

CAMP HOBÉ



FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

As of and for the Years Ending December 31, 2023 and 2022



CAMP HOBÉ

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Camp Hobé

Opinion

We have audited the accompanying financial statements of **Camp Hobé** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Hobé** as of December 31, 2023 and 2022 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 Hobé** 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.

Larsen & Company P.C.

Salt Lake City, Utah
May 31, 2024

CAMP HOBÉ
 Statements of Financial Position
 As of December 31, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and cash equivalents	\$ 392,716	\$ 374,120
Pledges receivable	21,529	2,660
Prepaid expenses	6,393	6,362
Total current assets	420,638	383,142
Investments	577,504	492,534
Total assets	\$ 998,142	\$ 875,676
 <u>LIABILITIES AND NET ASSETS</u> 		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,066	\$ 1,719
Total current liabilities	2,066	1,719
Total liabilities	2,066	1,719
Net assets:		
Without donor restrictions	988,673	868,957
With donor restrictions	7,403	5,000
Total net assets	996,076	873,957
Total liabilities and net assets	\$ 998,142	\$ 875,676

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

CAMP HOBÉ
Statement of Activities
For the Year Ended December 31, 2023

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Totals</u>
Contributions, fees and other income:			
Contributions	\$ 313,020	\$ 7,403	\$ 320,423
In-kind contributions	166,960	-	166,960
Program service fees	5,060	-	5,060
Investment return	76,535	-	76,535
Total contributions, fees and other income	<u>561,575</u>	<u>7,403</u>	<u>568,978</u>
Satisfaction of restrictions	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
Total contributions, fees, other income and satisfaction of restrictions	<u>566,575</u>	<u>2,403</u>	<u>568,978</u>
Expenses:			
Camp program services	393,411	-	393,411
Supporting services:			
General and administrative	20,671	-	20,671
Fundraising	32,777	-	32,777
Total expenses	<u>446,859</u>	<u>-</u>	<u>446,859</u>
Change in net assets	119,716	2,403	122,119
Net assets at beginning of year	<u>868,957</u>	<u>5,000</u>	<u>873,957</u>
Net assets at end of year	<u><u>\$ 988,673</u></u>	<u><u>\$ 7,403</u></u>	<u><u>\$ 996,076</u></u>

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

CAMP HOBÉ
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	(77,072)	-	(77,072)
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	29,375	-	29,375
Total expenses	<u>350,528</u>	<u>-</u>	<u>350,528</u>
Change in net assets	(24,070)	-	(24,070)
Net assets at beginning of year	<u>893,027</u>	<u>5,000</u>	<u>821,817</u>
Net assets at end of year	<u>\$ 868,957</u>	<u>\$ 5,000</u>	<u>\$ 873,957</u>

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

CAMP HOBÉ
Statement of Functional Expenses
For the Year Ended December 31, 2023

	<u>Supporting services</u>			<u>Totals</u>
	<u>Program services</u>	<u>General and administrative</u>	<u>Fundraising</u>	
Payroll expense	\$ 92,221	\$ 5,603	\$ 1,352	\$ 99,176
Supplies and food	65,200	-	1,222	66,422
Contributed goods	19,864	-	25,943	45,806
Contributed services	121,154	-	-	121,154
Camp lease	12,990	-	-	12,990
Training	18,893	-	-	18,893
Insurance	14,491	-	-	14,491
Professional fees	9,150	14,763	-	23,913
Office	15,926	282	3,628	19,837
Volunteer supplies	14,568	-	287	14,855
Background checks	2,260	-	-	2,260
Licenses and dues	2,752	23	145	2,920
Equipment rental	3,943	-	-	3,943
Marketing	-	-	200	200
Total expenses	<u>\$ 393,411</u>	<u>\$ 20,671</u>	<u>\$ 32,777</u>	<u>\$ 446,859</u>

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

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

	Supporting services			Totals
	Program services	General and administrative	Fundraising	
Payroll expense	\$ 73,716	\$ 4,920	\$ 1,101	\$ 79,737
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	\$ 301,825	\$ 19,328	\$ 29,375	\$ 350,528

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

CAMP HOBÉ
 Statements of Cash Flows
 For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 122,119	\$ (24,070)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Stock donations	(10,014)	-
Unrealized (gains) losses on investments	(57,356)	92,753
(Increase) decrease in assets		
Pledges receivable	(18,869)	(1,814)
Prepaid expenses	(31)	(1,616)
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	347	(2,744)
Net cash flows from operating activities	36,196	62,509
Cash flows from investing activities:		
Proceeds from sale of investments	-	24,985
Purchase of investments	(17,600)	(36,660)
Net cash flows from investing activities	(17,600)	(11,675)
Net change in cash and cash equivalents	18,596	50,834
Cash and cash equivalents at beginning of year	374,120	323,286
Cash and cash equivalents at end of year	\$ 392,716	\$ 374,120

Supplemental Disclosures:

No interest or taxes were paid for the years ending December 31, 2023 and 2022.

