



**Financial Statements**

**And**

**Independent Auditor's Report**

**As of June 30, 2022  
and for the year then ended  
with summarized comparative information for June 30, 2021**

# Wasatch Adaptive Sports, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Wasatch Adaptive Sports, Inc.  
Snowbird, Utah

### *Opinion*

We have audited the accompanying financial statements of Wasatch Adaptive Sports, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 Wasatch Adaptive Sports, Inc. as of June 30, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit 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 Wasatch Adaptive Sports, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Wasatch Adaptive Sports, Inc.'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 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 Wasatch Adaptive Sports, Inc.'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 Wasatch Adaptive Sports, Inc.'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.

***Report on Summarized Comparative Information***

We have previously audited Wasatch Adaptive Sports, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 14, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Bountiful Peak Advisors*

Bountiful, Utah  
April 14, 2023

**Wasatch Adaptive Sports, Inc.**  
**Statement of Financial Position**  
**June 30, 2022**  
**With Summarized Comparative Information as of June 30, 2021**

<b>ASSETS</b>	<u>06/30/2022</u>	<u>06/30/2021</u>
Current assets		
Cash and cash equivalents	\$ 924,019	\$ 563,135
Accounts receivable, including promises to give	134,157	10,830
Prepaid expense	3,900	3,900
Investments	<u>23,914</u>	<u>-</u>
Total current assets	<u>1,085,990</u>	<u>577,865</u>
Restricted cash and cash equivalents	467,878	567,089
Restricted investments	108,310	-
Property and equipment, net of accumulated depreciation	<u>178,906</u>	<u>149,782</u>
Total assets	<u>\$ 1,841,084</u>	<u>\$ 1,294,736</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 3,420	\$ 6,825
Credit cards payable	8,671	8,373
Accrued payroll	<u>74,063</u>	<u>95,848</u>
Total current liabilities	<u>86,154</u>	<u>111,046</u>
Net assets		
Without donor restrictions		
Undesignated	808,660	446,464
Board-designated	467,089	467,089
With donor restrictions	<u>479,181</u>	<u>270,137</u>
Total net assets	<u>1,754,930</u>	<u>1,183,690</u>
Total liabilities and net assets	<u>\$ 1,841,084</u>	<u>\$ 1,294,736</u>

See accompanying notes to financial statements.

# Wasatch Adaptive Sports, Inc.

## Statement of Activities

Year Ended June 30, 2022

With Summarized Comparative Information for the Year Ended June 30, 2021

	June 30, 2022			06/30/2021 Total
	Without Donor Restrictions	With Donor Restrictions	6/30/2022 Total	
<b>REVENUES AND SUPPORT</b>				
Support				
Special event contributions	\$ 312,814	\$ 259,874	\$ 572,688	\$ 58,974
Contributions of nonfinancial assets	363,460	58,680	422,140	406,663
Foundation and corporate contributions	410,414	-	410,414	732,319
Individual contributions	229,875	-	229,875	102,462
Government grants	59,610	-	59,610	32,115
Paycheck protection loan forgiveness	-	-	-	114,959
Net assets released from restrictions	109,510	(109,510)	-	-
Total support	1,485,683	209,044	1,694,727	1,447,492
Revenues				
Tuition and fees	52,632	-	52,632	41,679
Special event fees	64,867	-	64,867	-
Special event auction	427,614	-	427,614	-
Cost of direct benefit to donors	(65,821)	-	(65,821)	-
Other income	2,827	-	2,827	5,889
Interest	180	-	180	280
Investment income, net	(26,676)	-	(26,676)	113
Loss on disposal of property and equipment	(4,673)	-	(4,673)	-
Total revenues	450,950	-	450,950	47,961
Total revenues and support	1,936,633	209,044	2,145,677	1,495,453
<b>EXPENSES</b>				
Program services	1,212,592	-	1,212,592	1,066,153
Management and general	153,463	-	153,463	142,013
Fundraising	208,382	-	208,382	152,999
Total expenses	1,574,437	-	1,574,437	1,361,165
Change in net assets	362,196	209,044	571,240	134,288
Net assets, beginning of year	913,553	270,137	1,183,690	1,049,402
Net assets, end of year	\$ 1,275,749	\$ 479,181	\$ 1,754,930	\$ 1,183,690

See accompanying notes to financial statements.

