



**Financial Statements**  
**December 31, 2022 and 2021**

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## Nonprofit Accounting & Consulting Specialists

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### Independent Auditors' Report

Board of Directors  
Friends of Katahdin Woods & Waters  
Portland, Maine

#### Opinion

We have audited the accompanying consolidated financial statements of Friends of Katahdin Woods & Waters (the "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 Friends of Katahdin Woods & Waters 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 Friends of Katahdin Woods & Waters 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 Friends of Katahdin Woods & Waters' 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 consolidated 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 of the effectiveness of Friends of Katahdin Woods & Waters' 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 Friends of Katahdin Woods & Waters' 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.

As stated in the opinion section of this report, the financial statements of Friends of Katahdin Woods & Waters present fairly, in all material respects, the financial position of Friends of Katahdin Woods & Waters 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.

*PGM, LLC*  
Biddeford, Maine  
June 30, 2023

## Statements of Financial Position

December 31, 2022 and 2021

	2022	2021
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	3,514,031	\$ 2,205,938
Accounts receivable	200,500	281,813
Prepaid expenses	3,875	
Unconditional promises to give receivable- current portion	407,928	309,735
<b>Total Current Assets</b>	<u>4,126,334</u>	<u>2,797,486</u>
<b>Property and Equipment</b>		
Buildings	203,475	203,475
Equipment	3,827	3,827
	<u>207,302</u>	<u>207,302</u>
Less accumulated depreciation	(27,697)	(22,172)
<b>Property and Equipment, Net</b>	<u>179,605</u>	<u>185,130</u>
<b>Other Assets</b>		
Unconditional promises to give receivable, less current portion, net	163,463	252,618
Security deposit	675	675
<b>Total Other Assets</b>	<u>164,138</u>	<u>253,293</u>
<b>Total Assets</b>	<u>\$ 4,470,077</u>	<u>\$ 3,235,909</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 250,000	\$ 1,024,043
Accrued payroll and payroll taxes	38,539	42,010
Deferred revenue	210,000	200,000
<b>Total Current Liabilities</b>	<u>498,539</u>	<u>1,266,053</u>
<b>Net Assets</b>		
Without donor restrictions	639,925	634,657
With donor restrictions	3,331,613	1,335,199
<b>Total Net Assets</b>	<u>3,971,538</u>	<u>1,969,856</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 4,470,077</u>	<u>\$ 3,235,909</u>

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

## Statement of Activities

Year Ended December 31, 2022

	Without donor restrictions	With donor restrictions	Total
<b>Revenue and Other Support</b>			
Grants	\$ 253,949	\$ 310,438	\$ 564,387
Contributions	229,830	5,558,858	5,788,688
Events revenue less direct expenses of \$11,619	61,530		61,530
Interest income	2,051		2,051
Gain on investment		133	133
Other income	553		553
<b>Total Revenue and Other Support - Before Net Assets Released From Restriction</b>	<b>547,913</b>	<b>5,869,429</b>	<b>6,417,342</b>
<b>Net Assets Released From Restriction</b>			
Satisfaction of time and purpose restrictions	3,873,015	(3,873,015)	
<b>Total Revenue and Other Support</b>	<b>4,420,928</b>	<b>1,996,414</b>	<b>6,417,342</b>
<b>Expenses</b>			
Program services	4,023,267		4,023,267
General and administrative	239,384		239,384
Fundraising	153,009		153,009
<b>Total Expenses</b>	<b>4,415,660</b>		<b>4,415,660</b>
<b>Change in Net Assets</b>	<b>5,268</b>	<b>1,996,414</b>	<b>2,001,682</b>
<b>Net Assets, Beginning of Year</b>	<b>634,657</b>	<b>1,335,199</b>	<b>1,969,856</b>
<b>Net Assets, End of Year</b>	<b>\$ 639,925</b>	<b>\$ 3,331,613</b>	<b>\$ 3,971,538</b>