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

CAMP HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Camp Hobé (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

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 continued to operate with safety measures to reduce the risk of COVID-19 outbreaks, although these measures were less restrictive than in prior years. Our 2023 summer camp programs served a total of 216 campers (in-person: 192 campers; virtual: 24 campers), which remains lower than our numbers prior to the pandemic, which were approaching 300 in-person campers annually. Our family events in 2023 served 871 individuals throughout the year, which is more than any prior year and also higher than before the pandemic. In order to provide appropriate COVID-19 safety measures and surveillance, our overall costs remained higher than pre-pandemic for in person camp, especially in categories of medical supplies (eg, PPE, COVID-19 tests), rentals (outdoor dining), and delivery services and technology. Because of this our overall Program expenses for the organization increased in 2023, while Administrative and Fundraising expenses stayed relatively stable compared with pre-pandemic years.

Income continued to rebound from the pandemic in 2023. Most in-person fundraising events resumed and performed well. Currently, we expect to offer in-person programs in 2024, with additional 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 HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

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 reflects an estimate of the amount of receivables that will be unable to be collected based on historical experience, management's analysis of specific balances, and as applicable, current conditions and reasonable and supportable forecasts that affect collectability. 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, 2023 and 2022 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 HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

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, 2023 and 2022, the Organization received **\$115,585** and \$85,961, 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 2023 or 2022. As of December 31, 2023 and 2022, 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 HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

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, 2023 and 2022.

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 June of 2016, the FASB issued Accounting Standards Update 2016-13, Financial 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. The Organization adopted this new guidance as of January 1, 2023. The adoption of this guidance did not have any material impact to the Organization's financial statements as a whole.

CAMP HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 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>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents	\$ 392,716	\$ 374,120
Pledges receivable	21,529	2,660
Investments	<u>577,504</u>	<u>492,534</u>
Total financial assets	991,749	869,314
Less amounts restricted by donors	<u>(7,403)</u>	<u>(5,000)</u>
Total financial assets available for general expenditure within one year	<u>\$ 984,346</u>	<u>\$ 864,314</u>

In general, the Organization keeps at least \$20,000 in its checking account for short-term expenses. It aims to keep \$225,000 to \$250,000 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.

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, 2023 and 2022 was as follows:

	<u>2023</u>	<u>2022</u>
Investment return		
Interest and dividends	\$ 20,268	\$ 21,055
Net realized and unrealized gain (loss)	56,486	(97,038)
Brokerage fees	<u>(219)</u>	<u>(1,089)</u>
Investment return	<u>\$ 76,535</u>	<u>\$ (77,072)</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.

CAMP HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

3. INVESTMENTS AND FAIR VALUE DISCLOSURES (Continued)

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.

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, 2023 and 2022 are as follows:

	Fair Value Measurements at Reporting Date			
	Total	Level 1	Level 2	Level 3
December 31, 2023				
Fixed income	\$ 269,613	\$ 269,613	\$ -	\$ -
Mutual funds	147,145	147,145	-	-
Equity securities	160,746	160,746	-	-
	<u>\$ 577,504</u>	<u>\$ 577,504</u>	<u>\$ -</u>	<u>\$ -</u>
December 31, 2022				
Fixed income	\$ 231,439	\$ 231,439	\$ -	\$ -
Mutual funds	138,046	138,046	-	-
Equity securities	123,049	123,049	-	-
	<u>\$ 492,534</u>	<u>\$ 492,534</u>	<u>\$ -</u>	<u>\$ -</u>

CAMP HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

4. CONTRIBUTIONS OF NONFINANCIAL ASSETS

For the years ended December 31, 2023 and 2022, contributions of nonfinancial assets recognized within the statement of activities consisted of the following:

	<u>2023</u>	<u>2022</u>	<u>Utilization in programs or other activities</u>	<u>Donor restrictions</u>	<u>Valuation techniques and inputs</u>
Fundraising - Supplies	\$ 25,943	\$ 23,682	General and administrative use	None	Supplies are valued at the estimated fair value based on current rates for products.
Program - Supplies	13,248	8,341	Provided to populations served	None	Supplies are valued at the estimated fair value based on current rates for products.
Food	3,015	1,396	Provided to populations served	None	Food is valued at the estimated fair value based on current rates for similar products.
Medical	3,600	340	Provided to populations served	None	Goods are valued at the estimated fair value based on current rates for products.
Professional Fees	<u>121,154</u>	<u>85,961</u>	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>\$ 166,960</u>	<u>\$ 119,720</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, 2023 and 2022 was **\$12,990** and \$13,081, respectively.

CAMP HOBÉ
Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are all time restricted and were as follows as of December 31, 2023 and 2022:

	2023	2022
Dee Foundation grant - time restriction	\$ 5,000	\$ 5,000
Intermountain Health - time restriction	2,403	-
Total net assets with donor restrictions	<u>\$ 7,403</u>	<u>\$ 5,000</u>

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 **82%** of the balance for the year ended December 31, 2023. The amount due from one entity was 78% of the balance for the year ended December 31, 2022.

8. SUBSEQUENT EVENTS

Management has evaluated events occurring between December 31, 2023 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.