



**FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2025



THIS PAGE IS INTENTIONALLY LEFT BLANK.

Maxwell C. King Center for the Performing Arts, Inc.  
Table of Contents  
For the year ended June 30, 2025



Title Page .....	1
Table of Contents .....	3
Board of Directors .....	4
<b>REPORT</b>	
Independent Auditor’s Report .....	5
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position.....	9
Statement of Activities .....	10
Statement of Functional Expenses.....	11
Statement of Cash Flows.....	12
Notes to Financial Statements .....	13
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues and Expenses Segregated between Operations and Endowments .....	28
Comparative Schedule of Functional Expenses .....	30

**Maxwell C. King Center for the Performing Arts, Inc.  
Board of Directors  
As of June 30, 2025**

Chairperson

Anthony J. Catanese

Vice-Chair

Tom Molnar

Treasurer

Steven W. Bierbrunner

Secretary

Christine Lance

President of Eastern Florida State College

James H. Richey, J.D.

District Board of Trustees Appointment

Winston E. Scott

Board Members

Carol Craig	Debbie Harris Caldwell
Brian Curtin	Rita Moreno
Howie Dorough	G. Mitchell Varnes, Jr.
Darcia Jones Francey	Gregory Watson
Michael Grieves	Scott D. Widerman
Robert J. Naberhaus, III	Nancy Dwyer
Thomas G. Fox	



**CARR, RIGGS & INGRAM, L.L.C.**

**Carr, Riggs & Ingram, L.L.C.**

7506 Lynx Way  
Suite 201  
Melbourne, FL 32940

321.255.0088  
386.336.4189 (fax)  
CRIadv.com

## **INDEPENDENT AUDITOR’S REPORT**

To the Board of Directors  
Maxwell C. King Center for the Performing Arts, Inc.

### ***Opinion***

We have audited the accompanying financial statements of Maxwell C. King Center for the Performing Arts, Inc. (a nonprofit organization) (the “Center”), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 the Center as of June 30, 2025, and the changes in net assets and its cash flows for the year then ended 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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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.

### ***Adjustment to Prior Period Financial Statements***

The financial statements of the Center as of June 30, 2024 were audited by other auditors whose report dated January 30, 2025 expressed an unmodified opinion on those statements.

As more fully described in Note 3, the Center has restated its financial statements during the current year to record additional deferred revenue for unsatisfied performance obligations related to memberships in accordance with accounting principles generally accepted in the United States of America. The other auditors reported on the 2024 financial statements before the restatement.

As part of our audit of the financial statements, we also audited adjustments described in Note 3 that were applied to restate the financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the financial statements of the Center other than with respect to the adjustments and, accordingly,

we do not express an opinion or any other form of assurance on the 2024 financial statements as a whole.

### ***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 Center'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 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 the Center'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 Center'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***

Other auditors previously audited the Center's 2024 financial statements, and they expressed an unmodified audit opinion on those audited financial statements in their report dated January 30, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Carr, Riggs & Ingram, L.L.C.*

Melbourne, Florida  
December 4, 2025

THIS PAGE IS INTENTIONALLY LEFT BLANK.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Statement of Financial Position**

<i>June 30,</i>	<b>2025</b>	2024, Restated
<b>ASSETS</b>		
Cash and cash equivalents	\$ 234,480	\$ 166,163
Accounts receivable	164,634	190,249
Due from Eastern Florida State College	511,546	849,813
Due from ASM Global	1,523,595	1,485,165
Inventory	29,723	28,859
Prepaid expenses	11,007	15,626
Deposits	-	12,765
Investments	6,591,898	8,361,072
<b>Total assets</b>	<b>\$ 9,066,883</b>	<b>\$ 11,109,712</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable	\$ 381,381	\$ 197,396
Accrued expenses	57,431	481,032
Contract liabilities	1,679,330	1,450,091
Deposits	9,705	-
<b>Total liabilities</b>	<b>2,127,847</b>	<b>2,128,519</b>
<b>Net assets</b>		
Without donor restrictions	5,739,036	7,781,193
With donor restrictions	1,200,000	1,200,000
<b>Total net assets</b>	<b>6,939,036</b>	<b>8,981,193</b>
<b>Total liabilities and net assets</b>	<b>\$ 9,066,883</b>	<b>\$ 11,109,712</b>