## Statement of Activities

Year Ended December 31, 2021

	Without donor restrictions	With donor restrictions	Total
<b>Revenue and Other Support</b>			
Grants	\$ 447,514	\$ 234,282	\$ 681,796
Contributions	399,942	3,135,997	3,535,939
Memberships	112,370		112,370
Events revenue less direct expenses of \$2,899	62,981		62,981
Interest income	831		831
Gain on investment		818	818
Other income	645		645
<b>Total Revenue and Other Support - Before Net Assets Released From Restriction</b>	<u>1,024,283</u>	<u>3,371,097</u>	<u>4,395,380</u>
<b>Net Assets Released From Restriction</b>			
Satisfaction of time and purpose restrictions	<u>2,486,090</u>	<u>(2,486,090)</u>	
<b>Total Revenue and Other Support</b>	<u>3,510,373</u>	<u>885,007</u>	<u>4,395,380</u>
<b>Expenses</b>			
Program services	3,006,220		3,006,220
General and administrative	153,231		153,231
Fundraising	209,695		209,695
<b>Total Expenses</b>	<u>3,369,146</u>		<u>3,369,146</u>
<b>Change in Net Assets</b>	141,227	885,007	1,026,234
<b>Net Assets, Beginning of Year</b>	<u>493,430</u>	<u>450,192</u>	<u>943,622</u>
<b>Net Assets, End of Year</b>	<u>\$ 634,657</u>	<u>\$ 1,335,199</u>	<u>\$ 1,969,856</u>

## Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services	General and Administrative	Fundraising	Total
<b>Personnel</b>				
Salaries and wages	\$ 221,699	\$ 136,667	\$ 54,067	\$ 412,433
Payroll taxes	18,900	11,425	4,788	35,113
Benefits	19,766	12,258	4,726	36,750
<b>Total Personnel</b>	<b>260,365</b>	<b>160,350</b>	<b>63,581</b>	<b>484,296</b>
<b>Professional Fees</b>				
Management consultant	60,159	29,434	72,000	161,593
Accounting		10,371		10,371
Event contractors	1,625			1,625
Educators	10,763			10,763
Database		975		975
Payroll processing		1,790		1,790
<b>Total Professional Fees</b>	<b>72,547</b>	<b>42,570</b>	<b>72,000</b>	<b>187,117</b>
<b>Other Expenses</b>				
Rent & utilities		22,163		22,163
Facility	31,237			31,237
Design, construction	3,502,028			3,502,028
Telephone		3,175		3,175
Equipment	68,901	490		69,391
Subscriptions	1,572	3,374		4,946
Membership		1,505		1,505
Conferences & meetings	3,693	1,800		5,493
Insurance		13,730		13,730
Compliance & registration		313		313
Printing	5,143	702	7,286	13,131
Postage	616	730	1,681	3,027
Outreach & communications	7,446	5		7,451
Bank charges & fees		493	1,960	2,453
Office supplies	11,239	2,456	565	14,260
Food	15,399	2,351	13	17,763
Mileage & travel	11,079	4,011	1,044	16,134
Lodging	5,576	4,324		9,900
Depreciation	5,525			5,525
Net present value	622			622
<b>Total Other Expenses</b>	<b>3,670,076</b>	<b>61,622</b>	<b>12,549</b>	<b>3,744,247</b>
Indirect Expenses	20,279	(25,158)	4,879	
<b>Total Expenses</b>	<b>\$ 4,023,267</b>	<b>\$ 239,384</b>	<b>\$ 153,009</b>	<b>\$ 4,415,660</b>

