

**SAN DIEGO CENTER FOR JEWISH
CULTURE**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2022 and 2021**

SAN DIEGO CENTER FOR JEWISH CULTURE

TABLE OF CONTENTS

Independent Auditors' Report	
Statement of Unrestricted Revenues and Expenses	3
Statement of Functional Expenses	4
Notes to Financial Statements	5 - 8

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
San Diego Center for Jewish Culture
San Diego, California

Opinion

We have audited the accompanying financial statements of San Diego Center for Jewish Culture (the "Organization") (a nonprofit organization), which comprise the statements of unrestricted revenues and expenses and functional expenses for the year ended June 30, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the results of operations of San Diego Center for Jewish Culture for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but

INDEPENDENT AUDITORS' REPORT (CONTINUED)

is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 the Organization'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 the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 28, 2021. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Haskell & White LLP
HASKELL & WHITE LLP

Irvine, California
October 20, 2022

SAN DIEGO CENTER FOR JEWISH CULTURE

Statement of Unrestricted Revenues and Expenses For the Year Ended June 30, 2022 (With Comparative Totals For The Year Ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
Revenue and Support:		
Contributions and grants	\$ 742,223	\$ 718,591
Program fees	260,952	122,946
Rental income	48,388	-
Miscellaneous income	28,760	867
Total revenue and support	<u>1,080,323</u>	<u>842,404</u>
Expenses:		
Program Services	<u>734,479</u>	<u>578,404</u>
Supporting Services		
General and administrative	270,844	189,000
Fundraising	<u>75,000</u>	<u>75,000</u>
Total supporting services	<u>345,844</u>	<u>264,000</u>
Total expenses	<u>1,080,323</u>	<u>842,404</u>
Change in net assets	-	-
Net assets at beginning of year	<u>-</u>	<u>-</u>
Net assets at end of year	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report and notes to financial statements.

SAN DIEGO CENTER FOR JEWISH CULTURE

**Statement of Functional Expenses
For the Year Ended June 30, 2022
(With Comparative Totals For The Year Ended June, 30, 2021)**

	<u>Program Services</u>		<u>Supporting Services</u>		2022 Total Expenses	2021 Total Expenses
	Center for Jewish Culture	General and Administrative	Fundraising	Total Supporting Services		
Salaries	\$ 582,552	\$ 213,703	\$ 59,177	\$ 272,880	\$ 855,432	\$ 725,953
Payroll taxes and employee benefits	108,887	57,141	15,823	72,964	181,851	138,157
Program supplies	75,463	-	-	-	75,463	55,551
Contract labor	66,383	-	-	-	66,383	75,775
Administration	32,879	-	-	-	32,879	66,775
Printing and publicity	16,138	-	-	-	16,138	32,325
Rent expense	13,927	-	-	-	13,927	12,004
Transportation and travel	12,557	-	-	-	12,557	567
Food and beverage	6,574	-	-	-	6,574	146
Maintenance supplies	5,015	-	-	-	5,015	111
Repairs, maintenance and replacements	2,644	-	-	-	2,644	1,652
Telephone	1,923	-	-	-	1,923	440
Office supplies	1,478	-	-	-	1,478	73
Postage	1,308	-	-	-	1,308	11,162
Staff Training & Recruitment	1,194	-	-	-	1,194	161
Maintenance service	720	-	-	-	720	-
Dues	103	-	-	-	103	1,955
Grants/Awards	-	-	-	-	-	700
Management services	(195,266)	-	-	-	(195,266)	(281,103)
Total expenses	\$ 734,479	\$ 270,844	\$ 75,000	\$ 345,844	\$ 1,080,323	\$ 842,404

See accompanying independent auditors' report and notes to financial statements.

SAN DIEGO CENTER FOR JEWISH CULTURE

Notes to Financial Statements For the Years Ended June 30, 2022 and 2021

1. Organization and Significant Accounting Policies:

Organization

San Diego Center for Jewish Culture (“CJC”) is a California 501(c)(3) Not-For-Profit organization that was incorporated in January 1999. CJC is housed at Lawrence Family Jewish Community Centers of San Diego County (“LFJCC”, collectively the “Organization”). CJC provides a wide array of multi-disciplined offerings and is the largest local institution solely dedicated to exploring the Jewish experience through the arts. CJC’s mission is to expand and enrich cultural life in San Diego by presenting the finest in Jewish artistic expressions, encouraging the preservation of Jewish culture and heritage and nurturing new creativity in the arts.