**Wasatch Adaptive Sports, Inc.**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2022**  
**With Summarized Comparative Information for the Year Ended June 30, 2021**

	<b>June 30, 2022</b>								6/30/2022 Total	06/30/2021 Total
	<u>Program Services</u>			<u>Support Activities</u>						
	<u>Summer</u>	<u>Winter</u>	<u>Total</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Cost of Direct Benefit</u>				
					<u>Total</u>					
Salaries and wages	\$ 220,852	\$ 218,742	\$ 439,594	\$ 72,437	\$ 86,555	\$ -	\$ 158,992	\$ 598,586	\$ 514,158	
Payroll taxes and benefits	68,532	71,350	139,882	21,936	25,961	-	47,897	187,779	182,074	
Lift tickets and admissions	12,901	237,635	250,536	-	-	-	-	250,536	224,443	
Occupancy	34,147	81,076	115,223	9,497	6,414	12,250	28,161	143,384	140,206	
Equipment rental and small equipment	10,752	69,240	79,992	-	5,746	-	5,746	85,738	83,258	
Information technology	25,783	19,316	45,099	2,596	14,882	-	17,478	62,577	45,574	
Contract labor	-	45,765	45,765	-	15,786	-	15,786	61,551	36,212	
Food and beverage	433	1,302	1,735	5,796	597	39,811	46,204	47,939	3,024	
Depreciation	24,714	11,768	36,482	1,961	785	-	2,746	39,228	22,887	
Insurance	13,687	13,558	27,245	4,490	5,365	-	9,855	37,100	30,314	
Supplies	-	-	-	-	20,328	-	20,328	20,328	3,881	
Bank and merchant fees	-	-	-	2,860	14,905	-	17,765	17,765	9,040	
Travel	5,461	4,718	10,179	1,242	4,819	-	6,061	16,240	7,180	
Marketing	5,341	522	5,863	4,934	5,182	-	10,116	15,979	14,767	
Communications	4,162	3,650	7,812	3,708	1,057	-	4,765	12,577	11,918	
Cost of goods sold	-	-	-	-	-	11,162	11,162	11,162	-	
Professional fees	-	-	-	10,975	-	-	10,975	10,975	11,349	
Conferences and training	1,957	3,213	5,170	5,702	-	-	5,702	10,872	12,292	
Miscellaneous	474	251	725	3,838	-	2,598	6,436	7,161	6,626	
License and fees	764	526	1,290	1,491	-	-	1,491	2,781	1,962	
<b>Total functional expenses</b>	<b>\$ 429,960</b>	<b>\$ 782,632</b>	<b>\$ 1,212,592</b>	<b>\$ 153,463</b>	<b>\$ 208,382</b>	<b>\$ 65,821</b>	<b>\$ 427,666</b>	<b>\$ 1,640,258</b>	<b>\$ 1,361,165</b>	
Less: cost of direct benefit to donors	-	-	-	-	-	(65,821)	(65,821)	(65,821)	-	
<b>Total expenses per statement of activities</b>	<b>\$ 429,960</b>	<b>\$ 782,632</b>	<b>\$ 1,212,592</b>	<b>\$ 153,463</b>	<b>\$ 208,382</b>	<b>\$ -</b>	<b>\$ 361,845</b>	<b>\$ 1,574,437</b>	<b>\$ 1,361,165</b>	

See accompanying notes to financial statements.

# Wasatch Adaptive Sports, Inc.

## Statement of Cash Flows

Year Ended June 30, 2022

With Summarized Comparative Information for the Year Ended June 30, 2021

	<u>06/30/2022</u>	<u>06/30/2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 571,240	\$ 134,288
Items not requiring cash		
Depreciation	39,228	22,887
Loss on disposal of property and equipment	4,673	-
Contribution of investments	(52,128)	(8,906)
Noncash investment income	26,456	
Paycheck protection loan forgiveness	-	(114,959)
Changes in		
Accounts receivable, including promises to give	(123,327)	(1,730)
Prepaid expenses	-	4,797
Accounts payable	(3,405)	(44,061)
Credit cards payable	298	2,080
Accrued payroll	(21,785)	(12,729)
	<u>441,250</u>	<u>(18,333)</u>
Net cash provided by (used in) operating activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	28,448	-
Purchases of investments	(135,000)	-
Purchases of property and equipment	(73,025)	(88,239)
	<u>(179,577)</u>	<u>(88,239)</u>
Net cash used in investing activities		
Net change in cash and cash equivalents	261,673	(106,572)
Cash and restricted cash and cash equivalents, beginning of year	<u>1,130,224</u>	<u>\$ 1,236,796</u>
Cash and restricted cash and cash equivalents, end of year	<u>\$ 1,391,897</u>	<u>\$ 1,130,224</u>
Cash and cash equivalents	924,019	563,135
Restricted cash and cash equivalents	<u>467,878</u>	<u>567,089</u>
	<u>\$ 1,391,897</u>	<u>\$ 1,130,224</u>
Total cash and cash equivalents shown in the statement of cash flow		
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Contributions of property and equipment	-	(8,906)
Paycheck Protection loan forgiveness	-	(114,959)
	<u>\$ -</u>	<u>\$ (123,865)</u>

During the year ended June 30, 2022, there were no cash payments for interest or unrelated business income taxes.