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



## Statement of Functional Expenses

Year Ended December 31, 2021

	Program Services	General and Administrative	Fundraising	Total
<b>Personnel</b>				
Salaries and wages	\$ 231,302	\$ 110,149	\$ 49,612	\$ 391,063
Payroll taxes	20,626	9,181	4,339	34,146
Benefits	19,514	9,262	4,213	32,989
<b>Total Personnel</b>	<b>271,442</b>	<b>128,592</b>	<b>58,164</b>	<b>458,198</b>
<b>Professional Fees</b>				
Management consultant	93,505		132,000	225,505
Accounting		9,493		9,493
Event contractors	24,431			24,431
Educators	10,545			10,545
Database	1,575	1,475		3,050
Payroll processing		1,696		1,696
<b>Total Professional Fees</b>	<b>130,056</b>	<b>12,664</b>	<b>132,000</b>	<b>274,720</b>
<b>Other Expenses</b>				
Rent & utilities	5,160	16,772		21,932
Facility	22,232			22,232
Design, construction	2,449,689			2,449,689
Telephone		3,374		3,374
Equipment	4,245	2,633		6,878
Subscriptions	1,382	3,367	75	4,824
Membership	810	200		1,010
Conferences & meetings	7,892	210		8,102
Insurance		6,723		6,723
Compliance & registration	60	2,119		2,179
Printing	11,166	915	9,438	21,519
Postage	1,623	419	1,291	3,333
Outreach & communications	7,541	675		8,216
Bank charges & fees		300	3,154	3,454
Office supplies	5,677	1,170	253	7,100
Miscellaneous	2,212	1,538		3,750
Food	10,006	442		10,448
Mileage & travel	12,210	952		13,162
Lodging	5,550	78	164	5,792
Depreciation	5,983			5,983
Net present value	26,528			26,528
<b>Total Other Expenses</b>	<b>2,579,966</b>	<b>41,887</b>	<b>14,375</b>	<b>2,636,228</b>
Indirect Expenses	24,756	(29,912)	5,156	
<b>Total Expenses</b>	<b>\$ 3,006,220</b>	<b>\$ 153,231</b>	<b>\$ 209,695</b>	<b>\$ 3,369,146</b>

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

## Statements of Cash Flows

Years Ended December 31, 2022 and 2021

	2022	2021
<b>Cash flows from operating activities:</b>		
Change in net assets	<u>\$ 2,001,682</u>	<u>\$ 1,026,234</u>
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	5,525	5,983
(Increase) decrease in operating assets:		
Accounts and grants receivable	81,313	(178,905)
Prepaid expenses	(3,875)	
Contributions receivable	(9,038)	(275,934)
(Decrease) increase in operating liabilities:		
Accounts payable	(774,043)	765,874
Accrued payroll and payroll taxes	(3,471)	7,131
Deferred revenue	10,000	200,000
Total adjustments	<u>(693,589)</u>	<u>524,149</u>
<b>Net cash flows from operating activities</b>	<u>1,308,093</u>	<u>1,550,383</u>
<b>Cash flows from investing activities:</b>		
Purchases of investments	(29,057)	(59,968)
Proceeds from sales of investments	<u>29,057</u>	<u>59,968</u>
<b>Net cash flows used by investing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	1,308,093	1,550,383
<b>Cash and cash equivalents, beginning of year</b>	<u>2,205,938</u>	<u>655,555</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 3,514,031</u>	<u>\$ 2,205,938</u>

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Friends of Katahdin Woods & Waters is a membership organization made up of individuals who are committed to working alongside the National Park Service to help protect, preserve and promote all that is special about Katahdin Woods and Waters National Monument.

Learn more about the Friends of Katahdin Woods & Waters at [www.friendsofkww.org](http://www.friendsofkww.org).

#### Basis of Accounting and Presentation

The financial statements for the Organization have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported, as follows:

*Net Assets without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets with Donor Restrictions* – Net assets subject to donor-or certain grantor-imposed restrictions. 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a 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.

#### Cash and Cash Equivalents

Friends of Katahdin Woods & Waters maintains cash accounts with various commercial banks. Accounts at the banks are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At various times throughout the year and at year end, Friends of Katahdin Woods & Waters had cash balances in excess of FDIC insurance. Friends of Katahdin Woods & Waters believes it is not exposed to any significant credit risk on its cash balances. The uninsured balance at December 31, 2022 was approximately \$2,943,203.

For purposes of the statement of cash flows, Friends of Katahdin Woods & Waters considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

#### Accounts Receivable

Accounts receivable consists of amounts due from various contracts. No reserve for uncollectable amounts is deemed necessary, as management considers them to be fully collectible as of December 31, 2022 and 2021.

