The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center)
and Subsidiaries

Consolidated Financial Statements
and
Consolidating Information

Years Ended May 31, 2017 and 2016

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

CONSOLIDATED FINANCIAL STATEMENTS
AND
CONSOLIDATING INFORMATION
Years Ended May 31, 2017 and 2016

C O N T E N T S

Independent Auditor's Report

To the Board of Directors
The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries
Boston, Massachusetts

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of The Wang Center for the Performing Arts, Inc. (d/b/a Boch Center) and Subsidiaries (the "Center"), which comprise the consolidated statements of financial position as of May 31, 2017 and 2016, the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Center's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of May 31, 2017 and 2016, 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies 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 consolidating information has been subjected to the auditing procedures applied in the audits 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.

RSM US LLP

Boston, Massachusetts
September 26, 2017

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidated Statements of Financial Position

May 31, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents, including cash and cash equivalents for advanced ticket sales of $2,492,809 and $2,469,069 for 2017 and 2016, respectively	**$ 4,280,052**	$ 6,335,686
Operating and facilities cash reserve funds	**1,110,834**	1,191,006
Accounts receivable for advance ticket sales	**252,193**	117,454
Prepaid expenses and other current assets	**1,201,476**	978,582
Contributions receivable, net	**1,257,424**	1,772,496
Investments, at fair value	**13,499,122**	13,000,000
Property and equipment, net	**14,715,573**	14,400,512
Other assets	**9,871**	58,779
Total assets	**$ 36,326,545**	$ 37,854,515
LIABILITIES AND NET ASSETS		
Accounts payable, accrued expenses and other liabilities	**$ 3,703,522**	$ 4,125,835
Unearned income	**1,074,751**	1,431,102
Deferred revenue for advance ticket sales	**2,745,002**	2,586,523
Note payable	**1,271,430**	647,339
Total liabilities	**8,794,705**	8,790,799
Net assets:		
Unrestricted:		
General operations	**12,373,899**	13,502,470
Wang Endowment Fund	**9,401,045**	9,208,357
Operating and facilities reserves	**1,110,834**	1,191,006
Total unrestricted net assets	**22,885,778**	23,901,833
Temporarily restricted	**4,646,062**	5,161,883
Total net assets	**27,531,840**	29,063,716
Total liabilities and net assets	**$ 36,326,545**	$ 37,854,515

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidated Statements of Activities

Years Ended May 31, 2017 and 2016

	2017	2016
Changes in unrestricted net assets:		
Operating revenues:		
Box office receipts	**$ 16,813,965**	$ 23,924,316
Theatre operations	**10,818,457**	11,190,593
Not-for-profit discounts	**(385,744)**	(528,374)
Total box office receipts and theatre operations, net of not-for-profit discounts	**27,246,678**	34,586,535
Sponsorships, net of commissions and fees of $293,985 and $368,636 for 2017 and 2016, respectively	**1,250,392**	1,291,887
Contributions and special events	**783,455**	916,789
Investment return (loss)	**672,688**	(439,257)
Interest income	**5,295**	8,829
Net assets released from restrictions	**2,352,215**	1,640,042
Total operating revenues	**32,310,723**	38,004,825
Operating expenses:		
Theatre operations including third party share of box office receipts	**29,090,077**	34,888,553
General and administrative	**2,674,644**	2,514,659
Fundraising costs	**521,583**	870,218
Education and community programming	**967,487**	867,880
Provision for uncollectible pledges	**-**	25,259
Total operating expenses	**33,253,791**	39,166,569
Decrease in unrestricted net assets from operations	**(943,068)**	(1,161,744)
Nonoperating:		
Change in carrying value of investment in productions, including write-offs	**(48,908)**	21,306
Interest expense	**(24,079)**	(18,759)
(Decrease) increase in unrestricted net assets from nonoperating activities	**(72,987)**	2,547
Decrease in unrestricted net assets	**(1,016,055)**	(1,159,197)
Changes in temporarily restricted net assets:		
Education and community programming contributions	**662,421**	1,015,972
Facilities contributions	**723,640**	491,500
Strategic planning contributions	**25,000**	150,000
Other contributions and pledges	**341,260**	434,307
Provision for uncollectible pledges	**(180,000)**	(116,000)
Investment return (loss)	**264,073**	(140,649)
Net assets released from restrictions	**(2,352,215)**	(1,640,042)
(Decrease) increase in temporarily restricted net assets	**(515,821)**	195,088
Change in net assets	**(1,531,876)**	(964,109)
Net assets, beginning of year	**29,063,716**	30,027,825
Net assets, end of year	**$ 27,531,840**	$ 29,063,716

See notes to consolidated financial statements.

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended May 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	**$ (1,531,876)**	$ (964,109)
Adjustments to reconcile change in net assets to		
net cash (used in) provided by operating activities:		
Depreciation and amortization	**1,342,262**	1,307,621
Loss on disposal of leasehold improvements	**52,653**	-
Net realized and unrealized loss on investments	**(746,229)**	1,184,596
Change in carrying value of investment in productions, including write-offs	**48,908**	(21,306)
Changes in:		
Operating and facilities cash reserve funds	**80,172**	386,141
Accounts receivable for advance ticket sales	**(134,739)**	168,574
Prepaid expenses and other current assets	**(222,894)**	(252,548)
Contributions receivable, net	**515,072**	(492,048)
Other assets	**-**	160,303
Accounts payable, accrued expenses and other liabilities	**(422,313)**	1,683,382
Unearned income	**(356,351)**	163,600
Deferred revenue for advance ticket sales	**158,479**	540,096
Net cash (used in) provided by operating activities	**(1,216,856)**	3,864,302
Cash flows from investing activities:		
Purchases of property and equipment	**(1,709,976)**	(1,293,738)
Purchases of investments	**(215,893)**	(922,348)
Proceeds from sales of investments	**463,000**	250,000
Net cash used in investing activities	**(1,462,869)**	(1,966,086)
Cash flows from financing activities		
Proceeds from note payable	**1,500,000**	-
Repayments on note payable	**(875,909)**	(210,039)
Net cash provided by (used in) financing activities	**624,091**	(210,039)
(Decrease) increase in cash and cash equivalents	**(2,055,634)**	1,688,177
Cash and cash equivalents, beginning of year	**6,335,686**	4,647,509
Cash and cash equivalents, end of year	**$ 4,280,052**	$ 6,335,686
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	**$ 24,079**	$ 18,759

See notes to consolidated financial statements.

