

**CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)**

**Financial Statements and
Independent Auditor's Report**

December 31, 2021 and 2020

**CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
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INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Celtic Fest, Inc.
d/b/a Celtic Cultural Alliance
Bethlehem, PA

Opinion

We have audited the accompanying financial statements of Celtic Fest, Inc. d/b/a Celtic Cultural Alliance (A Not-for-Profit Corporation) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Celtic Fest, Inc. d/b/a Celtic Cultural Alliance as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Celtic Fest, Inc. d/b/a Celtic Cultural Alliance and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Celtic Fest, Inc. d/b/a Celtic Cultural Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Celtic Fest, Inc. d/b/a Celtic Cultural Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Celtic Fest, Inc. d/b/a Celtic Cultural Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Congbell, Rappold & Yasuta LLP

November 2, 2022

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CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2021	2020
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 286,724	\$ 125,075
Accounts and Grants Receivable	301	565
Promises to Give, Net (Note 2)	3,932	5,799
Prepaid Expenses	23,686	9,532
Inventory	5,126	10,050
Deposits	5,000	5,000
Property and Equipment, Net (Note 3)	1,736	-
	<u>\$ 326,505</u>	<u>\$ 156,021</u>
TOTAL ASSETS	<u>\$ 326,505</u>	<u>\$ 156,021</u>
 <u>LIABILITIES AND NET ASSETS:</u>		
Accounts Payable	\$ 169	\$ 550
Accrued Expenses	2,320	8,003
Deferred Rent Liability	2,824	2,332
Deferred Revenue	65	-
Deposits Payable	18,200	17,300
Line of Credit (Note 6)	-	-
	<u>23,578</u>	<u>28,185</u>
TOTAL LIABILITIES	<u>23,578</u>	<u>28,185</u>
 <u>Net Assets:</u>		
Without Donor Restrictions	298,995	111,437
With Donor Restrictions (Note 8)	3,932	16,399
	<u>302,927</u>	<u>127,836</u>
TOTAL NET ASSETS	<u>302,927</u>	<u>127,836</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 326,505</u>	<u>\$ 156,021</u>

See independent Auditor's report and notes to financial statements.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
STATEMENTS OF ACTIVITIES

	Year Ended December 31,	
Changes in Net Assets Without Donor Restrictions:	2021	2020
<i>Revenues, Gains and Other Support:</i>		
Revenues from Operations	\$ 669,128	\$ 2,200
Cost of Goods Sold	(73,237)	-
Gross Profit from Operations	595,891	2,200
Public Support:		
Contributions	119,341	12,023
Government Grants	217,474	-
Paycheck Protection Program Grant	22,401	24,300
Donated Materials and Services (Note 1)	187,223	13,830
Total Public Support	546,439	50,153
Fundraising Events	13,247	2,130
Direct Benefit Costs to Donors	(7,184)	(544)
Total Fundraising Events	6,063	1,586
Contest Entry Fees	1,328	-
Membership Dues	25,388	11,225
Interest Income	22	28
Miscellaneous	2,792	5,578
Net Assets Released from Restrictions (Note 8)	12,467	1,804
Total Other Income	41,997	18,635
Total Revenues, Gains and Other Support Without Donor Restrictions	1,190,390	72,574
 <i>Expenses:</i>		
Cultural Events	845,383	72,526
Management and General	103,958	113,863
Fundraising	53,491	70,623
Total Expenses	1,002,832	257,012
INCREASE/(DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	187,558	(184,438)
 Changes in Net Assets With Donor Restrictions:		
Contributions	-	10,600
Net Assets Released from Restrictions (Note 8)	(12,467)	(1,804)
INCREASE/(DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	(12,467)	8,796
INCREASE/(DECREASE) IN NET ASSETS	175,091	(175,642)
Net Assets at Beginning of Year	127,836	303,478
Net Assets at End of Year	\$ 302,927	\$ 127,836