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

#### Contributions Receivable

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions receivable expected to be received in more than one year are discounted to present value.

#### Revenue Recognition

Revenue is recognized when earned. Grant and contract payments under cost-reimbursable grants or contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

#### Functional Allocation of Expenses

The Organization allocates expenses on a functional basis among its programs and supporting services. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis and are composed of the following:

*General and administrative* – includes all activities related to the Organization's internal management and accounting for program services.

*Fundraising* – includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for the Organization's programs.

Expenses that can be identified with a specific program or supporting service are allocated directly to those classifications. Expenses that are attributed to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, and payroll taxes, which are allocated on the basis of actual time and effort.

#### Income Taxes

The Organization is classified as a public charity exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation within the meaning of Section 509(a) of the Code.

Management has evaluated the Organization's tax positions and concluded that, as of December 31, 2022 and 2021, it has not taken any tax positions that would require the recording of any additional tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Organization is subject to U.S. federal and state examinations by taxing authorities for three years after the filing of the Organization's return.

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 in the reporting period. Actual results could differ from these estimates.

#### Property and Equipment

Property and equipment are stated at cost or estimated fair value if donated. Friends of Katahdin Woods & Waters capitalizes all expenditures in excess of \$1,000 with a life of more than one year. Depreciation of property and equipment is computed on a straight-line basis over their estimated useful lives varying from three to thirty years.

#### Recently Adopted Accounting Pronouncements

##### *Leasing*

In February 2016, FASB issued ASU 2016–02, *Leases*. This new standard will provide users of the financial statements a more accurate picture of the assets and the long-term financial obligations of entities that lease. The proposal is for a dual-model approach; a lessee would account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both would be reported on the balance sheet of the entity for leases with a term exceeding 12 months. Lessors will see some changes too, largely made to align with the revised lease model. For nonpublic companies, the new leasing standard applies for fiscal years beginning after December 15, 2021. The organization currently does not have any long-term lease obligations.

##### *Contributed Nonfinancial Assets*

In September 2020, FASB issued ASU update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard will increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure to include disaggregation of contributed nonfinancial assets and qualitative information about the use of these assets as well as descriptions regarding restrictions, valuation techniques and fair value measurement. The new standard applies for years beginning after June 30, 2021. Management has adopted this standard with no significant impact on its financial statements.

### NOTE 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:

	2022	2021
Cash and cash equivalents	\$ 553,809	\$ 1,233,092
Accounts receivable	200,500	281,813
	<u>\$ 754,309</u>	<u>\$ 1,514,905</u>

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 3 – CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are estimated to be collected as follows at December 31,

	2022	2021
Within one year	\$ 407,928	\$ 309,735
In one to five years	<u>207,784</u>	<u>296,317</u>
	615,712	606,052
Less discount to net present value at 3%	<u>(44,321)</u>	<u>(43,699)</u>
	<u>\$ 571,391</u>	<u>\$ 562,353</u>

Promises to give appear as follows in the statement of financial position:

	2022	2021
Contributions receivable, current portion	\$ 407,928	\$ 309,735
Contributions receivable, net, long-term	<u>163,463</u>	<u>252,618</u>
	<u>\$ 571,391</u>	<u>\$ 562,353</u>

### NOTE 4 – OPERATING LEASE

The Organization leased an office in Portland, which was terminated during 2022. Rent expense totaled \$9,634 and \$9,025 for the years ended December 31, 2022 and 2021, respectively. The Organization leases property in Patten Maine on a month to month basis.

### NOTE 5 – CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at a local bank that may, at times, exceed federally insured limits of \$250,000 per depositor. The Organization has not experienced any losses in these accounts and believes that it is not exposed to any significant risk.

