

Camp Hobe

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Years Ended December 31, 2022 and 2021



CAMP HOBE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Camp Hobe

Opinion

We have audited the accompanying financial statements of **Camp Hobe** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Camp Hobe** as of December 31, 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. 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 **Camp Hobe** 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 **Camp Hobe's** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Camp Hobe'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 **Camp Hobe'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.

Larson & Company P.C.

Salt Lake City, Utah
May 10, 2023

CAMP HOBE
 Statements of Financial Position
 As of December 31, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Current assets:		
Cash and cash equivalents	\$ 374,120	\$ 323,286
Pledges receivable	2,660	846
Prepaid expenses	6,362	4,746
Total current assets	383,142	328,878
Investments	492,534	573,612
Total assets	\$ 875,676	\$ 902,490
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,719	\$ 4,463
Total current liabilities	1,719	4,463
Total liabilities	1,719	4,463
Net assets:		
Without donor restrictions	868,957	893,027
With donor restrictions	5,000	5,000
Total net assets	873,957	898,027
Total liabilities and net assets	\$ 875,676	\$ 902,490

The accompanying notes to financial statements are an integral part of these statements.

CAMP HOBE
Statement of Activities
For the Year Ended December 31, 2022

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Totals</u>
Contributions, fees and other income:			
Contributions	\$ 273,361	\$ 5,000	\$ 278,361
In-kind contributions	119,720	-	119,720
Program service fees	5,449	-	5,449
Investment return	<u>(77,072)</u>	<u>-</u>	<u>(77,072)</u>
Total contributions, fees and other income	<u>321,458</u>	<u>5,000</u>	<u>326,458</u>
Satisfaction of restrictions	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
Total contributions, fees, other income and satisfaction of restrictions	<u>326,458</u>	<u>-</u>	<u>326,458</u>
Expenses:			
Camp program services	301,825	-	301,825
Supporting services:			
General and administrative	19,328	-	19,328
Fundraising	<u>29,375</u>	<u>-</u>	<u>29,375</u>
Total expenses	<u>350,528</u>	<u>-</u>	<u>350,528</u>
Change in net assets	<u>(24,070)</u>	<u>-</u>	<u>(24,070)</u>
Net assets at beginning of year	<u>893,027</u>	<u>5,000</u>	<u>898,027</u>
Net assets at end of year	<u><u>\$ 868,957</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 873,957</u></u>

The accompanying notes to financial statements are an integral part of these statements.

CAMP HOBE
Statement of Activities
For the Year Ended December 31, 2021

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Totals</u>
Contributions, fees and other income:			
Contributions	\$ 217,025	\$ 5,000	\$ 222,025
In-kind contributions	175,064	-	175,064
Program service fees	4,417	-	4,417
Investment return	63,148	-	63,148
	<u>459,654</u>	<u>5,000</u>	<u>464,654</u>
Total contributions, fees and other income	<u>459,654</u>	<u>5,000</u>	<u>464,654</u>
Satisfaction of restrictions	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
Total contributions, fees, other income and satisfaction of restrictions	<u>464,654</u>	<u>-</u>	<u>464,654</u>
Expenses:			
Camp program services	339,305	-	339,305
Supporting services:			
General and administrative	18,208	-	18,208
Fundraising	30,931	-	30,931
	<u>388,444</u>	<u>-</u>	<u>388,444</u>
Total expenses	<u>388,444</u>	<u>-</u>	<u>388,444</u>
Change in net assets	76,210	-	76,210
Net assets at beginning of year	<u>816,817</u>	<u>5,000</u>	<u>821,817</u>
Net assets at end of year	<u>\$ 893,027</u>	<u>\$ 5,000</u>	<u>\$ 898,027</u>

The accompanying notes to financial statements
are an integral part of these statements.

CAMP HOBE
Statement of Functional Expenses
For the Year Ended December 31, 2022

	<u>Supporting services</u>			<u>Totals</u>
	<u>Camp program services</u>	<u>General and administrative</u>	<u>Fundraising</u>	
Payroll expense	\$ 73,716	\$ 4,920	\$ 1,101	\$ 79,737
Camp supplies and food	49,820	-	1,154	50,974
Contributed goods	10,077	-	23,682	33,759
Contributed services	85,961	-	-	85,961
Camp lease	13,081	-	-	13,081
Training	17,226	-	-	17,226
Insurance	13,000	-	-	13,000
Professional fees	-	12,850	-	12,850
Office	13,266	1,473	2,738	17,477
Volunteer supplies	17,449	-	505	17,954
Background checks	2,051	-	-	2,051
Licenses and dues	2,262	10	145	2,417
Equipment rental	3,280	-	-	3,280
Marketing	636	75	50	761
Total expenses	<u>\$ 301,825</u>	<u>\$ 19,328</u>	<u>\$ 29,375</u>	<u>\$ 350,528</u>

The accompanying notes to financial statements are an integral part of these statements.