See independent Auditor's report and notes to financial statements.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2021			
	Program	Supporting Services		
	Services			
	Cultural Events	Management and General	Fundraising	Total
Salaries, Wages and Contract Labor	32,485	16,870	49,356	\$ 98,711
Payroll Taxes	2,719	1,416	4,135	8,270
Accommodations	14,591	-	-	14,591
Advertising	63,304	-	-	63,304
Bad Debt	-	-	-	-
Competition Fees	5,297	-	-	5,297
Conferences and Meetings	-	333	-	333
Contracted Services	108,447	9,475	-	117,922
Cost of Goods Sold	73,237	-	-	73,237
Direct Benefit Costs to Donors	-	-	7,184	7,184
Dues and Subscriptions	-	449	-	449
Equipment, Space Rental and Maintenance	115,650	14,424	-	130,074
Food Contracts	252,436	-	-	252,436
Insurance	26,879	-	-	26,879
Legal and Accounting Fees	-	10,505	-	10,505
Licenses	3,189	-	-	3,189
Miscellaneous	217	2,164	-	2,381
Moving Expenses	-	-	-	-
Obsolete Inventory	1,262	-	-	1,262
Office Rent	-	31,966	-	31,966
Parking	-	7	-	7
Performers	42,950	-	-	42,950
Postage and Shipping	33	1,055	-	1,088
Printing and Publications	2,210	634	-	2,844
Prizes	31,411	-	-	31,411
Service Charges	5,923	2,948	-	8,871
Sound and Lighting	68,500	-	-	68,500
Sponsor Reception	27,642	-	-	27,642
Supplies	14,421	1,316	-	15,737
Telephone	-	1,046	-	1,046
Travel	2,438	221	-	2,659
Utilities	10,152	-	-	10,152
Volunteers	12,360	185	-	12,545
Website and Computer	867	8,677	-	9,544
Depreciation	-	267	-	267
Total Expenses by Function	918,620	103,958	60,675	1,083,253
Less: Expenses Included with Revenue on the Statement of Activities				
Direct Benefit Costs to Donors	-	-	(7,184)	(7,184)
Cost of Goods Sold	(73,237)	-	-	(73,237)
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 845,383	\$ 103,958	\$ 53,491	\$ 1,002,832

See independent Auditor's report and notes to financial statements.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2020			
	Program Services	Supporting Services		Total
	Cultural Events	Management and General	Fundraising	
Salaries, Wages and Contract Labor	\$ 52,452	\$ 30,727	\$ 52,718	\$ 135,897
Payroll Taxes	4,617	2,704	4,640	11,961
Accommodations	-	-	-	-
Advertising	20	-	-	20
Bad Debt	2,735	-	-	2,735
Competition Fees	-	-	-	-
Conferences and Meetings	-	-	-	-
Contracted Services	100	-	13,265	13,365
Cost of Goods Sold	-	-	-	-
Direct Benefit Costs to Donors	-	-	544	544
Dues and Subscriptions	10	578	-	588
Equipment, Space Rental and Maintenance	7,025	12,813	-	19,838
Food Contracts	-	-	-	-
Insurance	-	5,749	-	5,749
Legal and Accounting Fees	13	10,797	-	10,810
Licenses	25	-	-	25
Miscellaneous	-	2,070	-	2,070
Moving Expenses	-	3	-	3
Obsolete Inventory	-	-	-	-
Office Rent	-	31,855	-	31,855
Parking	-	9	-	9
Performers	-	-	-	-
Postage and Shipping	-	1,145	-	1,145
Printing and Publications	-	145	-	145
Prizes	3,500	-	-	3,500
Service Charges	98	1,741	-	1,839
Sound and Lighting	-	-	-	-
Sponsor Reception	-	-	-	-
Supplies	1,048	1,687	-	2,735
Telephone	-	1,362	-	1,362
Travel	-	-	-	-
Utilities	10	8,709	-	8,719
Volunteers	21	82	-	103
Website and Computer Depreciation	852	1,687	-	2,539
	-	-	-	-
Total Expenses by Function	72,526	113,863	71,167	257,556
Less: Expenses Included with Revenue on the Statement of Activities				
Direct Benefit Costs to Donors	-	-	(544)	(544)
Cost of Goods Sold	-	-	-	-
	-	-	-	-
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 72,526	\$ 113,863	\$ 70,623	\$ 257,012

