HAWAII THEATRE CENTER

FINANCIAL STATEMENTS
As of and for the Year Ended May 31, 2017
With Prior Year Comparative Information
And Independent Auditor's Report

CW Associates
A Hawaii Certified Public Accounting Corporation

CW Associates
A Hawaii Certified Public Accounting Corporation

INDEPENDENT AUDITOR'S REPORT

Hawaii Theatre Center:

Report on the Financial Statements

We have audited the accompanying financial statements of the Hawaii Theatre Center (Center), a nonprofit Hawaii corporation, which comprise the statement of financial position as of May 31, 2017, 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.

Auditor's 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 preparation and fair presentation of an entity's 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 an 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.

Topa Financial Center
700 Bishop Street, Suite 1040
Honolulu, Hawaii 96813
Telephone (808) 531-1040
Facsimile (808) 531-1041
www.cwassociatescpas.com

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of May 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Prior Year Comparative Information

We have previously audited the Center's May 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our reported dated August 14, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

CW Associates, CPAs

Honolulu, Hawaii
March 25, 2018

HAWAII THEATRE CENTER

STATEMENT OF FINANCIAL POSITION

As of May 31, 2017
(With Prior Year Comparative Information)

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash (including interest-bearing accounts)	$ 641,982	$ 856,656
Pledges and accounts receivable – net	114,597	101,309
Investments – current	31,676	31,162
Prepaid expenses and other assets	125,789	157,332
Total current assets	914,044	1,146,459
NONCURRENT ASSETS		
Property and equipment – net	10,772,502	11,372,014
Rental property – net	3,569,702	3,582,553
Investments – noncurrent	100,540	93,289
Total noncurrent assets	14,442,744	15,047,856
TOTAL ASSETS	$ 15,356,788	$ 16,194,315
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 276,959	$ 245,949
Deferred revenue	115,547	157,403
Capital lease obligation – current	24,300	22,300
Total current liabilities	416,806	425,652
NONCURRENT LIABILITIES		
Liability for deferred compensation plan	100,540	93,289
Liability for lease security deposits	4,306	17,887
Capital lease obligation – noncurrent	91,728	115,991
Total noncurrent liabilities	196,574	227,167
TOTAL LIABILITIES	613,380	652,819
NET ASSETS		
Unrestricted		
Unrestricted – undesignated	394,370	568,670
Unrestricted – invested in property and equipment	10,656,474	11,233,723
Unrestricted – invested in rental property	3,569,702	3,582,553
Total unrestricted	14,620,546	15,384,946
Temporarily restricted	122,862	156,550
Total net assets	14,743,408	15,541,496
TOTAL LIABILITIES AND NET ASSETS	$ 15,356,788	$ 16,194,315

See accompanying notes to the financial statements.

HAWAII THEATRE CENTER

STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2017
(With Prior Year Comparative Information)

	2017	2016
CHANGES IN UNRESTRICTED NET ASSETS		
Revenue and support		
HTC rentals and box office fees	$ 859,719	$ 602,468
Grants and sponsorships	380,392	83,032
Restoration surcharge	175,442	193,720
Tickets and advertising revenue	148,702	505,804
Net assets released from program restrictions	107,697	106,312
Membership and seat campaign	105,953	125,418
Concession, merchandise, and other income	105,767	87,522
Education program fees	85,438	86,027
Unrestricted contributions and planned gifts	66,961	62,228
Special event – net	34,969	-
Investment income (loss) – net	11,823	(739)
Rental property income (loss) – net	(27,056)	101,974
Total revenue and support	2,055,807	1,953,766
Expenses		
Theatre operations	2,113,679	2,689,439
Fundraising	355,267	487,162
Management and general	351,261	413,960
Total expenses	2,820,207	3,590,561
Decrease in unrestricted net assets	(764,400)	(1,636,795)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Temporarily restricted grants and contributions	74,009	160,000
Net assets released from temporary restrictions	(107,697)	(106,312)
Increase (decrease) in temporarily restricted net assets	(33,688)	53,688
DECREASE IN NET ASSETS	(798,088)	(1,583,107)
NET ASSETS – Beginning of year	15,541,496	17,124,603
NET ASSETS – End of year	$ 14,743,408	$ 15,541,496

See accompanying notes to the financial statements.