CAMP HOBE
Statement of Functional Expenses
For the Year Ended December 31, 2021

	Supporting services			Totals
	Camp program services	General and administrative	Fundraising	
Payroll expense	\$ 68,239	\$ 4,915	\$ 1,102	\$ 74,256
Camp supplies and food	51,360	-	855	52,215
Contributed goods	16,364	-	24,812	41,176
Contributed services	133,633	-	255	133,888
Camp lease	12,680	-	-	12,680
Training	6,490	-	600	7,090
Insurance	11,820	-	-	11,820
Professional fees	-	12,175	-	12,175
Office	11,273	948	2,793	15,014
Volunteer supplies	16,551	-	301	16,852
Background checks	1,488	-	-	1,488
Licenses and dues	1,662	10	75	1,747
Equipment rental	7,000	-	-	7,000
Marketing	745	160	138	1,043
Total expenses	\$ 339,305	\$ 18,208	\$ 30,931	\$ 388,444

The accompanying notes to financial statements
are an integral part of these statements.

CAMP HOBE
 Statements of Cash Flows
 For the Year Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (24,070)	\$ 76,210
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Unrealized (gains) losses on investments	92,753	(41,245)
(Increase) decrease in assets		
Pledges receivable	(1,814)	33,498
Prepaid expenses	(1,616)	149
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(2,744)	675
Net cash flows from operating activities	62,509	69,287
Cash flows from investing activities:		
Proceeds from sale of investments	24,985	76,007
Purchase of investments	(36,660)	(119,117)
Net cash flows from investing activities	(11,675)	(43,110)
Net change in cash and cash equivalents	50,834	26,177
Cash and cash equivalents at beginning of year	323,286	297,109
Cash and cash equivalents at end of year	\$ 374,120	\$ 323,286

Supplemental Disclosures:

No interest or taxes were paid for the years ending December 31, 2022 and 2021.

The accompanying notes to financial statements
are an integral part of these statements.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Camp Hobe (the “Organization”) is a Utah non-profit 501(c) (3) corporation established in 2003 for the purpose of providing support programs for children undergoing treatment for cancer (and similarly treated disorders) and their families, including camp programs and family outings. The Organization receives most of its financial support from private grants and contributions.

Changes in Operations due to Pandemic – 2022

Despite the ongoing COVID-19 pandemic, we remained able to offer in-person programming for our summer camps and family programs, as well as offering virtual camps and family programs. Our in-person camps operated with additional safety measures to reduce the risk of COVID-19 outbreaks. Our 2022 summer camp programs served a total of 243 campers (in-person: 219 campers; virtual: 24 campers), which is slightly lower than our numbers prior to the pandemic, which were approaching 300 in-person campers annually. Our family events in 2022 served 633 individuals throughout the year, which is more than in 2021 and also higher than before the pandemic. In order to provide appropriate COVID-19 safety measures and surveillance, our overall costs remained significantly higher than pre-pandemic for in-person camp, especially in categories of medical supplies (eg, PPE, COVID-19 tests), rentals (outdoor dining), delivery services and technology. Because of this our overall Program expenses for the organization increased in 2022, while Administrative and Fundraising expenses stayed relatively stable compared with pre-pandemic years.

Income began to rebound from the pandemic in 2022. Most in-person fundraising events resumed and performed well. Currently, we expect to offer in-person programs in 2023, with some loosening of COVID-19 restrictions and safety measures.

Basis of Presentation

The Organization prepares its financial statements on the accrual basis of accounting and follows accounting principles generally accepted in the United States for nonprofit organizations and reports information regarding its financial position and activities according to two classes of net assets, with donor restrictions and without donor restrictions, based upon the following criteria:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) 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.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Pledges receivable

Pledges receivable are recorded at their estimated fair value less an appropriate allowance for uncollectible amounts. Allowances are based on historical experience and management's analysis of specific balances. An account is written off when it is determined that all collection efforts have been exhausted. An allowance has not been recorded as of December 31, 2022 and 2021 as all balances are considered collectible. Pledges due later than one year are recorded at the present value of estimated cash flows using imputed discount rates applicable to the year the pledge is received. The discount is amortized over the years the pledge is paid.

Prepaid Expenses and Deferred Costs

The Organization defers expenses and costs at year end which are related to the subsequent program year. The deferred amounts include prepaid training costs, business accreditation and supply orders.

Investments

Investments in marketable securities with readily determinable fair values and investments in debt securities are recorded at their fair values. Interest, dividends and unrealized gains and losses are included in the statement of activities as investment return which is net of fees.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and In-kind Donations

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

If the Organization is the recipient of donated services that create or enhance non-financial assets; or that require specialized skills, are provided by individuals possessing those skills and would need to be purchased if not provided by volunteers, the services are recorded at their fair value in the year they are performed. For the years ended December 31, 2022 and 2021, the Organization received **\$85,961** and \$133,888, respectively, of donated medical services and/or performances for the camp program.