1. ORGANIZATION

The Wang Center for the Performing Arts, Inc. d/b/a Boch Center is a not-for-profit organization located in Boston, Massachusetts. Boch Center is the parent organization of Wang Theatre, Inc., Tremont Theatre, Inc., Wang Center Productions, Inc. and Wang Colonial Theatre, LLC ("Emerson Colonial Theatre"). Boch Center and these four not-for-profit subsidiaries are collectively referred to hereafter as the "Center." The Center's accompanying consolidated financial statements are presented on the accrual basis of accounting and include the financial statements of Boch Center and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Center operates the Wang and Shubert Theatres and presents performing arts and cultural attractions from around the world to the citizens of New England. Wang Colonial Theatre, LLC operated the Emerson Colonial Theatre through October 2015 and was later dissolved on April 7, 2017. The Center strives to educate and inspire a greater appreciation for the performing arts as an essential component to the fabric of our society by providing community outreach, public programming and free educational programs which includes the City Spotlights Teen Leadership Programs and ArtWeek.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Classification and Reporting of Net Assets

The Center's consolidated financial statement presentation follows the recommendations of the *Financial Statements of Not-for-Profit Organizations* guidance of the Accounting Standards Codification (the "Codification"). Under this guidance, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. A description of the three net asset classes follows:

- Unrestricted net assets represent the portion of net assets of the Center that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets include expendable funds available for support of the Center as well as funds invested in property and equipment. As of May 31, 2017 and 2016, working capital and other reserves include $456,174 and $364,920 of operating reserve funds, respectively, and $654,660 and $826,086 of facilities cash reserve funds, respectively, as designated by the board of directors and held in cash accounts.

- Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Center is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Center pursuant to those stipulations. Temporarily restricted net assets could also include, pursuant to Massachusetts law, investment earnings on permanently restricted endowment funds which are subject to prudent appropriation for their intended purpose by the Finance Committee of the Board of Directors in accordance with terms of the endowment, the investment policies of the Center, and provisions of Massachusetts law. However, the Center does not currently have any permanently restricted endowment funds.

- Permanently restricted net assets represent contributions and other inflows of assets whose use by the Center is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Center. The Center currently has no permanently restricted net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Classification and Reporting of Net Assets…continued

As a best practice, the Center follows the *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* guidance of the Codification. This pronouncement provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA"). UPMIFA is a model act approved by the Uniform Law Commission that serves as a guideline for states to use in enacting legislation. This guidance also improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

Revenues

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as releases to unrestricted net assets.

Theatre revenue is recognized as the related performances occur. Box office receipts represent the value of all tickets sold. Theatre operations revenues are comprised of theatre rental income and other fees, transaction commissions, function sales and fees for reimbursed theatre event expenses. Amounts collected in advance of performances or events are recorded as unearned income or deferred revenue for advance ticket sales.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period the promise is received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. As of May 31, 2017 and 2016, contributions to be received after one year were discounted using rates ranging from 2.4% - 2.8%. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history and the type of contribution. The allowance for uncollectible contributions receivable as of May 31, 2017 and 2016 was $25,000.

Contributions received with donor-imposed restrictions are reported as temporarily restricted revenues and released to unrestricted net assets upon expiration of such restrictions. Contributions received with donor-imposed time restrictions that are met in the same year as received are reported as revenues of the unrestricted net asset class.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Investments, Investment Income and Appreciation, and Spending Policy

The Center has adopted investment and spending policies that attempt to grow the fair value of assets net of inflation, normal spending rate, administrative and investment expenses over the long-term without undue exposure to risk in accordance with the Center's investment policies. To satisfy its long-term rate-of-return objectives, the Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Absolute return investments, which can invest across a range of asset classes with greater flexibility (i.e., short selling, leverage, etc.) and have less liquidity than equity or fixed income securities, are used to provide long term growth at a level consistent with the overall investment objective for assets, with lower volatility, a lower correlation to traditional asset classes and diversification benefits. Fixed income securities are used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Other asset classes may be included to provide diversification and incremental return.

The Center's endowment assets could include those assets of donor-restricted funds that the Center must hold in perpetuity, as well as board designated funds. The Center does not have donor-restricted funds that are required to be held in perpetuity.

Each year, at the discretion of the Finance Committee and as determined in the annual operating budget, 3-5% of the average fair value of the endowed investment portfolio for each of the preceding twelve quarters, net of management fees, is appropriated for operations in accordance with the Center's investment policies and procedures. During the years ended May 31, 2017 and 2016, the Finance Committee appropriated for operations $480,000 and $396,000, respectively.

Operations

Operating revenues and expenses consist of those items attributable to the Center's theatre activities and unrestricted contributions. Non-operating items, including interest expense, non-recurring write-offs and recoveries of investments in productions, are classified as nonoperating.

Naming Rights Agreement with Citibank, N.A.