HAWAII THEATRE CENTER

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended May 31, 2017
(With Prior Year Comparative Information)

	Theatre Operations	Fund-Raising	Management and General	2017 Total	2016 Total
Salaries and related expenses					
Salaries and wages	$ 431,641	$109,003	$105,797	$ 646,441	$ 891,405
Employee benefits	68,043	19,744	19,163	106,950	160,593
Payroll taxes	39,693	10,059	9,763	59,515	82,523
Salaries, wages, and benefits	539,377	138,806	134,723	812,906	1,134,521
Depreciation	811,102	45,061	45,062	901,225	888,534
Utilities	144,202	36,412	35,354	215,968	225,754
Production costs	127,352	148	-	127,500	246,477
Advertising and promotion	100,351	8,224	7,982	116,557	306,463
Professional and contract services	31,129	28,691	42,769	102,589	93,622
License and fees	75,719	7,469	7,696	90,884	90,402
Repairs and maintenance	60,318	10,232	9,935	80,485	144,291
Education	76,484	-	-	76,484	106,312
Insurance	24,787	25,538	24,786	75,111	81,346
Cost of concession sales	55,189	-	-	55,189	38,947
Supplies and equipment	17,138	11,148	10,804	39,090	55,534
Bad debt	23,000	-	-	23,000	-
Development	-	22,444	-	22,444	68,997
Travel and transportation	7,583	6,839	260	14,682	84,304
Rent	7,496	1,893	1,838	11,227	-
Miscellaneous	12,452	12,362	30,052	54,866	25,057
Total expenses	$2,113,679	$355,267	$351,261	$2,820,207	$3,590,561

See accompanying notes to the financial statements.

HAWAII THEATRE CENTER

STATEMENT OF CASH FLOWS

For the Year Ended May 31, 2017
(With Prior Year Comparative Information)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in net assets	$ (798,088)	$(1,583,107)
Adjustments to reconcile decrease in net assets to net cash provided (used) by operating activities		
Depreciation of property and equipment	901,225	888,534
Depreciation of rental property	12,851	11,724
(Gain) loss on investments	(10,281)	3,066
(Increase) decrease in:		
Pledges and accounts receivable – net	(13,288)	(69,774)
Prepaid expenses and other assets	31,543	(20,564)
Increase (decrease) in:		
Accounts payable and accrued liabilities	31,010	65,772
Deferred revenue	(41,856)	31,586
Liability for deferred compensation plan	7,251	(21,190)
Net cash provided (used) by operating activities	120,367	(693,953)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	3,619	17,396
Purchases of investments	(1,103)	(1,102)
Purchases of property and equipment	(301,713)	(38,429)
Purchases of rental property	-	(33,827)
Decrease in liability for lease security deposits	(13,581)	-
Net cash used by investing activities	(312,778)	(55,962)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease obligation	(22,263)	(16,709)
Net cash used by financing activities	(22,263)	(16,709)
NET DECREASE IN CASH	(214,674)	(766,624)
CASH – Beginning of year	856,656	1,623,280
CASH – End of year	$ 641,982	$ 856,656
SUPPLEMENTAL INFORMATION		
Cash paid during the year for interest	$ 11,486	$ 5,345
Noncash investing and financing activity – fixtures acquired in exchange for obligation under capital lease	$ -	$ 155,000

See accompanying notes to the financial statements.

HAWAII THEATRE CENTER

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended May 31, 2017
(With Prior Year Comparative Information)

NOTE A --SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Hawaii Theatre Center (Center) was incorporated in the State of Hawaii as a non-profit corporation in April 1984. Its mission is to restore, renovate, and operate the Hawaii Theatre (Theatre) as a leading performance center in downtown Honolulu; to benefit the people of Hawaii and visitors to Honolulu by providing a broad range of entertainment, cultural, and educational experiences in a facility of recognized excellence; providing educational opportunities for Hawaii's young people; promoting the redevelopment of downtown Honolulu and stimulating its use in the evening and on weekends; and enhancing the quality of life in Honolulu. The Center presents the *Hawaii Theatre Center's Annual Fundraising Gala* special event from time-to-time to provide additional funding for its programs.

