



KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.


FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2022 and 2021

KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.

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 Bierwolf & Nilson, PLLC

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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, 2022 and 2021, 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, 2022 and 2021, 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 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
March 30, 2023

KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.

Statements of Financial Position

September 30, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Current assets:		
Cash and cash equivalents	\$ 1,217,805	\$ 1,265,349
Accounts and contributions receivable, net	141,479	19,795
Other receivables	5,479	3,998
Prepaid expenses	3,422	5,775
Total current assets	<u>1,368,185</u>	<u>1,294,917</u>
Fixed assets, net	4,784,382	3,697,150
Construction in progress	-	511,334
Total assets	<u>\$ 6,152,567</u>	<u>\$ 5,503,401</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 31,985	\$ 4,500
Accrued liabilities	296,576	221,304
Total current liabilities	<u>328,561</u>	<u>225,804</u>
Note payable	-	225,946
Total liabilities	<u>328,561</u>	<u>451,750</u>
Net assets:		
Without donor restrictions	5,824,006	5,051,651
With donor restrictions	-	-
Total net assets	<u>5,824,006</u>	<u>5,051,651</u>
Total liabilities and net assets	<u>\$ 6,152,567</u>	<u>\$ 5,503,401</u>

See notes to financial statements.

KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.
Statements of Activities and Net Assets
For the Years Ended September 30, 2022 and 2021

	2022			2021		
	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	\$ 624	\$ -	\$ 624	\$ 709	\$ -	\$ 709
Fundraising activities	186,815	-	186,815	26,500	-	26,500
State and federal grants	81,956	-	81,956	118,786	-	118,786
State contracts for services	125,575	-	125,575	247,130	-	247,130
Foundations and corporations	43,939	-	43,939	35,864	-	35,864
Contributions	217,000	-	217,000	385,675	-	385,675
Contributed services, materials and securities	815,881	-	815,881	329,002	-	329,002
Total public support	<u>1,471,790</u>	<u>-</u>	<u>1,471,790</u>	<u>1,143,666</u>	<u>-</u>	<u>1,143,666</u>
Revenue						
Program service fees	890,680	-	890,680	492,990	-	492,990
Facilities rental income	57,615	-	57,615	5,905	-	5,905
Miscellaneous	21,930	-	21,930	5,912	-	5,912
Interest and dividend income	957	-	957	691	-	691
Gain on extinguishment of PPP loan debt	228,045	-	228,045	161,978	-	161,978
Gain on assets sale or disposal	-	-	-	252	-	252
Total revenue	<u>1,199,227</u>	<u>-</u>	<u>1,199,227</u>	<u>667,728</u>	<u>-</u>	<u>667,728</u>
Total public support and revenue	<u>2,671,017</u>	<u>-</u>	<u>2,671,017</u>	<u>1,811,394</u>	<u>-</u>	<u>1,811,394</u>
Net assets released from restrictions						
Satisfaction of grant restrictions	-	-	-	24,633	(24,633)	-
Total net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,633</u>	<u>(24,633)</u>	<u>-</u>
Total public support, revenue and other support	<u>2,671,017</u>	<u>-</u>	<u>2,671,017</u>	<u>1,836,027</u>	<u>(24,633)</u>	<u>1,811,394</u>
Expenses:						
Program services						
Community based recreation	473,271	-	473,271	353,803	-	353,803
Camp	1,178,482	-	1,178,482	868,297	-	868,297
Equestrian	152,429	-	152,429	120,931	-	120,931
Total program services	<u>1,804,182</u>	<u>-</u>	<u>1,804,182</u>	<u>1,343,031</u>	<u>-</u>	<u>1,343,031</u>
Supporting services						
Fundraising	16,471	-	16,471	15,158	-	15,158
Administration and general	78,009	-	78,009	69,520	-	69,520
Total supporting services	<u>94,480</u>	<u>-</u>	<u>94,480</u>	<u>84,678</u>	<u>-</u>	<u>84,678</u>
Total expenses	<u>1,898,662</u>	<u>-</u>	<u>1,898,662</u>	<u>1,427,709</u>	<u>-</u>	<u>1,427,709</u>
Change in net assets	772,355	-	772,355	408,318	(24,633)	383,685
Net assets - beginning of year	5,051,651	-	5,051,651	4,643,333	24,633	4,667,966
Net assets - end of year	<u>\$ 5,824,006</u>	<u>\$ -</u>	<u>\$ 5,824,006</u>	<u>\$ 5,051,651</u>	<u>\$ -</u>	<u>\$ 5,051,651</u>

See notes to financial statements.

KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.
Statements of Functional Expenses
For the Year Ended September 30, 2022

	Program Services			Supporting Services		2022 Total Expenses
	Community Based Recreation	Camp	Equestrian	Fund Raising	Administration and General	
			Total		Total	
Salaries	\$ 235,097	\$ 494,514	\$ 81,068	\$ 12,027	\$ 68,150	\$ 890,856
Employee benefits	13,742	28,956	6,380	1,636	3,817	54,531
Payroll taxes	14,628	34,133	5,418	693	3,385	58,257
Total employee expenses	263,467	557,603	92,866	14,356	75,352	1,003,644
Professional fees	7,758	11,747	2,660	-	-	22,165
Insurance	10,517	16,526	3,005	-	-	30,048
Occupancy expense	18,048	8,549	5,066	160	160	31,983
Repairs and maintenance	6,692	19,807	268	-	-	26,767
Telephone	7,995	8,168	1,217	695	1,237	19,312
Office supplies and postage	2,503	6,041	86	88	88	8,806
Program and fund raising supplies	3,571	15,224	-	-	-	18,795
Program costs	107,217	326,313	32,630	-	-	466,160
Auto expense	8,936	4,823	426	-	-	14,185
Staff development	6,775	8,623	-	-	-	15,398
Taxes, fees and licences	1,935	4,700	276	-	-	6,911
Depreciation	27,857	190,358	13,929	1,172	1,172	234,488
Total expenses	\$ 473,271	\$ 1,178,482	\$ 152,429	\$ 16,471	\$ 78,009	\$ 1,898,662
			\$ 1,804,182	\$ 94,480	\$ 94,480	

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	Fund Raising	Administration and General	
Salaries	\$ 202,520	\$ 425,989	\$ 69,834	\$ 698,343	\$ 58,707	\$ 69,067
Employee benefits	18,638	39,274	8,654	66,566	5,177	7,396
Payroll taxes	14,224	33,190	5,268	52,682	3,291	3,965
Total employee expenses	235,382	498,453	83,756	817,591	67,175	80,428
Professional fees	13,647	20,665	4,679	38,991	-	-
Insurance	7,823	12,294	2,235	22,352	-	-
Occupancy expense	14,243	6,747	3,998	24,988	126	252
Repairs and maintenance	5,303	15,697	212	21,212	-	-
Telephone	6,510	6,652	991	14,153	566	1,572
Office supplies and postage	1,741	4,203	60	6,004	62	124
Marketing and outreach	-	-	-	-	-	-
Program and fund raising supplies	91	389	-	480	-	-
Program costs	35,753	108,807	10,881	155,441	-	-
Auto expense	3,293	1,777	157	5,227	-	-
Staff development	667	849	-	1,516	-	-
Taxes, fees and licences	1,997	4,850	285	7,132	-	-
Depreciation	27,353	186,914	13,677	227,944	1,151	2,302
Total expenses	\$ 353,803	\$ 868,297	\$ 120,931	\$ 1,343,031	\$ 69,520	\$ 84,678
						\$ 1,427,709

See notes to financial statements.

KOSTOPULOS DREAM FOUNDATION/CAMP KOSTOPULOS, INC.

Statements of Cash Flows

For the Years Ended September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 772,354	\$ 383,685
Adjustments to reconcile change in net assets to cash from operating activities:		
Depreciation	234,489	230,247
Gain on assets sale or disposal	-	(252)
Gain on extinguishment of PPP loan debt	(228,045)	(161,100)
Noncash contributed fixed assets and construction in progress	(579,457)	(242,282)
Changes in operating assets and liabilities		
Accounts receivable	(121,684)	20,217
Other receivables	(1,481)	(3,148)
Prepaid expenses	2,353	21,463
Accounts payable and accrued expenses	104,856	50,658
Net cash from operating activities	<u>183,385</u>	<u>299,488</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash from sale of fixed assets	-	500
Cash paid for construction in progress	(187,740)	(162,494)
Purchase of fixed assets	(43,189)	(52,119)
Net cash from investing activities	<u>(230,929)</u>	<u>(214,113)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash from notes payable	-	225,946
Net cash from financing activities	<u>-</u>	<u>225,946</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(47,544)	311,321
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,265,349</u>	<u>954,028</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,217,805</u>	<u>\$ 1,265,349</u>
SUPPLEMENTAL DATA:		
Noncash investing activities	<u>\$ 579,457</u>	<u>\$ 242,282</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, 2022 AND 2021