*The accompanying footnotes are an integral part of these financial statements.*

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Statement of Activities**

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	<b>2025 Total</b>	2024 Total, Restated
<b>Revenues, gains and other support</b>				
Gross ticket sales	\$ 4,256,227	\$ -	<b>\$ 4,256,227</b>	\$ 5,697,910
Service charges	993,623	-	<b>993,623</b>	835,535
Capital improvement fee surcharge	318,820	-	<b>318,820</b>	368,012
Concession and catering sales	666,211	-	<b>666,211</b>	810,325
Facilities rental	188,840	-	<b>188,840</b>	177,216
Settlement revenue	274,485	-	<b>274,485</b>	253,655
Corporate sponsors and memberships	378,551	-	<b>378,551</b>	702,563
Grants and donations	30,511	-	<b>30,511</b>	41,786
Parking fees revenue	49,926	-	<b>49,926</b>	60,210
Miscellaneous	148,821	-	<b>148,821</b>	153,421
Contributed services and facilities	1,291,980	-	<b>1,291,980</b>	538,325
Interest income	347,019	-	<b>347,019</b>	275,748
Gain (loss) on investments	610,539	-	<b>610,539</b>	729,289
<b>Total revenues, gains and other support</b>	<b>9,555,553</b>	<b>-</b>	<b>9,555,553</b>	<b>10,643,995</b>
<b>Expenses</b>				
Program services	10,235,054	-	<b>10,235,054</b>	9,397,893
Support services				
Management and general	1,362,656	-	<b>1,362,656</b>	577,226
<b>Total expenses</b>	<b>11,597,710</b>	<b>-</b>	<b>11,597,710</b>	<b>9,975,119</b>
<b>Increase (decrease) in net assets</b>	<b>(2,042,157)</b>	<b>-</b>	<b>(2,042,157)</b>	<b>668,876</b>
<b>Net assets, beginning of year,</b>				
<b>as previously reported</b>	7,781,193	1,200,000	<b>8,981,193</b>	8,430,390
Prior period adjustment (See Note 3)	-	-	-	(118,073)
<b>Net assets, beginning of year, as restated</b>	<b>7,781,193</b>	<b>1,200,000</b>	<b>8,981,193</b>	<b>8,312,317</b>
<b>Net assets, end of year</b>	<b>\$ 5,739,036</b>	<b>\$ 1,200,000</b>	<b>\$ 6,939,036</b>	<b>\$ 8,981,193</b>

*The accompanying footnotes are an integral part of these financial statements.*

## Maxwell C. King Center for the Performing Arts, Inc. Statement of Functional Expenses

<i>For the year ended June 30,</i>	Support Services			<b>2025 Total</b>	2024 Total, Restated
	Program Services	Management and General	Fundraising		
<b>Expenses</b>					
Management and consulting					
Artist fees	\$ 173,859	\$ -	\$ -	\$ 173,859	\$ 238,417
Production expense	486,509	-	-	486,509	73,304
Event settlement expense	2,925,560	-	-	2,925,560	4,209,341
Contracted personnel services	1,736,744	-	-	1,736,744	2,121,067
Marketing	221,531	-	-	221,531	229,791
Contracted services	885,096	-	-	885,096	777,273
Catering	197,185	-	-	197,185	354,611
Service fees	413,871	-	-	413,871	444,841
Printing	4,464	-	-	4,464	31,810
Supplies	170,135	-	-	170,135	74,329
Repair and maintenance	95,576	-	-	95,576	68,685
Insurance	81,895	-	-	81,895	75,593
Professional fees	3,135	-	-	3,135	27,507
Communications	1,751	-	-	1,751	4,513
Travel	36,086	-	-	36,086	27,853
Miscellaneous	37,141	28,920	-	66,061	29,331
Capital outlay	2,742,820	-	-	2,742,820	539,922
EFSC staff support	-	30,505	-	30,505	49,101
Marketing	-	910	-	910	5,912
Contracted services	-	1,600	-	1,600	-
Service fees	-	-	-	-	-
Supplies	-	3,996	-	3,996	160
Repair and maintenance	-	986	-	986	4,924
Professional fees	21,696	2,500	-	24,196	47,236
Communications	-	1,256	-	1,256	1,273
Miscellaneous	-	3	-	3	-
Contributed services and facilities	-	1,291,980	-	1,291,980	538,325
<b>Total expenses</b>	<b>\$ 10,235,054</b>	<b>\$ 1,362,656</b>	<b>\$ -</b>	<b>\$ 11,597,710</b>	<b>\$ 9,975,119</b>