### NOTE 6 – DONATED PROFESSIONAL SERVICES AND MATERIALS

The Organization received donated professional services and materials as follows during the years ended December 31:

2022

Donation	Revenue Recognized	Utilization in Program	Donor Restrictions	Valuation Techniques
Print and Web Advertisements	\$ 5,000	Fundraising	None	Market Value
Various items	<u>4,075</u>	Fundraising	Silent Auction	Market Value
Total	<u>\$ 9,075</u>			

2021

Donation	Revenue Recognized	Program Utilized	Donor Restrictions	Valuation Techniques
Media/video services	\$ 144,000	Fundraising	None	Market Value
Print and Web Advertisements	5,500	Fundraising	None	Market Value
Various items	<u>3,125</u>	Fundraising	Silent Auction	Market Value
Total	<u>\$ 152,625</u>			

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 7 – NET ASSETS

Net assets with donor purpose restrictions are comprised of the following at December 31:

	2022	2021
Capital Campaign	<b>\$ 3,302,179</b>	\$ 1,286,961
Overlook Improvements	<b>3,215</b>	3,215
Patten House Operations	<b>2,375</b>	4,570
Patten Visitor Contact Station		1,250
Place-Based Education Learning Project		21,838
Road Maintenance	<b>3,844</b>	
Welcome Center	<b>20,000</b>	906
Youth Conservation Corps		16,459
Total	<b><u>\$ 3,331,613</u></b>	<b><u>\$ 1,335,199</u></b>

The sources of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors were as follows for the year ended December 31:

	2022	2021
Capital Campaign	<b>\$ 3,600,929</b>	\$ 2,143,189
Compass Program	<b>54,000</b>	
Lunksoos Tent Sites		146,766
Millinocket Storefront		13,933
Millinocket Visitor Contact Station	<b>75,500</b>	
Patten House Operations	<b>13,445</b>	10,586
Patten Visitor Contact Station	<b>5,188</b>	5,250
Place-Based Education Strategic Planning		12,751
Place-Based Education Learning Project	<b>89,338</b>	110,811
Other		5,342
Wabanaki Youth in Science	<b>18,156</b>	35,278
Welcome Center		
Youth Conservation Corps	<b>16,459</b>	2,184
Total	<b><u>\$ 3,873,015</u></b>	<b><u>\$ 2,486,090</u></b>

Releases include amounts for capital items that are not included on the balance sheet of the Organization. These funds have been transferred to the National Park System to be used for the specified purpose.

## Notes to Financial Statements

December 31, 2022 and 2021

### NOTE 8 – FORGIVABLE PPP LOANS

During 2021, the Organization received a forgivable advance in the amount of \$56,152 under the Paycheck Protection Program (“PPP”) in the year ended December 31, 2020. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the selected period. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Organization met the criteria for forgiveness as of December 31, 2021. The Organization recorded the advance as grant revenue.

### NOTE 9 – DEFERRED REVENUE

Deferred Revenue consists of contributions with the right of return. Changes in deferred revenue for the fiscal year ended December 31:

	<u>2021</u>	<u>Contributions</u>	<u>Expenditures</u>	<u>2022</u>
Deferred Grant Revenue	\$ 200,000	\$ 210,000	\$ (200,000)	\$ 210,000
<b>Total</b>	<b>\$ 200,000</b>	<b>\$ 210,000</b>	<b>\$ (200,000)</b>	<b>\$ 210,000</b>

  

	<u>2020</u>	<u>Contributions</u>	<u>Expenditures</u>	<u>2021</u>
Deferred Grant Revenue	\$ -	\$ 200,000	\$ -	\$ 200,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 200,000</b>

### NOTE 10– RELATED PARTY

EFI is the reserved rights holder on Visitor Contact Station. FKWW is fundraising per a collaboration agreement between the two entities. A board member is the President/Executive Director of EPI Monument Projects L3C, which is a wholly owned subsidiary of Elliottsville Foundation, Inc. (the board member is also the ED/Pres of Elliottsville Foundation). Total funding for 2022 and 2021 was \$3,792,281 and \$2,328,948, respectively.

### NOTE 11 – SUBSEQUENT EVENTS

Management has made an evaluation of subsequent events to and including June 30, 2023, which was the date the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.