See independent Auditor's report and notes to financial statements.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
<i>Cash Flows from Operating Activities:</i>	2021	2020
CHANGE IN NET ASSETS	\$ 175,091	\$ (175,642)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) by Operating Activities:		
Depreciation	267	-
Decrease in Accounts and Grants Receivable and Promises to Give	2,131	11,350
(Increase) Decrease in Prepaid Expenses	(14,154)	8,369
Decrease in Inventory	4,924	-
Increase in Deferred Rent Liability	492	1,405
Increase in Deferred Revenue	65	-
Increase (Decrease) in Deposits Payable	900	(900)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(6,064)	2,114
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	163,652	(153,304)
<i>Cash Flows from Investing Activities:</i>		
Purchase of Equipment	(2,003)	-
NET CASH USED BY INVESTING ACTIVITIES	(2,003)	-
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	161,649	(153,304)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	125,075	278,379
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 286,724	\$ 125,075

See independent Auditor's report and notes to financial statements.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. Nature of Activities and Summary of Significant Accounting Policies

Organization and Nature of Activities

Celtic Fest, Inc. (the "Organization") is a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania for the purpose of preserving and promoting the Celtic (Irish, Scottish and Welsh) Heritage. The Organization holds the annual Celtic Classic festival which is one of the largest Highland Games and Festival in North America. Principal sources of revenue are beverage and souvenir sales and public contributions.

The Organization is incorporated in the Commonwealth of Pennsylvania as a non-profit corporation and is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Basis of Accounting

The financial statements are presented on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts and Grants Receivable

Accounts and grants receivable are reported at the amount management expects to collect from outstanding balances. The Organization believes that all of accounts and grants receivable will be fully collected within one year. Accordingly, no allowance for doubtful accounts is recorded. If amounts become uncollectable, they will be charged to expense in the period in which that determination is made.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The Organization determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. It is the Organization's policy to charge off uncollectible promises to give when management determines the unconditional promises will not be collected. All unconditional promises to give are considered collectible as of December 31, 2021 and 2020.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Property and Equipment

The Organization capitalizes all expenditures for property and equipment with a cost of \$500 or more and an estimated useful life greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from 3 to 5 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever circumstances indicate that the carrying value of an asset may not be recoverable from estimated future cash flows expected to result from its use and eventual disposition. Management has determined that no long-lived assets were impaired for the years ended December 31, 2021 and 2020.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) - imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Inventory

Inventory consists of merchandise sold at the annual festival and is stated at the lower of cost or market determined by the first-in, first-out method if purchased. Donated inventory is stated at estimated fair value at the date of donation.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization's revenues are recognized as follows:

- **Revenues from Operations:** Food and beverage sales for the annual Celtic Classic are recognized at the time of sale to consumers.
- **Membership Revenue:** Membership dues, which are nonrefundable, are solely comprised of an exchange element based on the benefits received. Revenue is recognized as the exchange portion of the membership dues is earned, over the membership period. All dues for 2021 are fully recognized, no deferred revenue exists at the year-end.
- **Contributions:** Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 estimates.

Donated Materials and Services

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Donated services of a specialized skill that would be purchased in the absence of this donation are recorded at estimated market rate for the corresponding hours spent.

No amounts have been reflected in the statements for general donated services in as much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fundraising campaigns.

Functional Allocation of Expense

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are salary related and are allocated on the basis of estimates of time and effort.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Income Tax Status

The Organization follows the accounting guidance as codified in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes – Uncertainty in Income Taxes*. FASB ASC 740 clarifies the accounting and uncertainties in income taxes recognized in the Organization's financial statements. The standard prescribes a recognition threshold of more likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. The standard also provides guidance on derecognition, classification, interest and penalties and disclosure.

The Organization had no material unrecognized tax benefits or accrued interest or penalties. The Organization's federal Exempt Organization Business Income Tax Returns (Form 990) for 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

Concentration of Credit Risk

The Organization maintains cash accounts with one financial institution. The balances are insured for up to \$250,000 at the institution. At various times there were balances in the bank that were over the FDIC limit. The Organization had a cash balance of \$25,565 and \$0- in excess of federally insured limits on December 31, 2021 and 2020, respectively.