*The accompanying footnotes are an integral part of these financial statements.*

## Maxwell C. King Center for the Performing Arts, Inc. Statement of Cash Flows

*For the years ended June 30,* 2025    2024, Restated

**Cash flows from operating activities:**

Cash received from contributors	\$ 122,805	\$ 432,072
Grants received	7,960	41,786
Cash received from customers and other sources	7,442,869	8,202,488
Cash paid to suppliers & contracted personnel	(7,789,066)	(8,395,345)
Cash paid for capital items donated to Eastern Florida State College	(2,742,820)	(539,922)
Interest received	347,019	275,748
Net cash provided by (used in) operating activities	(2,611,233)	16,827

**Cash flows from investing activities:**

Purchase of investments	(1,050,555)	(3,673,936)
Sale of investments	3,430,268	2,284,831
Net cash provided by (used in) investing activities	2,379,713	(1,389,105)

**Cash flows from financing activities:**

Net change in cash held by Eastern Florida State College	338,267	1,388,074
Net change in cash held by ASM Global	(38,430)	(28,641)
Net cash provided by (used in) financing activities	299,837	1,359,433

**Net increase (decrease) in cash and cash equivalents** 68,317 (12,845)

**Net cash and cash equivalents at the beginning of the year** 166,163 179,008

**Net cash and cash equivalents at the end of the year** \$ 234,480 \$ 166,163

**RECONCILIATION OF INCREASE IN NET ASSETS TO  
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:**

Increase (decrease) in net assets	\$ (2,042,157)	\$ 668,876
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Bad debt expense	6,044	-
Unrealized loss (gain) on investments	(610,539)	(729,289)
(Increase) decrease in assets:		
Accounts receivable	19,571	15,657
Inventory	(864)	4,095
Prepaid expenses	4,619	25,933
Deposits	12,765	(313,355)
Increase (decrease) in liabilities:		
Accounts payable	183,985	102,080
Accrued expenses	(423,601)	369,419
Deposits	9,705	325,027
Contract liabilities	229,239	(451,616)
Net cash provided by (used in) operating activities	\$ (2,611,233)	\$ 16,827

**Supplemental schedule of non-cash investing activities**

Donation of fixed assets to Eastern Florida State College	\$ 2,742,820	\$ 539,922
---	--------------	------------

*The accompanying footnotes are an integral part of these financial statements.*

## **Maxwell C. King Center for the Performing Arts, Inc.**

### **Notes to Financial Statements**

#### **Note 1: DESCRIPTION OF THE ORGANIZATION**

The Maxwell C. King Center for the Performing Arts, Inc. (the “Center”) is a Florida not-for-profit corporation. It is also designated as a direct-support organization of Eastern Florida State College (the “College”) under Section 1004.70, Florida Statutes. As such, the Center is organized and operated exclusively to receive, hold, invest, and expend funds for the benefit of the College. Its primary purpose is to administer the day-to-day operations of the College’s performing arts center. The Center’s programs are supported primarily by ticket sales.

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

##### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, 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. Estimates that are particularly susceptible to significant change in the near term are related to contributions of non-financial assets and allocation of functional expenses.

##### ***Comparative Financial Information***

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

##### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

## Maxwell C. King Center for the Performing Arts, Inc. Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Accounts Receivable***

Accounts receivable represent amounts owed to the Center which are expected to be collected within twelve months and are presented in the statements of financial position net of the allowance for credit losses.

#### ***Allowance for Credit Losses***

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was \$0 at June 30, 2025.

#### ***Due from Eastern Florida State College***

The Center uses the College's bank account to receipt all deposits and disburse expenditures. An agency account is set up on the books of the College to record this activity and it is reconciled monthly with the accounting records of the Center. The bank account that is at the College is in the name of the Center. The balance in the agency account is considered a "due from" the College for reporting purposes. See Note 13 for concentrations of credit risk related to cash that is included in the amount Due from Eastern Florida State College.

#### ***Due from ASM Global***

Per the management agreement with ASM Global, cash accounts are owned and held by ASM Global as agent on behalf of the Center at a financial institution. As these deposits are currently held by ASM Global in their EIN number, they have been classified as Due from ASM Global in the Statement of Financial Position.