The Organization also receives a variety of donated goods and services provided by businesses and individuals which are recorded at their estimated fair value. These contributions were used in camp program services, including camps and family programs.

Many individuals volunteer their time and effort in support of the Organization's programs. The value of these donated services is not recorded in the financial statements as the services do not meet the criteria for recognition as in-kind contributions under U.S. generally accepted accounting principles.

Revenue from Contracts with Customers

A small portion of the Organization's budget comes from program service fees. The only performance obligation associated with this income is holding camp each summer. Any payments received from customers in advance are recognized when camp runs each summer. Income from program fees is shown on the statement of activities. No losses associated with program fees have been recognized during 2022 or 2021. As of December 31, 2022 and 2021, no program service fees were receivable.

Functional Allocation of Expenses

The costs of the programs and supporting services have been summarized on a functional basis in the statement of activities. All direct costs are charged to the functional area they pertain to. Indirect costs are charged to the program and supporting services based on estimates made by management, taking into account the nature of the expense and how it relates to the functional area. General and administrative costs include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising Expense

Advertising is expensed in the period incurred. The Organization did not record any advertising expense for the years ended December 31, 2022 and 2021.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision has been made for federal and state income taxes. The Organization remains subject to income taxes on net income that is derived from a trade or business, regularly carried on, and not for the exempt purpose of the Organization. In the opinion of management the Organization does not have any unrelated business income.

ASC Topic 740, Income Taxes, provides guidance on how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation by management of tax positions taken or expected to be taken in preparation of the Organization's tax returns to determine if the positions are more-likely-than not of being sustained if examined by the taxing authorities. Management has determined there are no uncertain income tax positions. Generally, tax years remain subject to examination by the Internal Revenue Service for U.S. federal tax purposes for three years from the date returns are filed.

Recent Accounting Pronouncements

In March of 2016, the FASB issued ASU 2016-02, *Leases*, which requires all leases that have a term of more than 12 months to be recognized as assets and liabilities on the balance sheet at inception. A lessee would recognize a lease liability to make lease payments owed to a lessor (liability) and a benefit for the right to use the leased asset (asset) for the lease term. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee would depend on whether the lessee is expected to consume more than an insignificant portion of the economic benefits embedded in the underlying asset. This new guidance was effective for fiscal years beginning after December 15, 2021. The Organization has adopted this standard in the year ended December 31, 2022 and has applied the guidance retrospectively. Adoption of this standard had no impact on the statements of financial position or statements of activities due to the short-term nature of the Organization's leases. See Note 5 for more information.

In September of 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure requirements. The amendments in this update require organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Additionally, organizations are required to enhance disclosures by disaggregating the amount of nonfinancial assets recognized within the statement of activities by type of contributed nonfinancial asset and providing additional qualitative information for each disaggregated category. This new guidance is effective for fiscal years beginning after

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

June 15, 2021. The Organization has adopted this standard in the year ended December 31, 2022 and has applied the guidance retrospectively.

In June of 2016, the FASB issued Accounting Standards Update 2016-13, Financial Instruments – Credit Losses, which requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. In November 2019, FASB issued ASU 2019-10 which defers the date of implementation for this guidance. This requirement eliminates the probable initial recognition threshold in current GAAP which has delayed recognition of credit losses until the loss was probable. Instead, the new treatment will better reflect an entity’s current estimate of all expected credit losses. In addition, the new guidance requires that any credit losses on available-for-sale debt securities to be presented as an allowance rather than as a write-down. Initial allowance for credit losses is added to the purchase price rather than reported as a credit loss expense. Subsequent changes in the allowance for credit losses are recorded in credit loss expense. This will allow entities to also record reversals of credit losses in current period net income, whereas the current GAAP prohibits reflecting these improvements in current period earnings. This new guidance is effective for fiscal years beginning after December 15, 2022.

2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 374,120	\$ 323,286
Pledges receivable	2,660	846
Investments	<u>492,534</u>	<u>573,612</u>
Total financial assets	869,314	897,744
Less amounts restricted by donors	<u>(5,000)</u>	<u>(5,000)</u>
Total financial assets available for general expenditure within one year	<u>\$ 864,314</u>	<u>\$ 892,744</u>

In general, the Organization keeps at least \$20,000 in its checking account for short-term expenses. It aims to keep \$100,000 to \$120,000 in a money market account at a credit union – approximately enough to cover a full-year of cash expenses. The remainder of funds are kept in the investment account, with approximately \$5,000 in cash and the rest in more long-term investments. Once the cash amount in the investment account exceeds \$5,000, cash is used to purchase long-term investments.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

3. INVESTMENTS AND FAIR VALUE DISCLOSURES

The Organization holds investments in marketable securities and debt securities with readily determinable fair values.