The Center is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and is not a private foundation. Accordingly, qualifying contributions to the Center are tax deductible.

Basis of Accounting

The Center reports its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets (none at May 31, 2017 and 2016). Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and/or nature of any donor restrictions. Support is reported when pledged and is considered to be available for unrestricted use unless restricted by the donor. Donor restricted support is reported when pledged as an increase in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction. When a temporary restriction is satisfied or expires, temporarily restricted net assets are reclassified to unrestricted net assets. Revenue is recognized when earned, and expenses are recognized when the related liability is incurred. Advertising and promotion costs, amounting to $116,557 and $306,463 for the years ended May 31, 2017 and 2016, respectively, are expensed the first time the advertising takes place.

The Center allocates its expenses on a functional basis among its various programs and support services based on estimates by management. Expenses that can be identified with a specific program or support service are charged directly to the program or support service. Other expenses that are common to several functions are allocated by various bases.

Donated services are recognized as contributions if the services create or enhance nonfinancial assets, or require specialized skills that are performed by people with those skills and would otherwise be purchased by the Center. A substantial number of unpaid volunteers have made significant contributions of their time to the Center. The value of their time is not reflected in these financial statements because it does not meet the criteria for recognition.

NOTE A –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in accordance with such 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 revenue and expenses during the reporting period. Actual results could differ from those estimates, and it is reasonably possible that such estimates may change within the near term.

Concentrations of Credit Risk

Financial instruments that potentially subject the Center to credit risk include cash, investments, and pledges and accounts receivable. Cash on deposit with financial institutions exceeded the related federal deposit insurance by approximately $225,600 and $389,000 at May 31, 2017 and 2016, respectively. Investments are fully insured by federal and private insurance, as represented by the custodian. Future changes in market prices may make the investments less valuable. Pledges and accounts receivable have been reduced by an estimated allowance for doubtful accounts of $25,500 and $2,500 at May 31, 2017 and 2016, respectively. Pledges and accounts receivable are determined to be collectible or uncollectible based on an assessment by management of the facts and circumstances related to the individual accounts

Investments

Investments consist of marketable securities stated at fair value. Net realized and unrealized gains and losses, determined using the specific identification method, are included in investment income (loss). Investments are classified as current or noncurrent depending upon their availability. Investments that are held for program purposes or other short-term purposes are classified as current. Investments that are held for the deferred compensation plan or other long-term purposes are classified as noncurrent.

Property and Equipment, and Rental Property

Property and equipment, and rental property, are stated at cost or, if contributed, at estimated fair market value at the date of contribution. Depreciation is provided using the straight-line method over estimated useful lives of 40 years for buildings and improvements, and three to seven years for furniture and fixtures, and for equipment. Property and equipment, and rental property, are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Major improvements and expenditures for property and equipment in excess of $500 and with useful lives over one year are capitalized. Repairs and maintenance are expensed as incurred.

Hawaii General Excise Tax

The State of Hawaii (State) imposes a general excise tax of 4% on the gross receipts of the Center from rental income and special events within the State, plus an additional 0.5% on such gross receipts within the City and County of Honolulu. Hawaii general excise tax amounted to approximately to $35,600 and $26,500 for the years ended May 31, 2017 and 2016, respectively.

NOTE A –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Accounting principles generally accepted in the United States of America require uncertain tax positions to be recognized in the financial statements if they are more likely than not to fail upon regulatory examination. Management evaluated the Center's tax positions as of May 31, 2017 and 2016 and for the years then ended by reviewing its income tax returns and conferring with its tax advisors, and determined that the Center had no uncertain tax positions required to be reported in accordance with such generally accepted accounting principles. The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any open tax periods.