#### ***Inventory***

Inventories consist of materials and supplies used in backstage operations and catering, and include items for resale through concessions. Inventories are stated at the lower of cost or net realizable value, with the cost determined by using the first-in, first-out (FIFO) basis. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs.

## **Maxwell C. King Center for the Performing Arts, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Prepaid Expenses***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

##### ***Investments***

The Center reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

##### ***Contract Liabilities***

Advanced ticket sales, memberships, and corporate sponsorships are deferred and recognized over the period in which the performance actually takes place. Gift certificates are recognized when redeemed.

##### ***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for a capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

## Maxwell C. King Center for the Performing Arts, Inc. Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Net Assets (continued)*

The Center received a Florida Cultural Endowment Program grant in 1989. Another Florida Cultural Endowment Program grant was received by the Center in 1994. To qualify for the grant, the grantee had to raise a 60% match in local funds. The principal from both grants are with donor restrictions, but the investment income generated may be used for the operations of the Center. Any investment gains or losses on the endowment are classified as without donor restrictions, and the earnings can be used for operations.

#### *Revenue Recognition*

Membership dues, program service fees and payments under various contracts are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

The Center recognizes revenue from ticket sales, service charges, capital improvement fee surcharges, concession and catering sales, facilities rental, settlement revenue, parking fees, and security fees when the services or goods are provided during the event. Revenue received in advance is deferred and recognized over the period to which the dates and fees relate. These amounts are included in contract liabilities within the statements of financial position. Membership dues, which are nonrefundable, are comprised of an exchange element based on the value of benefits provided, and a contribution element for the difference between the total dues paid and the exchange element. The Center recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately. The Center records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets with donor restrictions.

A portion of the Center's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Center has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Center had no refundable advances at June 30, 2025.

## **Maxwell C. King Center for the Performing Arts, Inc.**

### **Notes to Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Donated Services***

Donated services, where they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations, are recorded at values consistent with those amounts, which would be paid to salaried personnel for similar services.

##### ***Functional Allocation of Expenses***

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services based upon time and effort.

##### ***Advertising***

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the year ended June 30, 2025, advertising costs totaled \$222,441.

##### ***Facilities***

The Center, as a direct support organization of the College, is allowed to operate the buildings and equipment at the performing arts center. All of the buildings and equipment are the property of the College. Any capital outlay expended by the Center is donated to the College; therefore, no capital assets are owned or recorded by the Center.

##### ***Tax Status***

The Center is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and has been determined to be an organization, which is not a private foundation. Contributions to the Center are qualified as deductions for charitable contributions.

The Center follows the accounting guidance for uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities.

##### ***Reclassifications***

Certain reclassifications were made to prior year balances to conform with the current year presentation.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 4, 2025. See Note 15 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**Note 3: RESTATEMENT OF FINANCIAL STATEMENTS**

As a result of an internal review of the Center’s memberships and revenue recognition policy during 2025, the Center discovered that unearned revenue for memberships had been understated. Revenue derived from annual membership contracts was being fully recognized at the point of sale or upon receipt of payment rather than the period in which the membership services were rendered. Accordingly, the Center restated its results for the affected years. The effect of the restatement was to decrease net assets for 2024 and 2023 by \$133,141 and \$118,073, respectively.

The effect of the restatement on the change in net assets without donor restrictions and financial position as of and for the year ended June 30, 2025 are as follows:

	2024	
	As previously reported	Restated
Contract liabilities	\$ 1,316,950	\$ 1,450,091
Membership revenue	\$ 285,559	\$ 270,491
Change in net assets	\$ 683,944	\$ 668,876
Net assets, beginning of year	\$ 8,430,390	\$ 8,312,317
Net assets, end of year	\$ 9,114,334	\$ 8,981,193

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 4: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

As part of the Center’s liquidity management plan, the Center structured its financial assets to be available for its general expenditures and other obligations as they come due. Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

<i>June 30,</i>	<b>2025</b>
Cash and cash equivalents	\$ 234,480
Contracts receivable	164,634
Due from Eastern Florida State College	511,546
Due from ASM Global	1,523,595
Investments	6,591,898
Financial assets at year-end	<u>9,026,153</u>
Less: amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with time and purpose restrictions	(1,200,000)
Board designations	
Capital projects	<u>(447,930)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 7,378,223</u>

**Note 5: ACCOUNTS RECEIVABLE**

Accounts receivable, which are due to ASM Global as an agent on behalf of the Center, consist of the following:

<i>June 30, 2025</i>	<b>2025</b>
Facility event rentals	\$ 81,491
Consignment tickets	68,924
Other receivables	14,219
Total accounts receivable	<u>164,634</u>
Less allowance for credit losses	<u>-</u>
Accounts receivable, net	<u>\$ 164,634</u>

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 6: INVESTMENTS**

Investments in marketable securities consist of the following:

<i>June 30, 2025</i>	Cost	Fair Value
Stocks, options & ETFs	\$ 1,719,821	\$ 2,394,017
Mutual funds	4,178,813	4,197,881
<b>Total investments in marketable securities</b>	<b>\$ 5,898,634</b>	<b>\$ 6,591,898</b>

**Note 7: NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at June 30, 2025 consist of the following:

Subject to expenditure for specified purpose:

Endowment	\$	1,200,000
<b>Total net assets with donor restrictions</b>	<b>\$</b>	<b>1,200,000</b>

There were no net assets released from restrictions during the year ended June 30, 2025.

**Note 8: REVENUE**

***Contract Balances***

<i>June 30,</i>	<b>2025</b>
Receivables from contracts beginning of year	\$ 190,249
Receivables from contracts, end of year	\$ 164,634
Contract liabilities, beginning of year	
Advance ticket sales and related fees	\$ 1,260,077
Memberships	\$ 133,141
Outstanding gift certificates	\$ 53,423
Advance event deposits	\$ 3,450
Contract liabilities, end of year	
Advance ticket sales and related fees	\$ 1,431,167
Memberships	\$ 172,325
Outstanding gift certificates	\$ 22,255
Corporate sponsorships	\$ 42,083
Advance event deposits	\$ 11,500

There were no contract assets at the beginning or end of fiscal year 2025.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 9: CONTRIBUTIONS OF NON-FINANCIAL ASSETS**

The use of the Center’s facilities have been donated by the College. Contributed nonfinancial assets for the year ended June 30, 2025 were as follows:

	Revenue Recognized	Utilization in Program/Activities	Donor Restrictions	Valuation Techniques and Inputs
Use of College Facilities	\$ 1,291,980	Performing arts operations, general and administrative	No associated donor restrictions.	In valuing the contributed building, which is located in Melbourne, Florida, the Center estimated the fair value on the basis of recent comparable sales prices in the Melbourne real estate market.

The Center receives a significant amount of donated services from unpaid volunteers who assist in show productions and special projects. The value of such services is calculated based on the number of hours worked by volunteers at minimum wage. Donated services, with an estimated value of \$193,844, were not recognized in the financial statements because they did not meet the criteria for recognition under FASC 958, *Revenue Recognition – Contributions Received*.

**Note 10: MANAGEMENT AGREEMENT**

The Center’s operations are managed by ASM Global Melbourne, LLC (“ASM Global”), a venue and event management company. ASM Global provides professional management and consulting services, including operations and marketing services, for the Center’s facility. The term of the agreement commenced on July 1, 2020 and ended June 30, 2025. The Board of Directors signed a new management agreement with ASM Global effective July 1, 2025, see Note 16.

As base compensation to ASM Global for providing services as outlined in the management agreement, the Center Board pays ASM Global an annual fixed fee of \$84,000, which amount is adjusted upward on the first day of each fiscal year by the percentage change in the Consumer Price Index (“CPI”), however, any such increase in CPI shall be capped at three percent (3%) for any one fiscal year. The foregoing annual fixed compensation shall be payable in equal monthly installments due on or before the last day of each month during such fiscal year.

ASM Global is entitled to an annual incentive fee with respect to each fiscal year during the management term. The incentive fee is an amount equal to twenty percent (20%) of the increase in the adjusted gross income over the adjusted gross income benchmark per a management agreement with ASM Global. For the year ended June 30, 2025, the benchmark was not met and therefore there was no annual accrual for the incentive fee payable to ASM Global.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 11: ENDOWMENTS**

***Cultural Affairs Endowments***

The Cultural Affairs Endowments I & II (“Cultural Endowments”) were created by donor restricted donations (see Note 1, *Net Assets with Donor Restrictions*). The earnings on the Cultural Endowments can be used for operations, and as such are without donor restrictions. The Cultural Endowment funds are invested in mutual funds and equities in accordance with the Center’s investment policies. The Board’s spending policy is that 100% of the earnings can be spent on operations as qualified expenses occur. The Board’s investment objective is to have earnings 4% greater than inflation (as determined by the consumer price index).