Total investment return is without restrictions and net of fees and for the years ended December 31, 2022 and 2021 was as follows:

	<u>2022</u>	<u>2021</u>
Investment return		
Interest and dividends	\$ 21,055	\$ 21,942
Net realized and unrealized loss	(97,038)	42,228
Brokerage fees	(1,089)	(1,022)
Investment return	<u>\$ (77,072)</u>	<u>\$ 63,148</u>

Investments are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether the price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available.

The three-tier hierarchy categorizes the inputs as follows:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that are available at the measurement date.

Level 2 inputs are prices for a similar asset, other than quoted market prices included within Level 1 that are observable for the asset, either directly or indirectly. If the asset has a specified term, a Level 2 input must be observable for substantially the full term of the asset.

Level 3 inputs are unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement dates.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

3. INVESTMENTS AND FAIR VALUE DISCLOSURES (Continued)

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability.

The categorization of assets within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset or liability. Investments measured at fair value on a recurring basis as of December 31, 2022 and 2021 are as follows:

	Fair Value Measurements at Reporting Date			
	Total	Level 1	Level 2	Level 3
December 31, 2022				
Fixed income	\$ 231,439	\$ 231,439	\$ -	\$ -
Mutual funds	138,046	138,046	-	-
Equity securities	123,049	123,049	-	-
	\$ 492,534	\$ 492,534	\$ -	\$ -
December 31, 2021				
Fixed income	\$ 103,634	\$ 103,634	\$ -	\$ -
Mutual funds	323,388	323,388	-	-
Equity securities	146,590	146,590	-	-
	\$ 573,612	\$ 573,612	\$ -	\$ -

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

4. CONTRIBUTIONS OF NONFINANCIAL ASSETS

For the years ended December 31, 2022 and 2021, contributions of nonfinancial assets recognized within the statement of activities consisted of the following:

	<u>2022</u>	<u>2021</u>	<u>Utilization in programs or other activities</u>	<u>Donor restrictions</u>	<u>Valuation techniques and inputs</u>
Fundraising - Supplies	\$ 23,682	\$ 24,812	General and administrative use	None	Supplies are valued at the estimated fair value based on current rates for products.
Program - Supplies	8,341	5,853	Provided to populations served	None	Supplies are valued at the estimated fair value based on current rates for products.
Food	1,396	7,715	Provided to populations served	None	Food is valued at the estimated fair value based on current rates for similar products.
Medical	340	2,796	Provided to populations served	None	Goods are valued at the estimated fair value based on current rates for products.
Professional Fees	85,961	133,888	Provided to populations served	None	Contributed services are valued at the estimated fair value based on current rates for similar services.
Total contributions of nonfinancial assets	<u>\$ 119,720</u>	<u>\$ 175,064</u>			

5. OPERATING LEASES

The Organization has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from short-term leases for any class of underlying asset. The Organization has a lease for the rental of the camp facilities used in its program. The lease is a year-to-year arrangement and future lease costs are not determinable. The lease meets the definition of a short-term lease due to the lease term being 12 months or less. Consequently, consistent with the Organization's accounting policy election, it does not recognize the right-of-use asset and the lease liability arising from this lease. Camp rental expense for the years ended December 31, 2022 and 2021 was **\$13,081** and \$12,680, respectively.

CAMP HOBE
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are all time restricted and were as follows as of December 31, 2022 and 2021:

	2022	2021
Dee Foundation grant - time restriction	\$ 5,000	\$ 5,000
Total net assets with donor restrictions	\$ 5,000	\$ 5,000

7. CONCENTRATION OF CREDIT AND MARKET RISK

The Organization maintains its cash and cash equivalent balances at two financial institutions located in Salt Lake City, Utah. The deposits may at times exceed the federally insured limits of \$250,000 established by the Federal Deposit Insurance Corporation. The Organization has not experienced any losses related to these accounts and believes it is not exposed to any significant credit risk on these balances.

The Organization maintains investments in brokerage accounts that are insured by the Security Investors Protection Corporation (SIPIC) up to \$500,000 including \$250,000 on cash balances. The Organization has not experienced any losses related to these accounts and believes it is not exposed to any significant credit risk on these balances.

The Organization has concentrations in pledges receivable. The amount due from two entities was **78%** of the balance for the year ended December 31, 2022. The amount due from one entity was 71% of the balance for the year ended December 31, 2021.

8. SUBSEQUENT EVENTS

Management has evaluated events occurring between December 31, 2022 and the date of this report, which is the date the financial statements were available to be issued, for matters that would require disclosure or adjustment to the financial statements.