NOTE B – INVESTMENTS

At May 31, 2017 and 2016, investments consisted of the following:

	2017	2016
Mutual funds	$100,540	$ 93,289
Municipal bonds	31,676	31,162
Total investments	$132,216	$124,451

For the years ended May 31, 2017 and 2016, net investment income (loss) consisted of the following:

	2017	2016
Interest and dividends	$ 1,692	$ 2,327
Unrealized gain (loss) on investments	10,281	(3,066)
Investment fees	(150)	-
Net investment income (loss)	$11,823	$ (739)

NOTE C – FAIR VALUE MEASUREMENTS

The established framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation methodologies used to measure fair value. There are three levels of the fair value hierarchy. Level 1 inputs to the valuation methodologies consist of unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs are unobservable and significant to the fair value measurement. The fair value measurement level of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation methodologies used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE C – FAIR VALUE MEASUREMENTS (Continued)

At May 31, 2017 and 2016, the fair value measurements reportable by the Center consisted of investments in mutual funds and municipal bonds valued at quoted market prices, for which Level 1 valuation inputs were required. There were no investments for which Level 2 and 3 valuation inputs were required.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following sets forth by level, within the fair value hierarchy, the investments of the Center at fair value as of May 31, 2017:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	$ 75,770	$ -	$ -	$ 75,770
Fixed income funds	13,850	-	-	13,850
Targeted allocated funds	10,920	-	-	10,920
Total mutual funds	100,540	-	-	100,540
Municipal bonds	31,676	-	-	31,676
Total investments at fair value	$132,216	$ -	$ -	$132,216

The following sets forth by level, within the fair value hierarchy, the investments of the Center at fair value as of May 31, 2016:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	$ 69,327	$ -	$ -	$ 69,327
Fixed income funds	14,006	-	-	14,006
Targeted allocated funds	9,956	-	-	9,956
Total mutual funds	93,289	-	-	93,289
Municipal bonds	31,162	-	-	31,162
Total investments at fair value	$124,451	$ -	$ -	$124,451

NOTE D – PROPERTY AND EQUIPMENT

At May 31, 2017 and 2016, property and equipment consisted of the following:

	2017	2016
Land	$ 981,884	$ 981,884
Buildings and improvements	22,291,280	22,291,280
Furniture and fixtures	4,667,509	4,367,509
Equipment	361,862	360,149
Construction in progress	4,303	4,303
Total	28,306,838	28,005,125
Accumulated depreciation	(17,534,336)	(16,633,111)
Property and equipment – net	$10,772,502	$11,372,014

NOTE E – RENTAL PROPERTY

At May 31, 2017 and 2016, rental property consisted of the following:

	2017	2016
Land	$3,476,044	$3,476,044
Building	379,782	379,782
Total	3,855,826	3,855,826
Accumulated depreciation	(286,124)	(273,273)
Rental property – net	$3,569,702	$3,582,553

NOTE F – RENTAL OPERATIONS

The Center uses a professional property manager to lease property adjacent to the Theatre to commercial tenants under operating leases expiring at various dates through August 2019. At May 31, 2017, future minimum lease rent receipts approximated the following:

Years Ending May 31st:	
2018	$22,800
2019	$23,300
2020	$ 2,600

Lease rent income and recoveries of costs and related lease rent expenses for the years ended May 31, 2017 and 2016 consisted of the following:

	2017	2016
Rental income:		
Rental income	$ 75,920	$144,059
Operating expense recoveries	21,096	58,099
Hawaii general excise tax recoveries	3,949	9,242
Other cost recoveries	2,039	19,754
Total rental income	103,004	231,154
Rental expenses:		
Real property tax	31,365	26,839
Management fees	25,618	25,589
Repairs and maintenance	18,744	10,320
Depreciation	12,851	11,724
Insurance	6,639	6,015
Hawaii general excise tax	5,045	9,485
Utilities	2,619	12,784
Other cost and expenses	27,179	26,424
Total rental expenses	130,060	129,180
Rental property income (loss) – net	$ (27,056)	$101,974

NOTE G – TEMPORARILY RESTRICTED NET ASSETS

At May 31, 2017 and 2016, temporarily restricted net assets consisted of the following:

	2017	2016
Temporarily restricted for:		
Organ restoration	$102,862	$102,862
Educational programming	20,000	53,688
Total temporarily restricted net assets	$122,862	$156,550

NOTE H – SPECIAL EVENT

For the year ended May 31, 2017, revenue and expenses for the special event consisted of the following:

Revenue:	
Ticket sales	$261,057
Donations	10,700
Total revenue	271,757
Direct expenses:	
Costs of direct benefits to donors	224,872
Hawaii general excise tax	11,916
Total direct expenses	236,788
Special event – net	$ 34,969

There was no special event during the year ended May 31, 2016.