Activity in the Division of Cultural Affairs Endowment I:

		With Donor Restrictions	Without Donor Restrictions	Total
Balance at June 30, 2024	\$	600,000	\$ 403,556	\$ 1,003,556
Fees/uses		-	(7,944)	(7,944)
Investment income (loss)		-	118,584	118,584
<b>Balance at June 30, 2025</b>	<b>\$</b>	<b>600,000</b>	<b>\$ 514,196</b>	<b>\$ 1,114,196</b>

Activity in the Division of Cultural Affairs Endowment II:

		With Donor Restrictions	Without Donor Restrictions	Total
Balance at June 30, 2024	\$	600,000	\$ 450,062	\$ 1,050,062
Fees/uses		-	(8,312)	(8,312)
Investment income (loss)		-	124,080	124,080
<b>Balance at June 30, 2025</b>	<b>\$</b>	<b>600,000</b>	<b>\$ 565,830</b>	<b>\$ 1,165,830</b>

## Maxwell C. King Center for the Performing Arts, Inc. Notes to Financial Statements

### Note 12: FAIR VALUE MEASUREMENTS

FASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology 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;
- 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 to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

*Common stocks and options:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Mutual funds, exchange-traded funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Center are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Center are deemed to be actively traded.

The preceding methods described 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 fair value of certain financial instruments could result in different fair value measurements at the reporting date.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 12: FAIR VALUE MEASUREMENTS (Continued)**

The following table sets forth by level, within the fair value hierarchy, the Center’s assets at fair value as of June 30, 2025.

		Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs other than Quoted Prices (Level 2)	Significant Unobservable Inputs (Level 3)
Stocks, options & ETFs	\$	2,394,017	\$ 2,394,017	\$ -	\$ -
Mutual funds		4,197,881	4,197,881	-	-
Total investments	\$	6,591,898	\$ 6,591,898	\$ -	\$ -

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended June 30, 2025, there were no significant transfers in or out of Levels 1, 2 or 3.

**Note 13: CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Center to concentrations of credit risk consist of the following:

The Center maintains cash balances on-hand and at a financial institution. The cash on hand has a balance of \$2,500. The investments at Wells Fargo noted in the subsequent paragraph includes \$231,980 in a money market that is classified as cash and cash equivalents that is insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures all noninterest bearing transaction accounts, and other deposit accounts up to \$250,000. As of June 30, 2025, there were no amounts in excess of federal-insurance limits.

The Center maintains its investments with Wells Fargo, which is a member of the Securities Investor Protection Corporation (SIPC). As a result, investor-owned assets held in custody by Wells Fargo are protected by the SIPC, up to \$500,000. The SIPC provides protection for eligible client assets held in custody by a SIPC member brokerage firm should the SIPC member firm fail financially and become unable to meet the obligations to its clients. SIPC does not protect assets that are not held in custody by a SIPC member. SIPC does not protect against losses due to market fluctuation or for client assets not held by a SIPC member.

## **Maxwell C. King Center for the Performing Arts, Inc.**

### **Notes to Financial Statements**

#### **Note 13: CONCENTRATION OF CREDIT RISK (Continued)**

The Center's uninsured investment balance totaled \$6,091,898 at June 30, 2025. The Center has not experienced any losses on these accounts and management believes the Center is not exposed to any significant risk on investment accounts.

The College, in its role as fiscal agent for the Center, participates in the Florida Treasury Investment Pool. The Center's funds included in this account for the year ended June 30, 2025 was \$445,281, and is included in Due from Eastern Florida State College (see Note 1). The asset structure is designed to provide strong liquidity using short term, high quality investments and additional investment income using intermediate investments. Funds of organizations can be used if they are participating in the Treasury Special Purpose Investment Accounts ("SPIA"). Investments with SPIA are not a deposit and are not insured or guaranteed by any government agency. See Note 12.

#### **Note 14: RELATED PARTY TRANSACTIONS**

Section 1004.77, Florida Statutes, authorizes a college board of trustees to permit the use of its property, facilities and personal services by the College's direct support organizations. During the year ended June 30, 2025, the Center utilized \$30,505 in value of services of one of the College's employees.

The performing arts center and the equipment housed therein is the property of the College in accordance with the above Florida Statute. During the year ended June 30, 2025, the College used the performing arts center for various events and reimbursed the Center for hard costs totaling \$39,431. The Center completed and donated capital improvements of \$2,742,820 to the College.