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, 2022 and 2021, 42% and 31% of its revenue were from fund raising, program fees, and donations from 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 those resources be maintained in perpetuity. On September 30, 2022 and 2021, the Foundation had no net assets with donor restrictions

Contributed services, materials and assets

During the fiscal years ended September 30, 2022 and 2021 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, 2022 and 2021. Many individuals volunteer their time and perform a variety of tasks that assist the Foundation. The Foundation receives substantial volunteer hours per year. During 2022 and 2021, specific community groups, agencies and corporations provided general volunteer services and program service hours valued at \$155,100 (6,204 hours) and \$187,500 (7,500 hours), respectively.

KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

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 2022 and 2021, 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 \$579,457 and \$242,282, 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 2019.

KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

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, 2022 and 2021 were \$0 and \$525 respectively. The Foundation had no charges to the allowance for doubtful accounts on September 30, 2022 and 2021.

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 of up to \$250,000 in each institution. On September 30, 2022 and 2021, the Foundation’s uninsured amount in those institutions was \$717,805 and \$765,049, 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, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Standards (continued)

Recent Accounting Standards Updates (“ASU”) through ASU No. 2022-06 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, 2022 through the date its financial statements were available for issuance on March 30, 2023 and determined there were no events to disclose.

NOTE 2 – FIXED ASSETS

Property and equipment and estimated useful lives are as follows:

	<u>Years</u>	<u>2022</u>	<u>2021</u>
Buildings	10-40	\$ 2,762,984	\$ 2,281,419
Leasehold improvements	10	1,011,221	992,021
Cabins, shed and corrals	15	1,878,641	1,062,209
Vehicles	5	925,989	925,989
Furniture and equipment	5-10	745,681	741,157
Swimming pool	20	163,323	163,323
Computer equipment	5	70,170	70,170
Horses and animals	7	<u>16,150</u>	<u>16,150</u>
Fixed assets, at cost		\$ 7,574,159	\$ 6,252,438
Less: accumulated depreciation		<u>(2,789,777)</u>	<u>(2,555,288)</u>
Total fixed assets, net		<u>\$ 4,784,382</u>	<u>\$ 3,697,150</u>

Depreciation expenses were \$234,489 and \$230,247 for the fiscal years ended September 30, 2022 and 2021, 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 in 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.

NOTE 4 – LIQUIDITY

The Foundation has \$1,364,763 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 \$1,217,805, and receivables of \$146,958. 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.

KOSTOPULOS DREAM FOUNDATION / CAMP KOSTOPULOS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

NOTE 5 – CONTRIBUTED SERVICES AND MATERIAL

Donations-in-kind are summarized as follows:

	<u>2022</u>	<u>2021</u>
Program supplies, camp supplies	\$ 12,673	\$ 13,327
Food	30,189	20,286
Land improvements/buildings	19,200	-
Cabins / Sheds / Corrals	33,600	3,780
Programs services	16,393	24,445
Camp counselors	1,766	-
Nurses	10,920	-
Advertising / Promotion	40,973	-
Equestrian supplies and equipment	1,605	2,915
Tax preparation / Legal services	7,445	14,749
Repairs and maintenance	114,483	10,998
Construction in progress	526,657	238,502
Total	<u>\$ 815,904</u>	<u>\$ 329,002</u>

NOTE 6 – 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.

On December 20, 2021, the Foundation received notice that the second draw with the principal value of \$225,946 and accrued interest of \$2,099 was forgiven. The forgiveness in the aggregate amount of \$228,045 was recorded as a gain from the extinguishment of debt in the statements of activities and net assets.

NOTE 7 – CONCENTRATIONS

Major Donors:

The Foundation had one donor that accounted for more than 10% of the support for the year ended September 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Donor A	-	17%