The Center treated the naming rights agreement with Citibank, N.A. as an executory contract, in which payments were provided to the Center in exchange for sponsorship activities. Quarterly payments were recognized under a straight-line policy over each year of the contract term. Operating revenues related to this agreement are presented net of commissions and fulfillment expenses. For the years ended May 31, 2017 and 2016, the Center recognized net sponsorship revenue from this agreement in the amount of $445,000 and $1,074,304, respectively. The naming rights agreement with Citibank expired on October 31, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Naming Rights Agreement with Boston Port Service, Inc.

Effective November 1, 2016, the Center entered into a new multi-year naming rights agreement with Boston Port Service, Inc. Annual payments to the Center are $1,200,000 of which $200,000 is a contribution restricted for education and community programming purposes. The initial term of the agreement concludes on October 31, 2026 with two five-year renewal options which can be extended at the option of Boston Port Service, Inc. In accordance with this agreement, quarterly payments are provided to the Center in exchange for sponsorship activities including renaming the Center as the Boch Center. The quarterly payments are recognized under a straight-line policy over each year of the contract term. For the year ended May 31, 2017, the Center recognized sponsorship revenue from this agreement in the amount of $583,333.

Cash Equivalents

Highly liquid short-term investments with an initial maturity of three months or less when purchased are recognized as cash equivalents and are recorded at cost, which approximates fair value. Cash equivalents held in the investment portfolio are included in investments at fair value.

Concentrations of Credit Risk

The Center maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on cash and cash equivalents.

Accounts Receivable

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables. Management determines the allowance for doubtful accounts by reviewing the age of the receivable and based on collection history. There was no allowance for doubtful accounts as of May 31, 2017 and 2016. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as revenue when received.

Equity Investments

Equity investments are initially recorded in the amount of the investment made by the Center, and subsequently increased for contributions made and equity in earnings, and decreased for distributions received and equity in losses. The balance as of May 31, 2017 and 2016 represents equity investments in unrelated production companies, and is presented as a component of other assets on the accompanying consolidated Statements of Financial Position. The Center's interest in the earnings and losses in these investments are recorded in the consolidated Statements of Activities as non-operating gains or losses.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair value as of the date of the gift. The cost of maintenance and repairs is charged to expense as incurred and significant renewals and betterments are capitalized. Depreciation and amortization is computed using the straight-line method over the estimated useful life of the asset. The cost and related accumulated depreciation and amortization of assets replaced, retired or disposed of are eliminated from property and equipment accounts, and any gains or losses are reflected in general and administrative expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Fair Value Measurements

The Center follows the *Fair Value Measurements* guidance of the Codification. Under the FASB's authoritative guidance on fair value measurements, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Center uses various methods including market, income and cost approaches. Based on these approaches, the Center often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Center utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Center is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

Level 2 - Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data. Level 2 also includes derivative contracts whose value is determined using a pricing model with observable market inputs or can be derived principally from or corroborated by observable market data.

Level 3 - Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

The Center has various processes and controls in place to ensure that fair value is reasonably estimated. While the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

During the years ended May 31, 2017 and 2016, there were no changes to the Center's valuation techniques that had, or are expected to have, a material impact on its financial position or results of operations.

There were no transfers of asset classifications between Level 1 and Level 2 of the fair value hierarchy during the years ended May 31, 2017 and 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Fair Value Measurements…continued

The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments

Investments in debt and equity securities as well as exchange-traded products are recorded at fair value, based on published market prices, if available, and realized and unrealized gains and losses are reflected in the consolidated statement of activities. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

Mutual Funds

Mutual funds are either valued at the published net asset values or quoted market prices for identical assets provided by the fund manager. Mutual fund investments valued at the published net asset value are public investment vehicles valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding.

Advertising

Advertising costs are incurred to promote performances and are included in Theatre operations including third party share of box office receipts on the Consolidated Statements of Activities. The Center incurred advertising costs in the amount of $3,027,747 and $3,021,310 for the years ended May 31, 2017 and 2016, respectively.

Use of Estimates

The preparation of financial statements in accordance 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.

Tax Status

Boch Center and its subsidiaries are not-for-profit organizations as described under Internal Revenue Code ("IRC Code") Section 501(c)(3) that are generally exempt from federal and state income taxes under IRC Code Section 501(a) and are also exempt from private foundation status under IRC Code Sections 509(a)(1) and 509(a)(3), respectively.

The Center has implemented the guidance for income taxes in accordance with ASC Topic 740 as it relates to *Accounting for Income Taxes*, which clarifies the treatment of the Center's position of accounting for income taxes recognized in the financial statements. The guidance also prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of an income tax position taken or expected to be taken in the tax return. In addition, it provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Interest and penalties, if any, would be included in income tax expense. The Center has identified no uncertain tax positions as of May 31, 2017 or 2016.

With few exceptions, the Center is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for fiscal years before 2014.

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES…continued

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Updated (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Center has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The standard is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Center is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.* The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB’s improvements to net asset classification requirements and the information presented about a not-for-profit entity’s liquidity, financial performance, and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier adoption is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied. The Center is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (A Consensus of the FASB Emerging Issues Task Force)*. To reduce diversity in practice, the ASU provides solutions for eight specific statement of cash flow classification issues. The ASU is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted. The Center is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force),* which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. ASU 2016-18 will be effective for the Center beginning on January 1, 2019. ASU 2016-18 must be applied using a retrospective transition method with early adoption permitted. The Center is currently evaluating the effect that the updated standard will have on the financial statements.

Reclassifications

Certain reclassifications have been made to the 2016 financial statements to conform to the 2017 presentation, with no effect on change in net assets.