The Center, as a direct support organization of the College, uses the College's bank account to receipt all deposits and disburse expenditures on the Center's behalf. An agency account is set up on the books of the College to record this activity and it is reconciled monthly with the accounting records of the Center. At June 30, 2025, the cash position in the agency account reflected a cash balance of \$66,265 recorded as a "due from" the College for reporting purposes. The College, in its role as fiscal agent for the Center, participates in the Florida Treasury Investment Pool, which combines short and intermediate term fixed income investment strategies. See Note 12. The Center's funds included in this account for the year ended June 30, 2025 was \$445,281.

The total due from the College to the Center as of June 30, 2025 was \$511,546. Interest earnings are allocated to the Center in proportion to the amount of Center funds to total funds.

During the year ended June 30, 2025, there were personal contributions made to the Center by nineteen board members for a total amount of \$36,000 consisting of \$25,000 of donations and \$11,000 of memberships.

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Notes to Financial Statements**

**Note 15: SUBSEQUENT EVENTS**

Management evaluated all events or transactions that occurred after June 30, 2025 through December 4, 2025, the date the Center's financial statements were available to be issued. The following items occurred:

The Center entered into a new management agreement with ASM Global to consult, promote, operate and manage the day-day-day operations of the facility. The term of the agreement commences on July 1, 2025 and ends June 30, 2030. ASM Global is entitled to a per-ticket incentive fee based on the number of tickets sold for events held at the facility, including tickets sold as part of a subscription series. Annual tickets sold from 0 – 75,000 and 75,001 and above have an incentive fee of \$2 per ticket and \$4 per ticket, respectively.

SUPPLEMENTAL INFORMATION

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Schedule of Revenues and Expenses Segregated**  
**between Operations and Endowments**

	Operations			
	Direct Support Operations	Contracted Performing Arts Operations	Operating Grants	Capital Projects
<i>For the year ended June 30, 2025</i>				
<b>Revenues</b>				
Gross ticket sales	\$ -	\$ 4,256,227	\$ -	\$ -
Service charges	-	993,623	-	-
Capital improvement fee surcharge	-	-	-	318,820
Concession and catering sales	-	666,211	-	-
Facilities rental	-	188,840	-	-
Settlement revenue	-	274,485	-	-
Corporate sponsors and memberships	-	378,551	-	-
Grants and donations	22,551	7,960	-	-
Parking fee revenue	-	49,926	-	-
Contributed services and facilities	1,291,980	-	-	-
Miscellaneous	-	148,821	-	-
Interest income	264,834	82,185	-	-
Gain on investments	15,394	-	-	-
<b>Total revenues</b>	<b>1,594,759</b>	<b>7,046,829</b>	<b>-</b>	<b>318,820</b>
<b>Expenses</b>				
Artist fees	-	173,859	-	-
Artist production	-	486,509	-	-
Event settlement expense	-	2,925,560	-	-
Contracted personnel services	-	1,736,744	-	-
EFSC staff support	30,505	-	-	-
Contributed services and facilities	1,291,980	-	-	-
Marketing	910	221,531	-	-
Contracted services	1,600	856,106	-	28,990
Catering	-	197,185	-	-
Service fees	54,863	359,008	-	-
Printing	-	4,464	-	-
Supplies	3,996	134,449	-	35,686
Repair and maintenance	986	20,332	-	75,244
Insurance	-	81,895	-	-
Professional fees	23,766	3,135	-	430
Communications	1,256	1,751	-	-
Travel	-	36,086	-	-
Other expenses	3	66,061	-	-
Capital expenditures	-	-	-	2,742,820
<b>Total expenses</b>	<b>1,409,865</b>	<b>7,304,675</b>	<b>-</b>	<b>2,883,170</b>
<b>Excess (deficit) from operations</b>	<b>\$ 184,894</b>	<b>\$ (257,846)</b>	<b>\$ -</b>	<b>\$ (2,564,350)</b>