See accompanying notes to financial statements.



# Wasatch Adaptive Sports, Inc.

## Notes to Financial Statements

June 30, 2022

### 1. NATURE OF ORGANIZATION

Wasatch Adaptive Sports, Inc. (the “Organization”) was incorporated as a nonprofit corporation in the State of Utah on September 14, 1982. The Organization is a non-profit public charity with a mission to encourage individuals with adaptive needs and their families to realize their potential and engage in active living through recreational, educational, and social programs. The Organization’s programming focuses on increasing independence and mobility in a social environment. The organization provides full or partial scholarships to students based on financial need. The Organization’s major sources of revenue include contributions, special events, and tuition and fees.

#### Summer Programs

The Wasatch Adaptive Sports cycling program empowers children and adults through private and group instruction on a variety of adaptive bikes including recumbent trikes and handcycles. During each lesson, students have the opportunity to work toward personal goals while cycling on a variety of paved and dirt trails along the Wasatch Front. Other summer programs include paddle boarding and kayaking, hiking, mountain biking, and yoga.

#### Winter Programs

The Wasatch Adaptive Sports ski and snowboard programs enable students to achieve their winter goals at a variety of Utah ski resorts including Snowbird, Alta, and Sundance. Through a combination of adaptive equipment and private instruction, students experience success and learning in a family-like atmosphere centered around a love for the outdoors. Other winter programs include snowshoeing, indoor cycling, and seated yoga.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

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

#### Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Restricted cash and cash equivalents consist of amounts that have been donor-restricted for long-term purposes or board-designated.

#### Concentrations of Credit Risks

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various financial institution accounts that, at times, may exceed federally insured limits. At June 30, 2022 cash in bank deposit accounts exceeded federally insured limits by \$1,003,365. These assets have been placed with high credit quality financial institutions and the Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectible amounts. The Organization's accounts receivable are generally short-term in nature; thus accounts receivable do not bear interest.

Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. An allowance for doubtful accounts related to accounts receivable has not been established at June 30, 2022 because management believes that all accounts receivable will be fully collectable.

### Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for doubtful promises has not been established at June 30, 2022 because management believes that all promises to give will be fully collectable.

### Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Therefore, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Restricted investments consist of amounts that have been donor-restricted for long-term purposes.

### Property and Equipment

Property and equipment are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Organization capitalizes additions that exceed \$2,500. If donors stipulate how long the assets must be used, the contributions are recorded as revenue with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as revenue without donor restrictions. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets or lease terms. Estimated useful lives by type of property and equipment are as follows:

Buildings and structures	39 years
Equipment	5 – 7 years
Furniture and fixtures	7 – 15 years
Improvements	7 years

Management reviews the carrying value of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

### Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions, with highest priority given to quoted prices in active markets and lowest priority to an entity's assumptions. The Organization groups assets at fair value in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Other observable inputs including quoted prices for similar assets in active or non-active markets, or other observable inputs for the asset.
Level 3	Unobservable inputs that cannot be corroborated by observable market data, such as pricing models, discounted cash flow models, and similar techniques.

### Classes of Net Assets

Net assets, revenues and gains are classified based on the presence 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. 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.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

### Revenue Recognition

***Contributions*** – Contributions are recognized as support when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until the conditions on which they depend have been substantially met. Contributions are considered to be without donor restrictions unless restricted by the donor.

***Contributions of nonfinancial assets*** – Contributed goods, use of facilities, and services that either create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at fair value at the date of donation.

***Program Service Revenue*** – Revenue is measured on the consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes, if any, assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Organization from a customer, are excluded from revenue. Program service revenue consists of tuition and fees. Program service revenue is recognized at a point in time, when the services are provided. Payments received in advance, if any, are deferred to the applicable period in which the related services are provided.

#### Income Taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(ii) and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2018.

#### Advertising

Advertising costs are expensed when the advertising first takes place. Advertising expense for the year ended June 30, 2022 was \$15,979. Advertising costs are included in marketing in the statement of functional expenses.

#### Functional Allocation of Expenses

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

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes and benefits, communications and occupancy, which are allocated on the basis of estimated time and effort.

#### Estimates in the Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

#### Reclassifications

Certain items from June 30, 2021 have been reclassified to conform to the June 30, 2022 presentation.

**3. LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors liquidity required to meet annual operating needs and other commitments. The following chart reflects the Organization’s financial assets available as of June 30, 2022 for general expenditure over the next twelve months.