Accounting for Paycheck Protection Program (PPP)

The Organization may account for a Paycheck Protection Program (PPP) loan as a financial liability in accordance with FASB ASC Topic 470, Debt, or under other models, if certain conditions are met. If the Association expects to meet the PPP's eligibility criteria and concludes that the PPP loan represents, in substance, a grant that is expected to be forgiven, the Organization may account for the PPP loan in accordance with ASC Subtopic 958-605 as a conditional contribution. Under this method, once there is a reasonable assurance that the conditions for forgiveness will be met, the earnings impact of the government grants are recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. On May 9, 2020, the Organization received \$24,300 of PPP funds which were subsequently forgiven for the full amount. On May 31, 2021, the Organization received \$22,401 in a second round of PPP funds. The Organization received forgiveness of the full \$22,401 on September 14, 2021. The Organization recognized \$22,401 and \$24,300 as PPP grant revenue for the years ended December 31, 2021, and 2020, respectively.

CELTIC FEST, INC.
d/b/a CELTIC CULTURAL ALLIANCE
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

2. Promises to Give

Promises to Give are expected to be realized in the following periods:

	December 31,	
	2021	2020
In one year or less	\$ 2,000	\$ 2,000
Between one and five years	2,000	4,000
	4,000	6,000
Less: Unamortized Discount at 3.5%	68	201
	\$ 3,932	\$ 5,799

3. Property and Equipment

Property and Equipment consists of the following:

	December 31,	
	2021	2020
Equipment	\$ 20,722	\$ 19,419
Less: Accumulated Depreciation	(18,986)	(19,419)
	\$ 1,736	\$ -

Depreciation charged to expense was \$267 and \$ - for the years ended December 31, 2021 and 2020, respectively.

4. Advertising Costs

Advertising costs are expensed as incurred and were \$63,304 and \$20 for the years ended December 31, 2021 and 2020, respectively.

CELTIC FEST, INC.
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(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

5. Leases

In April 2019, the Organization entered a multi-year operating lease for office space in Bethlehem, Pennsylvania. The initial lease term is for five years through June 2024, with the option for a renewal for an additional five years. The lease calls for monthly payments of \$2,500 fixed for the first year, followed by annual increases equal to 3% of the prior year's monthly rent. Rent expense was \$31,855 and \$31,855 for the years ended December 31, 2021 and 2020, respectively.

The Organization also leases a postage machine under an operating lease. Expense recognized under this lease was \$888 and \$879 for the years ended December 31, 2021 and 2020, respectively. Future minimum lease payments are as follows:

Year ended, December 31:	Office	Equipment
2022	\$ 32,304	\$ 888
2023	33,274	888
2024	16,883	888
2025	-	74
	\$ 82,461	\$ 2,738
Total Minimum Lease Payments		

6. Line of Credit

	December 31,	
	2021	2020
\$110,000 Revolving Bank Line of Credit.		
Secured by all Business Assets of the Organization.		
Interest Rate at Prime Rate.		
Due on Demand.	\$ -	\$ -
	\$ -	\$ -

The line of credit was not drawn upon during the years ended December 31, 2021 and 2020 and therefore no interest expense was incurred in either year.

The line of credit is active as of the date the financial statements were available to be issued.

CELTIC FEST, INC.
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(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

7. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following:

	December 31,	
	2021	2020
Cash and Cash Equivalents	\$ 286,724	\$ 114,475
Accounts and Grants Receivable	301	565
	\$ 287,025	\$ 115,040

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a line of credit in the amount of \$110,000, which it could draw upon.

8. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

	December 31,	
	2021	2020
Subject to expenditure for specified purpose:		
Contributions, restricted by donors for Celtic Classic 2021	\$ -	\$ 10,600
Subject to the Passage of Time:		
Promises to Give	3,932	5,799
Total	\$ 3,932	\$ 16,399

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

CELTIC FEST, INC.
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(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

8. Net Assets with Donor Restrictions (Continued)

	Year Ended December 31,	
	2021	2020
Satisfaction of Purpose Restrictions:		
Celtic Classic 2021	\$ 10,600	\$ -
Subject to the Passage of Time:		
Promises to Give	1,867	1,804
Total Restrictions Released	\$ 12,467	\$ 1,804

9. Subsequent Events

Economic uncertainties have arisen as a result of the global pandemic due to the spread of the COVID-19 coronavirus. The pandemic has the potential to have a significant impact of all aspects of the Organization's operations. The full extent of the economic impact on the Organization is unknown at this time.

Subsequent events have been evaluated through November 2, 2022, which is the date the financial statements were available to be issued.