

Organization Information

Organization name:	Parallel 45, Inc.		
City:	Traverse City	Year organization founded:	2007
State:	MI	Organization type:	501(c)3 nonprofit organization
County:	Grand Traverse	DUNS #:	963985747
Federal ID #:	262125174	Full-time staff:	4
NISP Discipline:	4 - Theatre	Board Members:	11
NISP Institution:	3 - Performing Group	Fiscal year end date:	08-31
NTEE:	A65 - Theater		

Applicant is not audited or reviewed by an independent accounting firm.

Financial Summary

Unrestricted Activity	FY 2018	FY 2019	% Change	FY 2020	% Change
Unrestricted operating revenue					
Earned program	\$18,689	\$108,160	479%	\$28,307	-74%
Earned non-program	\$879	\$33,183	3,675%	\$9,746	-71%
Total earned revenue	\$19,568	\$141,343	622%	\$38,053	-73%
Investment revenue			n/a		n/a
Contributed revenue	\$194,072	\$435,004	124%	\$385,849	-11%
Total unrestricted operating revenue	\$213,640	\$576,347	170%	\$423,902	-26%
Less in-kind	\$8,000		-100%		n/a
Unrestricted operating revenue less in-kind	\$205,640	\$576,347	180%	\$423,902	-26%
Operating expenses					
Program	\$68,533	\$331,725	384%	\$196,532	-41%
Management & general	\$78,965	\$137,147	74%	\$131,023	-4%
Fundraising	\$33,042	\$42,941	30%	\$52,185	22%
Total operating expenses	\$180,540	\$511,813	183%	\$379,740	-26%
Less in-kind	\$8,000		-100%		n/a
Unrestricted operating expenses less in-kind	\$172,540	\$511,813	197%	\$379,740	-26%
Unrestricted change in net assets - operating	\$33,100	\$64,534	95%	\$44,162	-32%
Unrestricted change in net assets	\$33,100	\$64,534	95%	\$44,162	-32%
Restricted change in net assets	\$5,000	\$107,500	2,050%	\$0	-100%
Total change in net assets	\$38,100	\$172,034	352%	\$44,162	-74%

Unrestricted Operating Revenue by Source

- Earned
- Investment
- Contributed



FY 2018



FY 2019



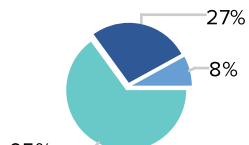
FY 2020

Operating Expenses by Functional Grouping

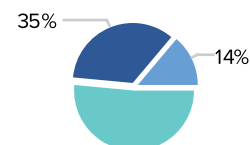
- Program
- Management & General
- Fundraising



FY 2018



FY 2019



FY 2020

Revenue Details

Operating Revenue	FY 2018	FY 2019	FY 2020	FY 2020	FY 2020
Earned - Program	Total	Total	Total	Unrestricted	Restricted
Subscriptions		\$12,341	\$6,189	\$6,189	
Membership fees - individuals			\$0	\$0	\$0
Membership fees - organizations			\$0	\$0	
Ticket sales & admissions	\$18,689	\$90,819	\$12,068	\$12,068	
Education revenue			\$9,450	\$9,450	
Publication sales			\$0	\$0	
Gallery sales			\$0	\$0	
Contracted services & touring fees		\$5,000	\$600	\$600	
Royalty & reproduction revenue			\$0	\$0	
Earned - program not listed above					
Total earned - program	\$18,689	\$108,160	\$28,307	\$28,307	
Earned - Non-program					
Rental revenue			\$150	\$150	
Sponsorship revenue		\$18,000			
Attendee-generated revenue not listed above	\$679	\$15,183	\$786	\$786	
Earned non-program not listed above	\$200		\$8,810	\$8,810	
Total earned - non-program	\$879	\$33,183	\$9,746	\$9,746	
Total earned revenue	\$19,568	\$141,343	\$38,053	\$38,053	

Contributed	FY 2018 Total	FY 2019 Total	FY 2020 Total	FY 2020 Unrestricted	FY 2020 Restricted
Trustee & board	\$25,795	\$98,295	\$119,972	\$119,972	
Individual	\$57,707	\$211,659	\$95,490	\$95,490	
Corporate	\$20	\$0	\$2,629	\$2,629	\$0
Foundation	\$95,450	\$172,700	\$68,950	\$68,950	
State government	\$12,100	\$59,850	\$22,900	\$22,900	
In-kind operating contributions	\$8,000	\$0	\$0		
Special fundraising events			\$75,908	\$75,908	
Net assets released from restriction	\$0	\$0	\$0		
Total contributed revenue	\$199,072	\$542,504	\$385,849	\$385,849	\$0
Operating investment revenue	\$0	\$0	\$0		
Total operating revenue	\$218,640	\$683,847	\$423,902	\$423,902	\$0
Total operating revenue less operating in-kind	\$210,640	\$683,847	\$423,902	\$423,902	\$0
Total revenue	\$218,640	\$683,847	\$423,902	\$423,902	\$0
Total revenue less in-kind	\$210,640	\$683,847	\$423,902	\$423,902	\$0

Revenue Narrative

FY 2018	n/a
FY 2019	n/a
FY 2020	Parallel 45 produced one show of our 2019-20 season, in Dec 2019, as well a fundraising event. Event revenue is represented in both earned and contributed sections. The 2020 summer theatre festival was cancelled due to COVID-19 and replaced with entirely outdoor, socially-distanced educational programming for youth, as well as a suite of non-ticketed virtual theatrical events. Season subscriptions were on sale for a short time before festival cancellation. Most patrons chose to donate tix.

Expense Details

	FY 2018 Total	FY 2019 Total	% Change	FY 2020 Total	% Change	FY 2020 Program	FY 2020 General & Administrative	FY 2020 Fundraising
Personnel expenses - Operating								
W2 employees (salaries, payroll taxes and fringe benefits)	\$115,074	\$119,585	4%	\$172,287	44%	\$81,928	\$58,535	\$31,824
Independent contractors	\$27,447	\$217,647	693%	\$68,913	-68%	\$58,273	\$10,640	
Professional fees	\$11,368	\$29,789	162%	\$33,580	13%	\$3,180	\$28,400	\$2,000
Total personnel expenses - Operating	\$153,889	\$367,021	138%	\$274,780	-25%	\$143,381	\$97,575	\$33,824
Non-personnel expenses - Operating								
Occupancy costs	\$10,529	\$68,248	548%	\$15,021	-78%	\$2,140	\$12,091	\$790
Depreciation	\$0	\$6,468	n/a	\$43,874	578%	\$43,874		
Interest expense	\$1,542	\$2,574	67%	\$2,447	-5%		\$2,447	
Non-personnel expenses not listed above	\$14,580	\$67,502	363%	\$43,618	-35%	\$7,137	\$18,910	\$17,571
Total non-personnel expenses - Operating	\$26,651	\$144,792	443%	\$104,960	-28%	\$53,151	\$33,448	\$18,361
Total operating expenses	\$180,540	\$511,813	183%	\$379,740	-26%	\$196,532	\$131,023	\$52,185
Total expenses	\$180,540	\$511,813	183%	\$379,740	-26%			
Total expenses less in-kind	\$172,540	\$511,813	197%	\$379,740	-26%			
Total expenses less depreciation	\$180,540	\$505,345	180%	\$335,866	-34%			
Total expenses less in-kind and depreciation	\$172,540	\$511,813	197%	\$379,740	-26%			

Expense Narrative

FY 2018	n/a
FY 2019	n/a
FY 2020	The majority of annual activities were paused due to COVID-19, but some activities remained, and new programming was added. Our personnel expenses were down nearly \$100,000 due to the cancellation of our summer 2020 festival. Full-time staff remained consistent, but independently contracted artists were only paid full contracts for Dec. 2019 production (our only one), stipends for virtual programming, or portions of their contracts for pre-festival prep work done before the cancellation.

Balance Sheet

Assets	FY 2018	FY 2019	% Change	FY 2020	% Change
Current assets					
Cash and cash equivalents	\$34,998	\$21,196	-39%	\$57,092	169%
Receivables	\$15,000	\$1,971	-87%	\$0	-100%
Investments - current			n/a	\$0	n/a
Prepaid expenses & other	\$1,594	\$639	-60%	\$3,760	488%
Total current assets	\$51,592	\$23,806	-54%	\$60,852	156%
Long-term/non-current assets					
Investments - non current			n/a	\$0	n/a
Fixed assets (net of accumulated depreciation)	\$0	\$144,942	n/a	\$162,492	12%
Non-current assets not listed above		\$2,500	n/a	\$0	-100%
Total long-term/non-current assets	\$0	\$147,442	n/a	\$162,492	10%
Total assets	\$51,592	\$171,248	232%	\$223,344	30%
Liabilities & Net Assets	FY 2018	FY 2019	% Change	FY 2020	% Change
Current liabilities					
Accounts payable and accrued expenses	\$553	\$5,427	881%	\$214	-96%
Deferred revenue			n/a		n/a
Loans - current	\$31,875	\$36,875	16%	\$43,743	19%
Additional current liabilities not listed above			n/a	\$670	n/a
Total current liabilities	\$32,428	\$42,302	30%	\$44,627	5%
Long-term/non-current liabilities					
Long-term/non-current loans			n/a	\$20,670	n/a
Additional long-term/non-current liabilities not listed above			n/a	\$0	n/a
Total long-term/non-current liabilities			n/a	\$20,670	n/a
Total liabilities	\$32,428	\$42,302	30%	\$65,297	54%
Total net assets	\$19,164	\$128,946	573%	\$158,047	23%
Total liabilities & net assets	\$51,592	\$171,248	232%	\$223,344	30%

Balance Sheet Narrative

FY 2018	n/a
FY 2019	n/a
FY 2020	Long-term, non-current liability (\$20,670) was a Round One PPP loan, which has since been forgiven.

Balance Sheet Metrics

	FY 2018	FY 2019	% Change	FY 2020	% Change
Months of operating cash -- Total	2.33	0.5	-79%	1.8	263%
Working capital -- Total	\$19,164	-\$18,496	-197%	\$16,225	188%
Current ratio -- Total	1.59	0.56	-65%	1.36	142%
Net assets as a % of total expenses	11%	25%	137%	42%	65%
Fixed assets (net)	\$0	\$144,942	n/a	\$162,492	12%
Condition of fixed assets				27%	
Leverage -- Total	62%	22%	-65%	29%	34%
Total debt	\$31,875	\$36,875	16%	\$64,413	75%
Debt service impact	19%	8%	-58%	12%	58%

Months of operating cash (Cash & Cash Equivalents/(Total Expense/12)) indicates the number of months an organization can operate at current average monthly expense levels with existing unrestricted cash and cash equivalents.

Working capital (Current Assets minus Current Liabilities) consists of the resources available for operations. This calculation of working capital may differ from your internal calculations. Adequate working capital provides financial strength and flexibility to your organization, the ability to meet obligations as they come due, and the ability to take more risks, knowing there is a cushion to fall back on.

Current ratio (Current Assets divided by Current Liabilities) determines the organization's ability to pay current debt using current assets. A ratio of 1.0 indicates that current assets are equal to current liabilities. A ratio of around 1.5 is a more comfortable position, allowing for more cushion against uncollected receivables or timing discrepancies between expected receipts and disbursements. Ideally this number should approach 2 which indicates ample short-term liquidity to obviate the need to borrow or sell assets.

Net assets as % of total expenses measures the net worth of an organization in relationship to its operating size. It is calculated as total net assets divided by total expenses. If the trend is level or increasing, then total net assets are keeping pace with growth in operating expenses.

Condition of fixed assets indicates the potential need for replacement or repair of fixed assets (such as buildings, furniture, office equipment, sets and props). This is especially significant for organizations that own a building or carry a long-term lease. Accumulated depreciation of less than 50% of the total value of fixed assets indicates a stock of relatively new assets. A high percentage (>80%) of accumulated depreciation could indicate aging infrastructure and need for funding the replacement or repair of fixed assets in the near future.

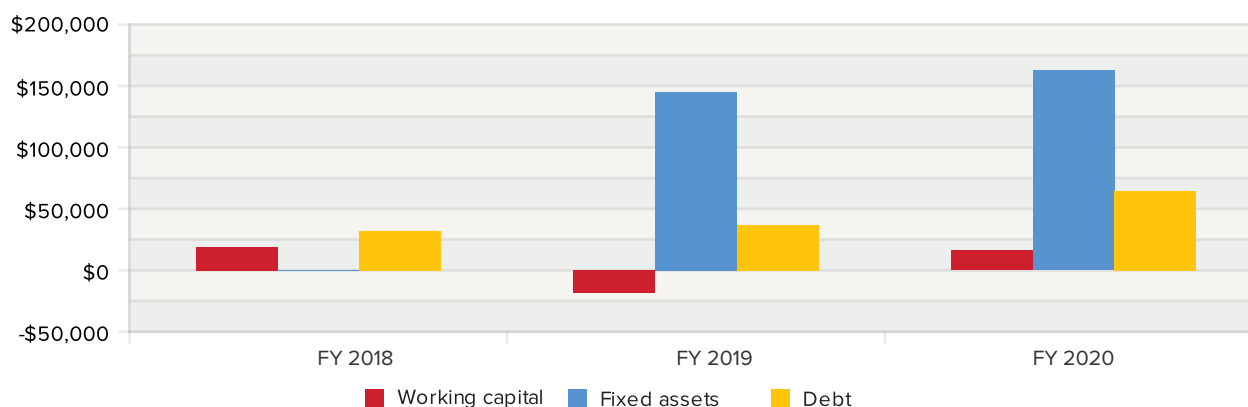
Leverage ratio (Total Debt divided by Total Assets) measures what proportion of your assets are supported by debt. A number in excess of 50% may indicate liquidity problems, or reduced capacity for future borrowing.

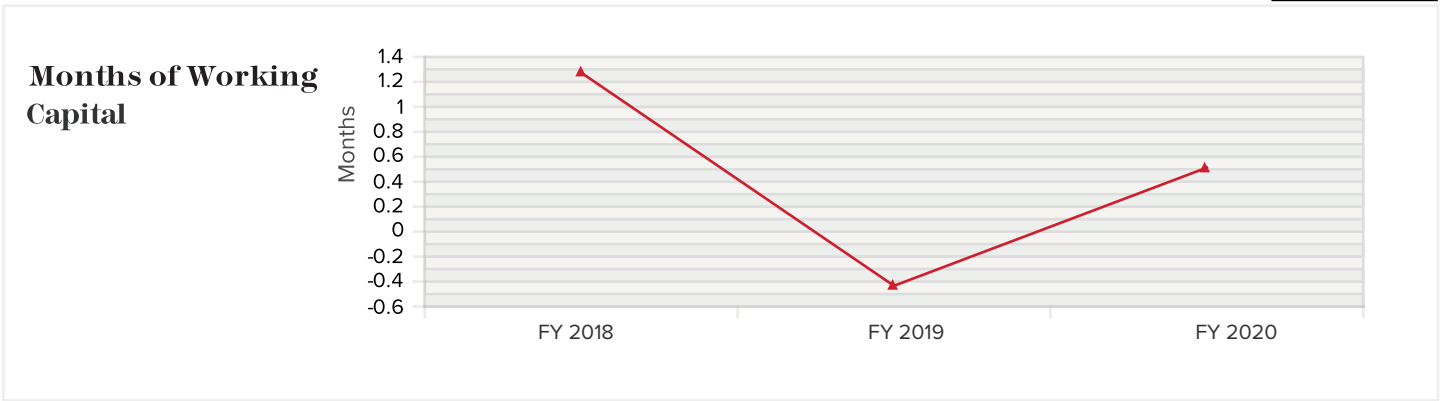
Fixed assets (net) is the value of all land, buildings, equipment, leasehold improvements and other property and equipment owned by the organization. It is calculated net of accumulated depreciation to reflect the reduction in the value of an asset as it ages and is used.

Total debt consists of all short and long-term contractual obligations of the organization, including lines of credit, loans, notes, bonds, and capital leases.

Debt service impact (Total Debt Service, including principal and interest, divided by Total Expense) calculates the % of an organization's total expenses applied to the total debt-service burden. The higher the percentage, the more the organization has to dedicate its resources to debt repayment rather than programming and other operating expenses.

Components of Net Assets





Attendance

	FY 2018	FY 2019	% Change	FY 2020	% Change
Total attendance					
Paid	820	2,909	255%	589	-80%
Free	600	481	-20%	2,018	320%
Total	1,420	3,390	139%	2,607	-23%
In-person attendance					
Paid	820	2,909	255%	589	-80%
Free	600	481	-20%	358	-26%
Total	1,420	3,390	139%	947	-72%
Digital attendance					
Paid			n/a		n/a
Free			n/a	1,660	n/a
Total			n/a	1,660	n/a
In-person attendees 18 and under	500		-100%	600	n/a
Programs in schools	FY 2018	FY 2019	% Change	FY 2020	% Change
Children served in schools			n/a		n/a
Hours of instruction			n/a		n/a

Workforce

	FY 2018	FY 2019	% Change	FY 2020	% Change
Number of People					
Employees: Full-time permanent	2	2	0%	4	100%
Volunteers	12	25	108%	0	-100%
Independent contractors	17	66	288%	48	-27%
Interns and apprentices			n/a	0	n/a
Total positions	31	93	200%	52	-44%

Visual & Performing Artists

	FY 2018	FY 2019	% Change	FY 2020	% Change
Number of visual & performing artists	16	61	281%	43	-30%
Payments to artists & performers	\$51,600	\$235,460	356%	\$146,201	-38%

Covid-19 Impact

	FY 2018	FY 2019	FY 2020
Due to COVID-19 crisis restrictions on in-person gatherings and/or stay-at-home orders mandated by government health guidelines, how was staffing affected at your organization:			
Number of employees laid off			45
Number of employees furloughed			3
Of those furloughed or laid off employees, how many (if any) have been brought back?			3

Mission and Constituency

Mission statement

Parallel 45 is a professional theatre company that brings nationally-recognized artists to the northern Michigan region. We believe that by engaging in public and collective acts of imagination, the theatre helps us to remember where we have been, understand where we are today, and examine where we are going. By producing a repertoire of innovative new works, reinvented classics, and imaginative adaptations, Parallel 45 seeks to entertain, encourage critical thought, and inspire.