The Wang Center for the Performing Arts, Inc. (d/b/a Boch Center) and Subsidiaries

Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

3. INVESTMENTS

Investments consisted of the following as of May 31:

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
Cash equivalents	$ 957,569	$ 957,569	$ 548,952	$ 548,952
Exchange-traded products	-	-	364,718	616,883
Fixed income:				
Government bonds	1,194,189	1,207,189	-	-
Corporate bonds	1,762,905	1,768,478	-	-
Mutual funds:				
Foreign large blend	-	-	636,451	562,812
Intermediate term bond	-	-	1,647,747	1,683,002
Multi-asset fund	-	-	3,454,547	3,208,233
World allocation	-	-	6,839,125	6,380,118
International equity	1,059,826	1,146,765	-	-
Equity fund	5,541,963	5,651,984	-	-
Bond fund	666,174	675,890	-	-
Alternative strategies	2,138,872	2,091,247	-	-
	$ 13,321,498	$ 13,499,122	$ 13,491,540	$ 13,000,000

The following table summarizes the valuation of the Center's investments by the fair value hierarchy levels as of May 31, 2017:

	Fair Value Measurements at Reporting Date Using			
Description	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Cash equivalents	$ 957,569	$ -	$ -	$ 957,569
Fixed income				
Government bonds	1,207,189	-	-	1,207,189
Corporate bonds	1,768,478	-	-	1,768,478
Mutual funds:				
International equity	1,146,765	-	-	1,146,765
Equity fund	5,651,984	-	-	5,651,984
Bond fund	675,890	-	-	675,890
Alternative strategies	2,091,247	-	-	2,091,247
	$ 13,499,122	$ -	$ -	$ 13,499,122

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

3. INVESTMENTS…continued

The following table summarizes the valuation of the Center's investments by the fair value hierarchy levels as of May 31, 2016:

	Fair Value Measurements at Reporting Date Using			
Description	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Cash equivalents	$ 548,952	$ -	$ -	$ 548,952
Exchange-traded products	616,883	-	-	616,883
Mutual funds:				
Foreign large blend	562,812	-	-	562,812
Intermediate term bond	1,683,002	-	-	1,683,002
World allocation	6,380,118	-	-	6,380,118
Multi-asset fund	-	-	-	3,208,233(a)
	$ 9,791,767	$ -	$ -	$ 13,000,000

(a) In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to amounts presented in the statement of financial position.

The Center uses the Net Asset Value ("NAV") to determine the fair value of all the underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists investments in investment companies by major category.

	Strategy	Shares at NAV in Funds - 2017	Shares at NAV in Funds - 2016	Number of Funds	Redemption Terms	Redemption Restrictions	Redemption Restrictions in Place at Year End
Multi-asset fund	(a)	$0	$14.45	1	0.05% exit fees paid to the fund	None	None

(a) The fund invests in a globally broad portfolio of equities, fixed income instruments, real estate investment trusts, commodities, and other securities. This fund was liquidated and the account was closed during the year ended May 31, 2017.

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

3. INVESTMENTS…continued

Investment return (loss) consisted of the following for the years ended May 31:

	2017	2016
Interest and dividends	$ 223,760	$ 646,867
Net realized gains	77,065	162,467
Net unrealized gains (losses)	669,164	(1,347,063)
Management fees	(33,228)	(42,177)
Investment return (loss)	$ 936,761	$ (579,906)

4. CONTRIBUTIONS RECEIVABLE

Contributions receivable consisted of the following as of May 31:

	2017	2016
Amounts due within one year	$ 593,442	$ 1,079,950
Amounts due from one to five years	735,000	770,000
	1,328,442	1,849,950
Less - allowance for uncollectable contributions receivable	(25,000)	(25,000)
Less - present value discount	(46,018)	(52,454)
	$ 1,257,424	$ 1,772,496

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of May 31:

	Estimated Useful Life	2017	2016
Leasehold improvements	5-40 years	$ 36,825,728	$ 35,948,386
Office furniture and equipment	5-10 years	558,206	546,932
Theatre and concession equipment	5-10 years	1,521,941	1,521,941
Computer software and equipment	3-10 years	1,548,367	1,495,368
Construction in progress		113,452	240,031
		40,567,694	39,752,658
Less - accumulated depreciation and amortization		(25,852,121)	(25,352,146)
		$ 14,715,573	$ 14,400,512

5. PROPERTY AND EQUIPMENT…continued

Depreciation and amortization charged to operations totaled $1,342,262 and $1,307,621 for the years ended May 31, 2017 and 2016, respectively. During the years ended May 31, 2017 and 2016, assets no longer in service of $894,938 and $0 were removed from the above balances, respectively. The assets disposed of during the year ended May 31, 2017, net of accumulated depreciation of $842,285, resulted in a loss of $52,653. Construction in progress as of May 31, 2017 includes various theatre renovation projects expected to be completed during fiscal years 2018 and 2019 with total expected costs to complete of $150,000. Approximately $137,000 of construction in progress as of May 31, 2016 was completed and placed into service as leasehold improvements during fiscal year 2017.

6. LINE OF CREDIT

The Center had a revolving line of credit with Citibank, N.A. that provided for maximum borrowings up to $4,000,000. This line of credit was collateralized by a first security interest in a portion of the Center's investments. On January 30, 2014, the line of credit was extended until January 31, 2017 and the interest rate was changed from LIBOR plus 1.35% to LIBOR plus .85%. As of May 31, 2016, the Center had no outstanding borrowings on this line of credit. During the year ended May 31, 2017, the line of credit with Citibank, N.A. was terminated and a new revolving line of credit with First Republic Bank commenced as discussed below.

On July 15, 2016, the Center obtained a new revolving line of credit with First Republic Bank that provides for maximum borrowings up to $4,000,000 until July 2018. This new line of credit is collateralized by a first security interest in a portion of the Center's investments, and accrues interest at LIBOR plus .70% subject to a floor rate of 1.25%. For the year ended May 31, 2017, the interest rate was 1.75%. As of May 31, 2017, the Center had no outstanding borrowings on this line of credit.

7. NOTE PAYABLE

On August 5, 2014, the Center entered into a note payable agreement with Citibank, N.A. in the amount of $1,000,000, which was secured by a portion of the Center's investments and accrued interest at the rate of 2.45% per annum through July 2019. As of May 31, 2017 and 2016, outstanding principal on this note totaled $0 and $647,339, respectively. Interest expense for the years ended May 31, 2017 and 2016 totaled $2,010 and $18,759, respectively. The note payable agreement with Citibank, N.A. was terminated during the year ended May 31, 2017 and the Center entered into a new note payable agreement with First Republic Bank.

On July 15, 2016, the Center repaid the outstanding balance of the previous Citibank, N.A. note payable with proceeds from a note payable from First Republic Bank. The note payable in the amount of $800,000 is secured by a portion of the Center's investments and accrues interest at the rate of 2% per annum through July 2021. Interest expense for the year ended May 31, 2017 totaled $11,019.

On August 18, 2016, the Center entered into a second note payable with First Republic Bank. The note payable in the amount of $700,000 is secured by a portion of the Center's investments and accrues interest at the rate of 2% per annum through August 2021. Interest expense for the year ended May 31, 2017 totaled $11,050.

7. NOTE PAYABLE…continued

Annual maturities of the notes payable for the ensuing years are summarized as follows:

	$800,000 Note Payable	$700,000 Note Payable	Total
2018	$ 156,251	$ 136,492	$ 292,743
2019	159,404	139,247	298,651
2020	162,622	142,057	304,679
2021	165,904	144,925	310,829
Thereafter	27,967	36,561	64,528
	$ 672,148	$ 599,282	$ 1,271,430

8. BOARD DESIGNATED NET ASSETS

Changes in board designated net assets:

	Wang Endowment	Operating and Facilities Reserves
Board designated net assets as of May 31, 2015	$ 10,043,614	$ 1,577,147
Investment return:		
Investment income net of management fees	451,232	-
Net realized and unrealized loss on investment	(890,489)	-
Total loss on investment	(439,257)	-
Reserve funding	-	422,085
Interest	-	7,575
Appropriation for expenditures	(396,000)	(815,801)
Board designated net assets as of May 31, 2016	9,208,357	1,191,006
Investment return:		
Investment income net of management fees	136,381	-
Net realized and unrealized gain on investment	536,307	-
Total gain on investment	672,688	-
Reserve funding	-	315,883
Interest	-	3,945
Appropriation for expenditures	(480,000)	(400,000)
Board designated net assets as of May 31, 2017	$ 9,401,045	$ 1,110,834

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

9. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following as of May 31:

	2017	2016
Time restrictions	$ 380,802	$ 575,146
Purpose restrictions	4,265,260	4,586,737
	$ 4,646,062	$ 5,161,883

The Walter Suskind Memorial Fund was established to support the activities and outreach programs of the Center's education department. Contributions received are classified as temporarily restricted to either education department programs or to the Suskind Fund based on donor-imposed restrictions. The Center's Investment Committee is authorized to expend the Suskind Fund's income and principal in support of the Center's education department programs.

Purpose restrictions include The Walter Suskind Memorial Fund (the "Suskind Fund") totaling $4,265,260 and $4,193,456 for the years ended May 31, 2017 and 2016, respectively; Facilities totaling $0 and $300,000 for the years ended May 31, 2017 and 2016, respectively; and Strategic Planning totaling $0 and $93,281 for the years ended May 31, 2017 and 2016, respectively.

Net assets released consisted of the following for the years ended May 31, 2017 and 2016:

	2017	2016
Education releases	$ 688,844	$ 608,763
ArtWeek releases	120,846	219,460
Strategic Planning releases	93,281	31,719
Facilities releases	983,640	526,500
Finish Line releases	258,004	-
Expiration of time restriction releases	207,600	253,600
	$ 2,352,215	$ 1,640,042

10. COMMITMENTS AND CONTINGENCIES

Commitments

The Center leases the Wang Theatre, the Shubert Theatre, the Shubert Theatre parking lot, and various office space and equipment and operated the Emerson Colonial Theatre under an operating agreement through October 2015. Total lease and operating agreement payments were $395,374 and $443,954 for the years ended May 31, 2017 and 2016, respectively.

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended May 31, 2017 and 2016

10. COMMITMENTS AND CONTINGENCIES…continued

Commitments…continued

A description of the Center's Theatre leases and operating agreements is as follows:

Wang Theatre

The Wang Theatre lease was executed on June 1, 1983 and expires on June 30, 2019, with the right to extend the term of the lease for an additional 40 years. Under the lease, the annual basic rent for the Wang Theatre is the greater of (a) $50,000 with certain defined cost-of-living adjustments commencing in fiscal 1987, or (b) in respect to each day, during the next preceding lease year during which there was one or more performances: $200 per performance, if such performance was noncommercial and $275 per performance, if such performance was commercial, subject to specified adjustments, or (c) an amount equal to 6% of the first $1,000,000 of gross rental revenues, as defined by the lease agreement, during the next preceding lease year, and 7% of gross rental revenues in excess of $1,000,000 during the next preceding lease year. In addition, the terms of the lease require Wang Theatre, Inc. to pay real estate taxes levied and other expenses related to the premises.

Shubert Theatre

The Shubert Theatre lease was executed on June 19, 1996 and was scheduled to expire on August 31, 2016, with the right to extend the term of the lease for two consecutive ten-year periods. On December 19, 2014, the Center exercised the right to extend the lease term for the first ten-year period with a new expiration date of August 31, 2026. The annual base rent is $52,000 per year plus $200 per performance. Consumer Price Index adjustments have been computed for lease years five and forward. In addition, Tremont Theatre, Inc. is obligated to pay all personal property and real estate taxes levied, as well as all other expenses related to the premises (unless expressly excepted).

