and technologically advanced arts programming.

Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net position – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net position – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. When a restriction expires, temporarily restricted net position is reclassified to unrestricted net position and reported in the statement of activities as net position released from restrictions.

Permanently restricted net position – Net assets subject to donor-imposed stipulations that require funds be maintained permanently. Generally, the donors of these assets permit the organization to use all or part of the income earned on any related investments for general or specific purposes.

Property and Equipment

The policy of the organization is to capitalize all expenditures for equipment with a life greater than one year and cost in excess of \$1,000. Purchased equipment is recorded at cost and donated equipment is recorded at fair value at the date of contribution. Depreciation is computed using the straight-line method over the useful lives of the assets which range from three to fifteen years. Depreciation expense was \$1,645 for the year ended December 31, 2020.

Funding Sources

The Organization's support comes primarily from fundraising and individual donors as well as governmental grants. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Notes to the Financial Statements – Continued

In-Kind Contributions

Contributions of services and supplies and facilities may be made to the Organization by individuals and business organizations.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for the purposes of the statement of cash flows exclude endowment cash and cash equivalents. The Organization had no endowment cash during the period ending December 31, 2020.

Income Taxes

The Organization is a non-profit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

Functional Allocation of Expenses

The cost of providing various programs and 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.

Note 2 – Cash

At December 31, 2020, the Organization's bank balances were \$51,625. All of the bank balances were covered by federal depository insurance.

Notes to the Financial Statements – Continued

Note 3 – Property and Equipment

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

Furniture and equipment	376,987
Leasehold improvements	31,767
Accumulated depreciation	(1,645)
	<u>\$ 407,109</u>

Note 4 – Donated Facilities

The Organization does not receive any donated facilities.

Note 5 – Risk Management

The Organization is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Organization carries commercial insurance. The Organization has not had any claims that have not been covered by insurance for the past three years.

Note 6 – Subsequent Events

Subsequent events have been evaluated through March 15, 2021, the date that the financial statements were available to be issued. There have been no subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet.