



**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED SEPTEMBER 30, 2021 and 2020**

# KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.

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### ***Independent Auditor's Report***

Board of Directors

Kostopulos Dream Foundation / Camp Kostopulos, Inc.

#### ***Opinion***

We have audited the financial statements of Kostopulos Dream Foundation/Camp Kostopulos, Inc. (the "Foundation"), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities and net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation'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.

*Bierwolf : Nilson PLLC*

Bierwolf & Nilson PLLC  
Bountiful, Utah  
January 4, 2022

**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**

**Statements of Financial Position  
September 30, 2021 and 2020**

**ASSETS**

	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 1,265,349	\$ 954,028
Accounts and contributions receivable, net	19,795	40,012
Other receivables	3,998	850
Prepaid expenses	5,775	27,238
Total current assets	<u>1,294,917</u>	<u>1,022,128</u>
Fixed assets, net	3,697,150	3,871,746
Construction in progress	511,334	110,338
Total assets	<u>\$ 5,503,401</u>	<u>\$ 5,004,212</u>

**LIABILITIES AND NET ASSETS**

Current liabilities:		
Accounts payable	\$ 4,500	\$ 6,190
Accrued liabilities	221,303	168,290
Interest payable	-	666
Total current liabilities	<u>225,803</u>	<u>175,146</u>
Note payable	225,946	161,100
Total liabilities	<u>451,749</u>	<u>336,246</u>
Net assets:		
Without donor restrictions	5,051,652	4,643,333
With donor restrictions	-	24,633
Total net assets	<u>5,051,652</u>	<u>4,667,966</u>
Total liabilities and net assets	<u>\$ 5,503,401</u>	<u>\$ 5,004,212</u>

See notes to financial statements.

**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**  
**Statements of Activities and Net Assets**  
**For the Years Ended September 30, 2021 and 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues						
Public Support						
United Way of the Great Salt Lake Area	\$ 709	\$ -	\$ 709	\$ 2,905	\$ -	\$ 2,905
Fundraising activities	26,500	-	26,500	60,125	-	60,125
State and federal grants	118,786	-	118,786	233,688	-	233,688
State contracts for services	247,130	-	247,130	118,753	-	118,753
Foundations and corporations	35,864	-	35,864	32,403	-	32,403
Contributions	385,675	-	385,675	332,500	-	332,500
Contributed services, materials and securities	329,002	-	329,002	278,291	-	278,291
Total public support	<u>1,143,666</u>	<u>-</u>	<u>1,143,666</u>	<u>1,058,665</u>	<u>-</u>	<u>1,058,665</u>
Revenue						
Program service fees	492,990	-	492,990	338,842	-	338,842
Facilities rental income	5,905	-	5,905	12,870	-	12,870
Miscellaneous	5,912	-	5,912	3,505	-	3,505
Interest and dividend income	691	-	691	466	-	466
Gain on extinguishment of PPP loan debt	161,978	-	161,978	-	-	-
Gain on assets sale or disposal	252	-	252	1,055	-	1,055
Total revenue	<u>667,728</u>	<u>-</u>	<u>667,728</u>	<u>356,738</u>	<u>-</u>	<u>356,738</u>
Total public support and revenue	<u>1,811,394</u>	<u>-</u>	<u>1,811,394</u>	<u>1,415,403</u>	<u>-</u>	<u>1,415,403</u>
Net assets released from restrictions						
Satisfaction of grant restrictions	24,633	(24,633)	-	254,998	(254,998)	-
Total net assets released from restrictions	<u>24,633</u>	<u>(24,633)</u>	<u>-</u>	<u>254,998</u>	<u>(254,998)</u>	<u>-</u>
Total public support, revenue and other support	<u>1,836,027</u>	<u>(24,633)</u>	<u>1,811,394</u>	<u>1,670,401</u>	<u>(254,998)</u>	<u>1,415,403</u>
Expenses:						
Program services						
Community based recreation	355,872	-	355,872	363,833	-	363,833
Camp	872,390	-	872,390	899,166	-	899,166
Equestrian	121,462	-	121,462	120,835	-	120,835
Total program services	<u>1,349,724</u>	<u>-</u>	<u>1,349,724</u>	<u>1,383,834</u>	<u>-</u>	<u>1,383,834</u>
Supporting services						
Fundraising	15,193	-	15,193	13,565	-	13,565
Administration and general	69,618	-	69,618	62,121	-	62,121
Total supporting services	<u>84,811</u>	<u>-</u>	<u>84,811</u>	<u>75,686</u>	<u>-</u>	<u>75,686</u>
Total expenses	<u>1,434,535</u>	<u>-</u>	<u>1,434,535</u>	<u>1,459,520</u>	<u>-</u>	<u>1,459,520</u>
Change in net assets	401,492	(24,633)	376,859	210,881	(254,998)	(44,117)
Net assets - beginning of year	4,643,333	24,633	4,712,083	4,432,452	279,631	4,712,083
Net assets - end of year	<u>\$ 5,044,825</u>	<u>\$ -</u>	<u>\$ 5,088,942</u>	<u>\$ 4,643,333</u>	<u>\$ 24,633</u>	<u>\$ 4,667,966</u>

See notes to financial statements.

**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**  
**Statements of Functional Expenses**  
**For the Year Ended September 30, 2021**

	Program Services			Supporting Services			2021 Total Expenses
	Community Based Recreation	Camp	Equestrian	Total	Fund Raising	Administration and General	
Salaries	\$ 202,519	\$ 425,989	\$ 69,834	\$ 698,342	\$ 10,360	\$ 58,707	\$ 767,409
Employee benefits	18,638	39,274	8,654	66,566	2,219	5,177	73,962
Payroll taxes	14,492	33,815	5,368	53,675	687	3,353	57,715
Total employee expenses	235,649	499,078	83,856	818,583	13,266	67,237	899,086
Professional fees	13,647	20,665	4,679	38,991	-	-	38,991
Insurance	7,823	12,294	2,235	22,352	-	-	22,352
Occupancy expense	14,842	7,031	4,166	26,039	132	132	26,303
Repairs and maintenance	5,520	16,339	221	22,080	-	-	22,080
Telephone	6,707	6,852	1,021	14,580	583	1,037	16,200
Office supplies and postage	1,745	4,212	60	6,017	61	61	6,139
Program and fund raising supplies	91	389	-	480	-	-	480
Program costs	36,437	110,896	11,090	158,423	-	-	158,423
Auto expense	3,293	1,777	157	5,227	-	-	5,227
Staff development	667	849	-	1,516	-	-	1,516
Taxes, fees and licences	2,098	5,094	300	7,492	-	-	7,492
Depreciation	27,353	186,914	13,677	227,944	-	-	230,246
Total expenses	\$ 355,872	\$ 872,390	\$ 121,462	\$ 1,349,724	\$ 15,193	\$ 69,618	\$ 1,434,535

See notes to financial statements.

**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**  
**Statements of Functional Expenses**  
**For the Year Ended September 30, 2020**