Operations			Endowments			
Facility Renovation	Total Operating	General	Fine Arts 1	Fine Arts 2	Total Endowments	Total Operating & Endowments
\$ -	\$ 4,256,227	\$ -	\$ -	\$ -	\$ -	\$ 4,256,227
-	993,623	-	-	-	-	993,623
-	318,820	-	-	-	-	318,820
-	666,211	-	-	-	-	666,211
-	188,840	-	-	-	-	188,840
-	274,485	-	-	-	-	274,485
-	378,551	-	-	-	-	378,551
-	30,511	-	-	-	-	30,511
-	49,926	-	-	-	-	49,926
-	1,291,980	-	-	-	-	1,291,980
-	148,821	-	-	-	-	148,821
-	347,019	-	-	-	-	347,019
-	15,394	414,307	88,371	92,467	595,145	610,539
-	8,960,408	414,307	88,371	92,467	595,145	9,555,553
-	173,859	-	-	-	-	173,859
-	486,509	-	-	-	-	486,509
-	2,925,560	-	-	-	-	2,925,560
-	1,736,744	-	-	-	-	1,736,744
-	30,505	-	-	-	-	30,505
-	1,291,980	-	-	-	-	1,291,980
-	222,441	-	-	-	-	222,441
-	886,696	-	-	-	-	886,696
-	197,185	-	-	-	-	197,185
-	413,871	-	-	-	-	413,871
-	4,464	-	-	-	-	4,464
-	174,131	-	-	-	-	174,131
-	96,562	-	-	-	-	96,562
-	81,895	-	-	-	-	81,895
-	27,331	-	-	-	-	27,331
-	3,007	-	-	-	-	3,007
-	36,086	-	-	-	-	36,086
-	66,064	-	-	-	-	66,064
-	2,742,820	-	-	-	-	2,742,820
-	11,597,710	-	-	-	-	11,597,710
\$ -	\$ (2,637,302)	\$ 414,307	\$ 88,371	\$ 92,467	\$ 595,145	\$ (2,042,157)

**Maxwell C. King Center for the Performing Arts, Inc.**  
**Comparative Schedule of Functional Expenses**

	2025	2024	Support	
			2025	2024
	Program	Program	Management	Management
	Services	Services	& General	& General
<b>Expenses</b>				
Management and consulting				
Artist fees	\$ 173,859	\$ 238,417	\$ -	\$ -
Production expense	486,509	73,304	-	-
Event settlement expense	2,925,560	4,209,341	-	-
Contracted personnel services	1,736,744	2,121,067	-	-
Marketing	221,531	229,791	-	-
Contracted services	885,096	777,273	-	-
Catering	197,185	354,611	-	-
Service fees	413,871	444,841	-	-
Printing	4,464	31,810	-	-
Supplies	170,135	74,329	-	-
Repairs and maintenance	95,576	68,685	-	-
Insurance	81,895	75,593	-	-
Professional fees	3,135	27,507	-	-
Communications	1,751	4,513	-	-
Travel	36,086	27,853	-	-
Miscellaneous	37,141	29,331	28,920	-
Capital outlay	2,742,820	539,922	-	-
EFSC staff support	-	-	30,505	49,101
Marketing	-	-	910	5,912
Contracted services	-	-	1,600	-
Service fees	-	-	-	-
Supplies	-	-	3,996	160
Repairs and maintenance	-	-	986	4,924
Professional fees	21,696	-	2,500	47,236
Communications	-	-	1,256	1,273
Miscellaneous	-	-	3	-
Contributed services and facilities	-	-	1,291,980	538,325
<b>Total expenses</b>	<b>\$ 10,235,054</b>	<b>\$ 9,328,188</b>	<b>\$ 1,362,656</b>	<b>\$ 646,931</b>

Services			
2025	2024	2025	2024
Fund	Fund	Total	Total
Raising	Raising		
\$ -	\$ -	\$ 173,859	\$ 238,417
-	-	486,509	73,304
-	-	2,925,560	4,209,341
-	-	1,736,744	2,121,067
-	-	221,531	229,791
-	-	885,096	777,273
-	-	197,185	354,611
-	-	413,871	444,841
-	-	4,464	31,810
-	-	170,135	74,329
-	-	95,576	68,685
-	-	81,895	75,593
-	-	3,135	27,507
-	-	1,751	4,513
-	-	36,086	27,853
-	-	66,061	29,331
-	-	2,742,820	539,922
-	-	30,505	49,101
-	-	910	5,912
-	-	1,600	-
-	-	-	-
-	-	3,996	160
-	-	986	4,924
-	-	24,196	47,236
-	-	1,256	1,273
-	-	3	-
-	-	1,291,980	538,325
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,597,710</b>	<b>\$ 9,975,119</b>