Emerson Colonial Theatre

The Emerson Colonial Theatre operating agreement was executed on August 8, 2012 and expired on October 11, 2015. Under the terms of the agreement, the annual operating fee was $150,000 payable in monthly installments of $12,500. On a quarterly basis, the Center was required to contribute $900 per performance to a reserve established for future facility repairs. The Center was also subject to a ticket fee above certain thresholds.

Total estimated commitments for operating leases for the Wang and Shubert Theatres, the Shubert parking lot and other equipment are as follows for the years ending May 31:

2018	$ 413,796
2019	416,124
2020	190,957
2021	84,189
2022	77,837
Thereafter	313,620
	$ 1,496,523

10. COMMITMENTS AND CONTINGENCIES…continued

Contingencies

As of May 31, 2017 and 2016, the Center had entered into certain presentation agreements with various production companies. These agreements are standard in the Center's industry, and, for each presentation agreement, there is the potential for either an increase or decrease in net assets based on the results of the presentation.

In the ordinary course of business, the Center may experience disputes with vendors and other parties and may, if necessary, accrue amounts which it estimates to be sufficient to cover claims that may arise from such disputes, based upon the Center's interpretation of the issues. Should the Center not prevail in any dispute under its interpretations, additional costs would be accrued.

11. RETIREMENT PLANS

The Center sponsors a retirement plan ("The Wang Center for the Performing Arts, Inc. 401(k) Plan") under Section 401(k) of the IRC Code. The plan provides for a discretionary matching contribution and a discretionary lump-sum contribution. The Center contributed $78,569 and $70,268 in accordance with the 3% matching provision declared for the years ended May 31, 2017 and 2016, respectively. During the years ended May 31, 2017 and 2016, $9,160 and $1,555, respectively, of the 3% matching provision was funded by forfeitures within the plan. The Center did not make a lump-sum contribution for either of the years ended May 31, 2017 and 2016. Any discretionary lump-sum contributions would be distributed using a formula based upon salary levels. The plan contains a graduated vesting schedule with participants becoming 100% vested after five years of service.

The Center offers a 403(b) defined contribution pension plan covering certain eligible union employees. Participating employees are allowed to make supplementary voluntary contributions up to the IRS tax-deferred limit. The Center's contribution is equal to $10 per day for each day worked by an eligible employee. The Center contributed $12,780 and $13,400 for the years ended May 31, 2017 and 2016, respectively.

12. SUBSEQUENT EVENTS

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 26, 2017, the date the financial statements were available to be issued.

CONSOLIDATING INFORMATION

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidating Schedule of Financial Position

May 31, 2017

	Boch Center	Wang Theatre, Inc.	Tremont Theatre, Inc.	Wang Colonial Theatre, LLC	Wang Center Productions, Inc.	Total Operations	Eliminating Entries	Consolidated Totals
ASSETS								
Cash and cash equivalents	$ 271,609	$ 1,304,504	$ 196,412	$ -	$ 14,718	$ 1,787,243	$ -	$ 1,787,243
Cash and cash equivalents for advanced ticket sales	-	2,087,869	404,940	-	-	2,492,809	-	2,492,809
Total cash and cash equivalents	271,609	3,392,373	601,352	-	14,718	4,280,052	-	4,280,052
Operating and facilities cash reserve funds	1,110,834	-	-	-	-	1,110,834	-	1,110,834
Accounts receivable for advance ticket sales	-	199,201	52,992	-	-	252,193	-	252,193
Prepaid expenses and other current assets	117,477	470,647	595,208	-	18,144	1,201,476	-	1,201,476
Contributions receivable, net	1,257,424	-	-	-	-	1,257,424	-	1,257,424
Investments, at fair value	13,499,122	-	-	-	-	13,499,122	-	13,499,122
Property and equipment, net	164,522	10,367,126	4,183,925	-	-	14,715,573	-	14,715,573
Due to / from related parties	6,219,892	(3,985,968)	(1,931,470)	-	(302,454)	-	-	-
Other assets	-	-	-	-	9,871	9,871	-	9,871
Total assets	$ 22,640,880	$ 10,443,379	$ 3,502,007	$ -	$ (259,721)	$ 36,326,545	$ -	$ 36,326,545
LIABILITIES AND NET ASSETS								
Accounts payable, accrued expenses and other liabilities	$ 708,186	$ 2,614,897	$ 375,264	$ -	$ 5,175	$ 3,703,522	$ -	$ 3,703,522
Unearned income	434,116	501,774	138,861	-	-	1,074,751	-	1,074,751
Deferred revenue for advance ticket sales	-	1,925,310	819,692	-	-	2,745,002	-	2,745,002
Note payable	1,271,430	-	-	-	-	1,271,430	-	1,271,430
Total liabilities	2,413,732	5,041,981	1,333,817	-	5,175	8,794,705	-	8,794,705
Net assets:								
Unrestricted:								
General operations	5,069,207	5,401,398	2,168,190	-	(264,896)	12,373,899	-	12,373,899
Wang Endowment Fund	9,401,045	-	-	-	-	9,401,045	-	9,401,045
Operating and facilities reserves	1,110,834	-	-	-	-	1,110,834	-	1,110,834
Total unrestricted net assets	15,581,086	5,401,398	2,168,190	-	(264,896)	22,885,778	-	22,885,778
Temporarily restricted	4,646,062	-	-	-	-	4,646,062	-	4,646,062
Total net assets	20,227,148	5,401,398	2,168,190	-	(264,896)	27,531,840	-	27,531,840
Total liabilities and net assets	$ 22,640,880	$ 10,443,379	$ 3,502,007	$ -	$ (259,721)	$ 36,326,545	$ -	$ 36,326,545