CJC operates the following programs:

Center for Jewish Culture

CJC offers a wide variety of multi-disciplinary artistic programs that explore cultural identities and perspectives, promote cross cultural understanding and highlight human themes of family, tolerance, compassion and hope. These programs, include the San Diego Jewish Film Festival, Arts and Ideas, J-Learn, Gotthelf Art Gallery and the J*Company Youth Theatre, fostering and highlighting ideas of Jewish culture and cultural appreciation and respect.

Approximately 6,000 tickets are sold or provided annually to residents, visitors, and students for San Diego Center for Jewish Culture events hosted at the J and in the broader San Diego Community. CJC facilities feature the 500-seat David & Dorothea Garfield Theatre, Samuel & Rebecca Astor Judaica library, the Gotthelf Art Gallery, and a community Holocaust Memorial Garden and other uses of the building and campus to promote Arts and Ideas to the Jewish and broader San Diego Community.

J*Company Youth Theatre is a leading youth theatre program in San Diego, garnering local and national attention with its award winning productions. The program provides a foundation for young artists to train and develop their creative potential, giving them the opportunity to express themselves through the dramatic arts.

Significant Accounting Policies

Method of Accounting

The financial statements of CJC has been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

See independent auditors’ report.

SAN DIEGO CENTER FOR JEWISH CULTURE

Notes to Financial Statements (continued) For the Years Ended June 30, 2022 and 2021

1. Organization and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue and Expense Recognition

The Organization recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers. ASC 606 applies to exchange transactions and requires the Organization to follow a five step process: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Organization satisfies a performance obligation.

Revenues from ticket sales for CJC events are included in program fees in the accompanying statement of unrestricted revenues and expenses. Tickets are non-refundable at the time of receipt, unless an event is canceled. Advanced ticket sales are recorded as revenues when the events related to the ticket sales are complete. Revenue is recognized at a specific point in time, which is when the related event is complete.

Grant revenue is recognized in the period in which the related work is performed in accordance with the terms of the grant. Expenses are recognized in the period in which the work is performed.

Contributions are recognized when the donor makes a promise to give in writing to CJC that is in substance, unconditional and unrestricted. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

See independent auditors' report.

SAN DIEGO CENTER FOR JEWISH CULTURE

Notes to Financial Statements (continued) For the Years Ended June 30, 2022 and 2021

1. Organization and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Donated Goods and Services

In September 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. The Organization adopted the new standard effective July 1, 2021. The adoption of this ASU did not have a significant impact on the Organization’s financial statements, except for the additional disclosure requirements included below.

CJC utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the year ended June 30, 2022 did not meet the requirements above, therefore no amounts were recognized in the financial statements.

Allocated Expenses

CJC allocates its expenses on a functional basis among its various programs and supporting services. Expenditures which can be identified with a specific program or support services are allocated directly, according to their natural expenditure classification. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized and estimates made by CJC’s management.

Income Taxes

CJC is a public charity and 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. CJC believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. CJC is not a private foundation.

See independent auditors’ report.

SAN DIEGO CENTER FOR JEWISH CULTURE

Notes to Financial Statements (continued) For the Years Ended June 30, 2022 and 2021

1. Organization and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Subsequent Events

CJC has evaluated subsequent events through October 20, 2022, which is the date the financial statements is available for issuance, and concluded that there were no events or transactions that needed to be disclosed.

2. Operating Agreement

On July 1, 1999, CJC entered into an agreement with LFJCC to administer the cultural arts programs and complex for the CJC. The initial term of the agreement was for ten (10) years with an automatic extension after (10) years and for consecutive ten (10) year terms unless either party notifies the other in writing to the contrary at least one (1) year prior to the end of the term then in effect. In accordance with the agreement, LFJCC performs all necessary advisory, management and administrative services described in the agreement.

LFJCC is entitled to retain any positive results from operations and is responsible for any negative results from operations. LFJCC absorbed \$195,266 and \$281,103 of CJC's operations for the years ended June 30, 2022 and 2021, respectively, which is reflected in CJC's management services in the Statements of Functional Expenses.

The CJC has no assets or liabilities of its own as the LFJCC shares its resources, personnel and equipment and facilities with the CJC. CJC holds no cash and an allocation of functional expenses is recorded in the CJC financial statements (Note 1). Thus, CJC does not have a balance sheet nor a statement of cash flows. The statement of unrestricted revenues and expenses and the statement of functional expenses are considered a complete set of financial statements.

See independent auditors' report.