NOTE I – EMPLOYEE BENEFIT PLANS

The Center sponsors a defined contribution, salary reduction retirement plan covering substantially all of its employees, to which it may make discretionary contributions up to the maximum allowed under Internal Revenue Code Section 403(b). The Center's contributions to this plan amounted to $0 and $2,250 for the years ended May 31, 2017 and 2016, respectively.

The Center also sponsors a defined contribution, deferred compensation plan under Section 457(b) of the Internal Revenue Code that covers certain key employees. Eligibility is determined by the Center's Board of Directors. Contributions to this plan are determined annually by the Center's Board of Directors. There were no contributions to this plan for the years ended May 31, 2017 and 2016. The assets and liabilities of the Center included $100,540 and $93,289 related to the deferred compensation plan at May 31, 2017 and 2016, respectively.

NOTE J – COMMITMENTS

Leases

The Center leases the theatre marquee under a capital lease agreement expiring in October 2020. At May 31, 2017 and 2016, the cost of the marquee amounted to $155,000, and the related accumulated depreciation amounted to $24,542 and $9,042, respectively. At May 31, 2017, future minimum capital lease payments and the present value of future minimum capital lease payments were as follows:

Years Ending May 31st	
2018	$ 33,677
2019	33,677
2020	33,677
2021	37,533
Total future minimum lease payments	138,564
Amount representing interest imputed at 8.90%	(22,536)
Present value of future minimum capital lease payments	116,028
Capital lease obligations – current	(24,300)
Capital lease obligations – noncurrent	$ 91,728

Power Purchase Agreement

The Center is party to a Solar Power Purchase and Sales and Use Agreement (Agreement) that provides for the Center to purchase 100% of the energy output from a solar energy facility installed, operated, and maintained within the premises of Hawaii Theatre. The Agreement bears an initial rate of $0.22/kWh, with an annual escalation rate of 3% for 20 years following the commercial operation date of the system (April 23, 2013). The Center has an option to extend the term of the Agreement for an additional ten years. The Agreement is subject to early termination by the Center for a fee, and may be purchased by the Center at the end of the term for fair market value. Utility charges under the Agreement for electrical energy amounted to $32,109 and $29,268 for the years ended May 31, 2017 and 2016, respectively.

NOTE K – CONTINGENCIES

The Center may be subject to legal proceedings, claims, or litigation arising in the ordinary course of business for which it may seek the advice of legal counsel. Management estimates that the cost to resolve such matters, if any, would not be material to the financial statements. However, it is reasonably possible that such estimates may change within the near term.

The Center operates in the State of Hawaii. National and international events can have severe, adverse effects on economic conditions in Hawaii due to its geographic location. The effects on the financial statements of the Center from such changes in economic conditions, if any, are not presently determinable.

NOTE L – LIQUIDITY

The Center incurred significant losses during and prior to the years ended May 31, 2017 and 2016, resulting in significant decreases in its financial condition and net assets. To address this condition, the Center is focusing on education programs, benefit concerts, film programming, and other licensed use events, as well as utilizing effective advertising media and revising ticket pricing and licensed user fee structures. Management believes these efforts will increase revenue and reduce expenses to improve the financial condition of the Center to serve its mission.

NOTE M – FINANCIAL STATEMENT PRESENTATION

The financial statements include prior year comparative information that is not in sufficient detail to constitute a complete presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements as of and for the year ended May 31, 2016, from which the information was derived.

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

NOTE N – SUBSEQUENT EVENTS

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 was signed into law. The law includes significant changes to the income tax system, including changes to unrelated business income tax and limitations on the deductibility of certain expenses. Accounting principles generally accepted in the United States of America require the effect of a change in tax law to be recognized in the financial statements when enacted. The new tax law is not expected to have a financial impact on the Center.

Management has evaluated subsequent events through March 25, 2018, which is the date the financial statements were available to be issued, and determined the Center did not have any subsequent events requiring adjustment to the financial statements or disclosure in the notes to the financial statements, except as described above.