	Program Services			Supporting Services			2020 Total Expenses
	Community Based Recreation	Camp	Equestrian	Fund Raising	Administration and General	Total	
Salaries	\$ 174,361	\$ 366,759	\$ 60,124	\$ 8,920	\$ 50,544	\$ 59,464	\$ 660,708
Employee benefits	18,093	38,125	8,401	2,154	5,026	7,180	71,799
Payroll taxes	13,924	29,996	4,761	609	2,975	3,584	52,265
Total employee expenses	206,378	434,880	73,286	11,683	58,545	70,228	784,772
Professional fees	12,250	18,550	4,200	-	-	-	35,000
Insurance	10,808	16,984	3,088	-	-	-	30,880
Occupancy expense	12,087	6,787	3,393	107	107	214	22,481
Repairs and maintenance	3,938	12,525	158	-	-	-	16,621
Telephone	7,293	7,452	1,110	634	1,616	2,250	18,104
Office supplies and postage	1,917	4,627	66	67	113	180	6,790
Marketing and outreach	1,875	4,000	375	-	-	-	6,250
Program and fund raising supplies	1,341	5,719	-	-	-	-	7,060
Program costs	65,480	198,228	21,750	-	666	666	286,124
Auto expense	7,855	4,239	374	-	-	-	12,468
Staff development	4,784	6,089	-	-	-	-	10,873
Taxes, fees and licences	2,314	4,750	279	-	-	-	7,343
Depreciation	25,513	174,336	12,756	1,074	1,074	2,148	214,753
Total expenses	\$ 363,833	\$ 899,166	\$ 120,835	\$ 13,565	\$ 62,121	\$ 75,686	\$ 1,459,520

See notes to financial statements.



**KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.**

**Statements of Cash Flows**

**For the Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 376,859	\$ (44,117)
Adjustments to reconcile change in net assets to cash from operating activities:		
Depreciation	230,247	214,753
Gain on assets sale or disposal	(252)	(1,055)
Gain on extinguishment of PPP loan debt	(161,100)	-
Noncash contributed fixed assets and construction in progress	(242,282)	(99,105)
Changes in operating assets and liabilities		
Accounts receivable	20,217	386,469
Other receivables	(3,148)	7,188
Prepaid expenses	21,463	(25,681)
Accounts payable and accrued expenses	57,484	24,454
Net cash from operating activities	<u>299,488</u>	<u>462,906</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Cash from sale of fixed assets	500	5,500
Construction in progress	(162,494)	(21,272)
Purchase of fixed assets	(52,119)	(322,590)
Net cash from investing activities	<u>(214,113)</u>	<u>(338,362)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash from notes payable	225,946	161,100
Net cash from financing activities	<u>225,946</u>	<u>161,100</u>
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	311,321	285,644
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	954,028	668,384
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,265,349</u>	<u>\$ 954,028</u>
 <b>SUPPLEMENTAL DATA:</b>		
Noncash investing activities	<u>\$ 242,282</u>	<u>\$ 99,105</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

# KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Activities

Kostopulos Dream Foundation / Camp Kostopulos, Inc. (the “Foundation”) is a nonprofit organization incorporated under the laws of the State of Utah for the principal purpose of planning and providing programs and counseling for the education, social, and physical betterment of persons with disabilities. The Foundation operates facilities located at 4180 Emigration Canyon, Salt Lake City, Utah, for the benefit of disable persons. Most of its participants are from the Wasatch Front of Utah. For the years ended September 30, 2021 and 2020, 31% and 26% of its revenue were from fund raising, program fees, and foundations and corporations, respectively.

#### Financial Statement Presentation

The Foundation follows the accounting guidance provided in *FASB ASC 958, “Not-For-Profit Entities,”* financial statement presentation. In addition, the Foundation has elected to early adopt the provisions of *Accounting Standards Update 2016-14, “Presentation of Financial Statements of Not-for-Profit Entities,”* relating to the statements of financial position, whereby the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions:* Net assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered “restricted” under GAAP, though for internal reporting, the Foundation tracks such grants and contributions to verify that the disbursement matches the intent. Assets, if any, restricted solely through the actions of the Board are reported as net assets without donor restrictions, board designated.

*With Donor Restrictions:* Net assets subject to donor-imposed stipulations that are more restrictive than the Foundation’s mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions could potentially be perpetual in nature when the donor stipulates that resources be maintained in perpetuity. On September 30, 2021 and 2020, the Foundation had net assets with donor restrictions of \$0 and \$24,633, respectively.

#### Contributed services, materials and assets

During the fiscal years ended September 30, 2021 and 2020 the value of contributed facilities meeting the requirements for recognition in the financial statements was not material and were not recognized in the financial statements. Note 3 details the contributed specialized skill services, materials and assets for the fiscal years ended September 30, 2021 and 2020. Many individuals volunteer their time and perform a variety of tasks that assist the Foundation. The Foundation receives substantial volunteer hours per year. During 2021, specific community groups, agencies and corporations provided general volunteer services and program service hours valued at \$187,500 (7,500 hours).

# KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting. Consequently, support and revenue, is recognized when earned and expensed when the obligation incurred.

#### Estimates and assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from estimates that were assumed in preparing the financial statements.

#### Fixed assets

Purchased property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of support with donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over lives ranging from 5 to 40 years. During fiscal years 2021 and 2020, the value of noncash fixed assets and construction in progress donated to the Foundation that was included as fixed assets and construction in progress in its records was \$242,282 and \$99,105, respectively (See NOTE 2 for details). The Foundation has a \$500 capitalization policy.

#### Cash and cash equivalents

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

#### Income taxes

The Foundation is organized as a Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifying for the charitable contribution deduction under Sections 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Sections 509(a)(1) and (3), respectively. The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Foundation is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. We have determined that the Foundation is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Foundation has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. The Foundation's Form 990, 990-T and other income tax filings required by state, local, or non-U.S. tax authorities are no longer subject to tax examination for years before 2018.

# KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Fair Value of Financial Instruments

The Company has adopted FASB ASC 820, “*Fair Value Measurements*.” This guidance defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying amounts reported for cash and accounts payable approximated fair value because of the short maturity of those instruments.

#### Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable receivable. Write-offs during the fiscal years ended September 30, 2021 and 2020 was \$525 and \$12,480, respectively. The Foundation had no charges to the allowance for doubtful accounts on September 30, 2021 and 2020.

#### Concentrations of credit risk

The Foundation manages deposit concentration risk by placing cash with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Foundation has not experienced losses in any of these accounts.

All cash balances maintained by the Foundation at banking institutions are insured by the National Credit Union Administration up to \$250,000 in each institution. On September 30, 2021 and 2020, the Foundation’s uninsured amount in those institutions was \$762,953 and \$340,924, respectively.

#### Functional allocation of expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Recently Issued Accounting Standards

The FASB established the Accounting Standards Codification (“Codification” or “ASC”) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of the financial statements in accordance with generally accepted accounting principles in the United States of America (“GAAP”).

# KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Recently Issued Accounting Standards (continued)

Recent Accounting Standards Updates (“ASU”) through ASU No. 2021-10 contains technical corrections to existing guidance or effects guidance to specialized industries. These recent updates have no current applicability to the Foundation or their effect on the financial statements would not have been material.

#### Subsequent Events

The Foundation has evaluated subsequent events for the fiscal year ending September 30, 2021 through the date its financial statements were available for issuance on January 4, 2022 and concluded the following events required disclosure in the financial statements.

On December 28, 2021, the Foundation received notification from their Payroll Protection Program (PPP) lending institution that they had been forgiven, in full, for the entire amount of the second draw discussed in Note 7 below. The principal amount of \$225,946 and accrued interest of \$2,099 has been treated as extinguishment of debt in accordance with FASB ASC 470, and is reflected as a gain on extinguishment of PPP loan debt in the Foundation’s statements of activities and net assets.

### NOTE 2 – FIXED ASSETS

Property and equipment and estimated useful lives are as follows:

	<u>Years</u>	<u>2021</u>	<u>2020</u>
Buildings	10-40	\$ 2,281,419	\$ 2,281,419
Leasehold improvements	10	992,021	992,021
Cabins, shed and corrals	15	1,062,209	1,047,426
Vehicles	5	925,989	892,958
Furniture and equipment	5-10	741,157	741,157
Swimming pool	20	163,323	163,323
Computer equipment	5	70,170	62,086
Horses and animals	7	16,150	18,750
Fixed assets, at cost		\$ 6,252,438	\$ 6,199,140
Less: accumulated depreciation		(2,555,288)	(2,327,394)
Total fixed assets, net		<u>\$ 3,697,150</u>	<u>\$ 3,871,746</u>

Depreciation expense was \$230,247 and \$214,752 for the fiscal years ended September 30, 2020 and 2019, respectively. Leasehold improvements identified above have been made on property located in Emigration Canyon, Salt Lake City, Utah, which property is leased to the Foundation by Salt Lake City Corporation. A new lease was signed June 2003 (see NOTE 3). Depreciation provided for leasehold improvements is based upon their estimated useful lives.

### NOTE 3 – PROPERTY LEASE

In June 2003, the Foundation entered into a new property lease with Salt Lake City Corporation. The lease period is for 50 years with an option to renew for another 25 years. The fee charged for this lease is one dollar per year. The Foundation elected to prepay for the entire 75-year period.

All restrictions and uses are outlined in the lease. In summary, the Foundation must maintain its mission statement, notify the City property management when the Foundation makes major land improvements and adds facilities, and will not engage in any unsound environmental activities. The City has the right to come onto property during regular business hours if it does not disrupt daily operations. The City personnel will notify the Foundation prior to visiting the property.

# KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

### NOTE 4 – LIQUIDITY

The Foundation has \$1,289,142 of financial assets that are available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$1,265,349, and receivables of \$23,793. None of the financial assets are subject to donor restrictions or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The receivables are expected to be collected within one year.

### NOTE 5 – CONTRIBUTED SERVICES AND MATERIAL

Donations-in-kind are summarized as follows:

	2021	2020
Program supplies, camp supplies	\$ 13,327	\$ 32,974
Food	20,286	7,152
Land improvements/buildings	-	600
Fundraising materials/gala room	-	7,060
Cabins / Sheds / Corrals	3,780	25,468
Programs services	24,445	8,309
Camp counselors	-	15,000
Furniture equipment	-	30,538
Equestrian supplies and equipment	2,915	2,190
Tax preparation / Legal services	14,749	87,677
Repairs and maintenance	10,998	17,924
Community program development and outreach	-	1,000
Construction in progress	238,502	2,255
Pool	-	40,244
Total	<u>\$ 329,002</u>	<u>\$ 278,291</u>

### NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

The Foundation had \$0 and \$24,633 of net assets with donor restrictions at the end of September 30, 2021 and 2020. The restrictions are for Foundation vehicle purchases which were exhausted for the fiscal year ended September 30, 2021.

### NOTE 7 – NOTE PAYABLE

On May 2, 2020, the Foundation was granted a loan (the “Loan”) from Zions Bancorporation, N.A. in the aggregate amount of \$161,100, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The Loan, which was in the form of a Note dated May 2, 2020 issued by the Borrower, matures on May 2, 2022, and bears interest at a rate of 1.0% per annum, payable monthly commencing on May 2, 2020. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. Accrued interest on September 30, 2020, was \$666. Under the terms of the PPP, certain or all of the amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. During the fiscal year ended September 30, 2021, the Foundation applied for and was awarded forgiveness of the loan. The forgiveness in the amount of \$161,100 is treated as a gain from the extinguishment of debt in the statements of activities and net assets.

On January 20, 2021, the Foundation was awarded a second draw from the CARES Act in the amount of \$225,946. The second draw matures on January 19, 2026 and bears an interest rate of 1% per annum. The Foundation may apply for loan forgiveness pursuant to the CARES Act. At September 30, 2021, the amount of the second draw was outstanding.

**KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021 AND 2020**

**NOTE 8 – CONCENTRATIONS**

Major Donors

The Foundation had two donors that accounted for more than 10% of the support for the year ended September 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Donor A	17%	12%
Donor B	-	11%