Mission demographics

This organization's mission is not rooted in an explicitly identified ethnic, cultural or other demographic voice.

Racial/ethnic group

Additional group (please state)

Gender

Additional group (please state)

Sexual orientation

Additional group (please state)

Age group

Additional group (please state)

Disability

Additional characteristics

If the fields above are blank, this organization does not serve that demographic specifically.

Audience

The organization does not seek to primarily serve a specific audience.

Racial/ethnic group

Additional group (please state)

Gender

Additional group (please state)

Sexual orientation

Additional group (please state)

Age group

Additional group (please state)

Disability

Additional characteristics

Additional group (please state)

Community type served

Suburban

If the fields above are blank, this organization does not serve that demographic specifically.

Program Activity

In-person activity	FY 2018		FY 2019		FY 2020	
	Distinct offerings	# of times offered	Distinct offerings	# of times offered	Distinct offerings	# of times offered
Productions (self-produced)	3	11	6	30	1	8
Productions (presented)						
Classes/assemblies/other programs in schools						
Classes/workshops (outside of schools)	1	2	0	0	0	0
Field trips/school visits						
Guided tours						
Lectures						
Permanent exhibitions					0	
Temporary exhibitions					0	
Traveling exhibitions (hosted)					0	
Films screened						
Festivals/conferences	0		0		0	
Readings/workshops (developing works)					1	2
Community programs (not included above)						
Additional programs not listed above	0	0	0	0	0	0

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Program Activity

Digital activity	FY 2018			FY 2019			FY 2020		
	Distinct offerings	# times digitally offered	On-demand	Distinct offerings	# times digitally offered	On-demand	Distinct offerings	# times digitally offered	On-demand
Productions (self-produced)							2	2	2
Productions (presented)									
Classes/assemblies/other programs in schools									
Classes/workshops (outside of schools)									
Field trips/school visits									
Guided tours									
Lectures									
Permanent exhibitions									
Temporary exhibitions									
Traveling exhibitions (hosted)									
Films screened									
Broadcast productions									
Festivals/conferences									
Readings/workshops (developing works)							1	1	
Community programs (not included above)									
Additional programs not listed above									

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Digital activity financials	FY 2018		FY 2019		FY 2020	
	Total	Associated with digital program delivery	Total	Associated with digital program delivery	Total	Associated with digital program delivery
Earned revenue	\$19,568		\$141,343		\$38,053	\$0
Contributed revenue	\$199,072		\$542,504		\$385,849	\$0
Operating expense	\$180,540		\$511,813		\$379,740	\$4,250

Program Activity

	FY 2018 Total	FY 2019 Total % Change	FY 2020 Total % Change
Fiscally sponsored projects		n/a	0 n/a
Amount distributed to fiscally sponsored projects		n/a	n/a
Residencies		n/a	1 n/a
Scholarships awarded		n/a	8 n/a
Amount awarded in scholarships		n/a	\$400 n/a
Other grants awarded		n/a	0 n/a
Amount awarded in grants		n/a	n/a
Public art installations		n/a	0 n/a
Works commissioned		n/a	2 n/a
Films produced		n/a	0 n/a
World premieres	1	-100%	3 n/a
National premieres		n/a	0 n/a
Local/regional premieres	1	20 1,900%	0 -100%
Published works (physical)		n/a	0 n/a
Published works (digital)		n/a	n/a
Private lessons (in-person)		n/a	0 n/a
Private lessons (digital)		n/a	n/a
Competitions		n/a	0 n/a
Open rehearsals		n/a	0 n/a

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Program Activity Narrative

FY 2018 n/a

FY 2019 n/a

FY 2020 One show of the 2019-20 season was produced in Dec. 2019. The 2020 summer festival was cancelled and replaced with entirely outdoor, socially-distanced educational programming for youth, as well as a suite of non-ticketed virtual theatrical events. One in-person reading of our 2019-20 reading series was produced before cancellation of in-person events. 1 podded residency resulted in 1 commissioned work presented digitally and another commissioned digital work was presented w/o residency.