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidating Schedule of Activities
Year Ended May 31, 2017

	Boch Center	Wang Theatre, Inc.	Tremont Theatre, Inc.	Wang Colonial Theatre, LLC.	Wang Center Productions, Inc.	Total Operations	Eliminating Entries	Consolidated Totals
Changes in unrestricted net assets:								
Operating revenues:								
Box office receipts	$ -	$ 12,752,436	$ 4,061,529	$ -	$ -	$ 16,813,965	$ -	$ 16,813,965
Theatre operations	1,842,241	6,666,990	4,088,383	-	83,065	12,680,679	(1,862,222)	10,818,457
Not-for-profit discounts	-	-	(385,744)	-	-	(385,744)	-	(385,744)
Total box office receipts and theatre operations, net of not-for-profit discounts	1,842,241	19,419,426	7,764,168	-	83,065	29,108,900	(1,862,222)	27,246,678
Sponsorships, net	1,222,072	-	28,320	-	-	1,250,392	-	1,250,392
Contributions and special events	783,455	-	-	-	-	783,455	-	783,455
Investment return	672,688	-	-	-	-	672,688	-	672,688
Interest income	5,255	40	-	-	-	5,295	-	5,295
Net assets released from restrictions	2,352,215	-	-	-	-	2,352,215	-	2,352,215
Total operating revenues	6,877,926	19,419,466	7,792,488	-	83,065	34,172,945	(1,862,222)	32,310,723
Operating expenses:								
Theatre operations including third party share of box office receipts	118,351	20,707,111	8,103,897	(636)	620,327	29,549,050	(458,973)	29,090,077
Inter-company allocation of theatre operations expenses	283,004	-	-	-	(283,004)	-	-	-
General and administrative	2,408,725	1,004,872	639,805	499	23,992	4,077,893	(1,403,249)	2,674,644
Fundraising costs	521,583	-	-	-	-	521,583	-	521,583
Education and community programming	967,487	-	-	-	-	967,487	-	967,487
Total operating expenses	4,299,150	21,711,983	8,743,702	(137)	361,315	35,116,013	(1,862,222)	33,253,791
Increase (decrease) in unrestricted net assets from operations	2,578,776	(2,292,517)	(951,214)	137	(278,250)	(943,068)	-	(943,068)
Nonoperating:								
Change in carrying value of investment in productions, including write-offs	-	-	-	-	(48,908)	(48,908)	-	(48,908)
Write-off of inter-company debt	244,795	-	-	(244,795)	-	-	-	-
Interest expense	(24,079)	-	-	-	-	(24,079)	-	(24,079)
Increase (decrease) in unrestricted net assets from nonoperating activities	220,716	-	-	(244,795)	(48,908)	(72,987)	-	(72,987)
Increase (decrease) in unrestricted net assets	2,799,492	(2,292,517)	(951,214)	(244,658)	(327,158)	(1,016,055)	-	(1,016,055)
Changes in temporarily restricted assets:								
Education and community programming contributions	662,421	-	-	-	-	662,421	-	662,421
Facilities contributions	723,640	-	-	-	-	723,640	-	723,640
Strategic planning contributions	25,000	-	-	-	-	25,000	-	25,000
Other contributions and pledges	341,260	-	-	-	-	341,260	-	341,260
Provision for uncollectible pledges	(180,000)	-	-	-	-	(180,000)	-	(180,000)
Investment return	264,073	-	-	-	-	264,073	-	264,073
Net assets released from restrictions	(2,352,215)	-	-	-	-	(2,352,215)	-	(2,352,215)
Decrease in temporarily restricted net assets	(515,821)	-	-	-	-	(515,821)	-	(515,821)
Change in net assets	2,283,671	(2,292,517)	(951,214)	(244,658)	(327,158)	(1,531,876)	-	(1,531,876)
Net assets, beginning of year	17,943,477	7,693,915	3,119,404	244,658	62,262	29,063,716	-	29,063,716
Net assets (deficit), end of year	$ 20,227,148	$ 5,401,398	$ 2,168,190	$ -	$ (264,896)	$ 27,531,840	$ -	$ 27,531,840

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidating Schedule of Financial Position
May 31, 2016

	Citi Performing Arts Center	Wang Theatre, Inc.	Tremont Theatre, Inc.	Wang Colonial Theatre, LLC	Citi Performing Arts Center Productions	Total Operations	Eliminating Entries	Consolidated Totals
ASSETS								
Cash and cash equivalents	$ 621,905	$ 2,666,977	$ 412,617	$ 137,882	$ 27,236	$ 3,866,617	$ -	$ 3,866,617
Cash and cash equivalents for advanced ticket sales	-	1,901,262	567,807	-	-	2,469,069	-	2,469,069
Total cash and cash equivalents	621,905	4,568,239	980,424	137,882	27,236	6,335,686	-	6,335,686
Operating and facilities cash reserve funds	1,191,006	-	-	-	-	1,191,006	-	1,191,006
Accounts receivable for advance ticket sales	-	107,120	10,334	-	-	117,454	-	117,454
Prepaid expenses and other current assets	360,917	475,374	142,291	-	-	978,582	-	978,582
Contributions receivable, net	1,772,496	-	-	-	-	1,772,496	-	1,772,496
Investments, at fair value	13,000,000	-	-	-	-	13,000,000	-	13,000,000
Property and equipment, net	192,473	9,759,525	4,448,514	-	-	14,400,512	-	14,400,512
Due to / from related parties	2,932,102	(1,620,022)	(1,408,389)	114,789	(18,480)	-	-	-
Other assets	-	-	-	-	58,779	58,779	-	58,779
Total assets	$ 20,070,899	$ 13,290,236	$ 4,173,174	$ 252,671	$ 67,535	$ 37,854,515	$ -	$ 37,854,515
LIABILITIES AND NET ASSETS								
Accounts payable, accrued expenses and other liabilities	$ 822,400	$ 3,027,704	$ 262,445	$ 8,013	$ 5,273	$ 4,125,835	$ -	$ 4,125,835
Unearned income	657,683	560,235	213,184	-	-	1,431,102	-	1,431,102
Deferred revenue for advance ticket sales	-	2,008,382	578,141	-	-	2,586,523	-	2,586,523
Note payable	647,339	-	-	-	-	647,339	-	647,339
Total liabilities	2,127,422	5,596,321	1,053,770	8,013	5,273	8,790,799	-	8,790,799
Net assets:								
Unrestricted:								
General operations	2,382,231	7,693,915	3,119,404	244,658	62,262	13,502,470	-	13,502,470
Wang Endowment Fund	9,208,357	-	-	-	-	9,208,357	-	9,208,357
Operating and facilities reserves	1,191,006	-	-	-	-	1,191,006	-	1,191,006
Total unrestricted net assets	12,781,594	7,693,915	3,119,404	244,658	62,262	23,901,833	-	23,901,833
Temporarily restricted	5,161,883	-	-	-	-	5,161,883	-	5,161,883
Total net assets	17,943,477	7,693,915	3,119,404	244,658	62,262	29,063,716	-	29,063,716
Total liabilities and net assets	$ 20,070,899	$ 13,290,236	$ 4,173,174	$ 252,671	$ 67,535	$ 37,854,515	$ -	$ 37,854,515

The Wang Center for the Performing Arts, Inc.
(d/b/a Boch Center) and Subsidiaries

Consolidating Schedule of Activities
Year Ended May 31, 2016

	Citi Performing Arts Center	Wang Theatre, Inc.	Tremont Theatre, Inc.	Wang Colonial Theatre, LLC	Citi Performing Arts Center Productions	Total Operations	Eliminating Entries	Consolidated Totals
Changes in unrestricted net assets:								
Operating revenues:								
Box office receipts	$ -	$ 13,982,097	$ 3,870,683	$ 6,071,536	$ -	$ 23,924,316	$ -	$ 23,924,316
Theatre operations	1,936,203	5,077,838	3,479,844	2,375,135	-	12,869,020	(1,678,427)	11,190,593
Not-for-profit discounts	-	-	(528,374)	-	-	(528,374)	-	(528,374)
Total box office receipts and theatre operations, net of not-for-profit discounts	1,936,203	19,059,935	6,822,153	8,446,671	-	36,264,962	(1,678,427)	34,586,535
Sponsorships, net	1,264,250	3	22,778	4,856	-	1,291,887	-	1,291,887
Contributions and special events	916,789	-	-	-	-	916,789	-	916,789
Investment loss	(439,257)	-	-	-	-	(439,257)	-	(439,257)
Interest income	8,047	16	766	-	-	8,829	-	8,829
Net assets released from restrictions	1,640,042	-	-	-	-	1,640,042	-	1,640,042
Total operating revenues	5,326,074	19,059,954	6,845,697	8,451,527	-	39,683,252	(1,678,427)	38,004,825
Operating expenses:								
Theatre operations including third party share of box office receipts	174,267	19,971,661	7,108,656	8,031,013	3,590	35,289,187	(400,634)	34,888,553
General and administrative	2,247,753	875,678	543,625	102,419	22,977	3,792,452	(1,277,793)	2,514,659
Fundraising costs	870,218	-	-	-	-	870,218	-	870,218
Education and community programming	867,880	-	-	-	-	867,880	-	867,880
Provision for uncollectible pledges	25,259	-	-	-	-	25,259	-	25,259
Total operating expenses	4,185,377	20,847,339	7,652,281	8,133,432	26,567	40,844,996	(1,678,427)	39,166,569
Increase (decrease) in unrestricted net assets from operations	1,140,697	(1,787,385)	(806,584)	318,095	(26,567)	(1,161,744)	-	(1,161,744)
Nonoperating:								
Change in carrying value of investment in productions, including write-offs	-	-	-	-	21,306	21,306	-	21,306
Interest expense	(18,759)	-	-	-	-	(18,759)	-	(18,759)
Increase (decrease) in unrestricted net assets from nonoperating activities	(18,759)	-	-	-	21,306	2,547	-	2,547
Increase (decrease) in unrestricted net assets	1,121,938	(1,787,385)	(806,584)	318,095	(5,261)	(1,159,197)	-	(1,159,197)
Changes in temporarily restricted assets:								
Education and community programming contributions	1,015,972	-	-	-	-	1,015,972	-	1,015,972
Facilities contributions	491,500	-	-	-	-	491,500	-	491,500
Strategic planning contributions	150,000	-	-	-	-	150,000	-	150,000
Other contributions and pledges	434,307	-	-	-	-	434,307	-	434,307
Provision for uncollectible pledges	(116,000)	-	-	-	-	(116,000)	-	(116,000)
Investment loss	(140,649)	-	-	-	-	(140,649)	-	(140,649)
Net assets released from restrictions	(1,640,042)	-	-	-	-	(1,640,042)	-	(1,640,042)
Increase in temporarily restricted net assets	195,088	-	-	-	-	195,088	-	195,088
Change in net assets	1,317,026	(1,787,385)	(806,584)	318,095	(5,261)	(964,109)	-	(964,109)
Net assets (deficit), beginning of year	16,626,451	9,481,300	3,925,988	(73,437)	67,523	30,027,825	-	30,027,825
Net assets, end of year	$ 17,943,477	$ 7,693,915	$ 3,119,404	$ 244,658	$ 62,262	$ 29,063,716	$ -	$ 29,063,716