Cash and cash equivalents	\$ 924,019
Accounts receivable, including promises to give	134,157
Investments	<u>23,914</u>
 Current financial assets	 <u>1,082,090</u>
 Less those unavailable for general expenditure within one year, due to donor-imposed purpose restrictions	 <u>(158,014)</u>
 Total financial assets available to meet cash needs for general expenditure within one year	 <u>\$ 924,076</u>

To help manage unanticipated liquidity needs, the Organization maintains credit cards with an aggregate credit limit of \$62,400, which it could draw upon. Additionally, the Organization has cash which has been designated by the board as an operating reserve and which is included in non-current assets on the statement of financial position. Although the Organization does not intend to spend from their board-designated reserves, these amounts could be made available through board appropriation, if necessary.

**4. RESTRICTED CASH AND CASH EQUIVALENTS**

The Organization’s restricted cash and cash equivalents consisted of the following at June 30, 2022:

With Donor Restrictions	\$ 789
Without Donor Restrictions, Board-Designated	<u>467,089</u>
	<u>\$ 467,878</u>

**5. ACCOUNTS RECEIVABLE, INCLUDING PROMISES TO GIVE**

Accounts receivable, including promises to give, consisted of the following at June 30, 2022:

Unconditional promises to give	\$ 125,540
Government cost reimbursement grants receivable	<u>8,617</u>
	<u>\$ 134,157</u>

Accounts receivable, including promises to give, are expected to be collected in full within the next year.

**6. FAIR VALUE MEASUREMENTS**

The following tables set forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2022.

	Level 1	Level 2	Level 3	Total
Mutual funds				
Equity funds	\$ 89,092	\$ -	\$ -	\$ 89,092
Bond funds	22,412	-	-	22,412
U.S. stocks	20,720	-	-	20,720
	\$ 132,224	\$ -	\$ -	\$ 132,224

**7. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30, 2022:

Property and equipment	
Equipment	\$ 379,157
Building structures	8,479
Vehicles	90,313
Improvements	9,490
Furniture and fixtures	674
Total property and equipment	488,113
Less: accumulated depreciation	(309,207)
	\$ 178,906

Depreciation expense for the year ended June 30, 2022 was \$39,228.

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at June 30, 2022:

Subject to expenditure for specified purpose	
Customer relationship management software	\$ 86,528
Cycling and spinning	77,023
Skiing and snowboarding	50,400
Veterans programing	29,474
Yoga	1,117
Total subject to expenditure for specified purpose	244,542
Subject to the passage of time	
Long-term reserves	109,099
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	125,540
Total subject to passage of time	234,639
	\$ 479,181

Long-term reserves represent a donor-imposed restriction to hold contributed funds as a long-term reserve that is not considered to be an endowment. No explicit or implicit restrictions have been made on the use of the reserve's principal.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the year ended June 30, 2022:

Satisfaction of purpose restrictions		
Customer relationship management software	\$	38,897
Veteran programming		4,793
Skiing and snowboarding		5,000
Students with spinal cord injuries		13,670
Equipment		15,999
Satisfaction of time restrictions		<u>31,151</u>
	<u>\$</u>	<u>109,510</u>

#### **9. NET ASSETS WITHOUT DONOR RESTRICTIONS, BOARD-DESIGNATED**

The board of directors has designated certain net assets without donor restrictions as an operating reserve. Net assets without donor restrictions that are board-designated for an operating reserve totaled \$467,089 at June 30, 2022 and consisted of restricted cash. Although the Organization does not intend to spend from their board-designated reserves, these amounts could be made available through board appropriation, if necessary.

#### **10. REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Organization's revenue from contracts with customers include tuition and fees revenue, special event fees, and special event auction proceeds, which are presented in the statement of activities. There were no contract assets or deferred revenue related to contracts with customers at June 30, 2022.

#### **11. ADOPTION OF NEW ACCOUNTING STANDARD**

During the year ended June 30, 2022, the Organization adopted Financial Accounting Standards Board Accounting Standards Update 2020-07 *Not-for-Profit Entities: Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires separate presentation of contributions of noncash assets in the statement of activities as well as disclosures related to the nature, disposition, restrictions, and valuation of the assets.

## 12. CONTRIBUTIONS OF NONFINANCIAL ASSETS

During the year ended June 30, 2022, the Organization received the following contributions of nonfinancial assets:

	<u>Summer</u>	<u>Winter</u>	<u>Fundraising</u>	<u>Total</u>
Donated goods				
Small equipment	\$ 1,525	\$ 7,500	\$ -	\$ 9,025
Food and beverage	-	-	300	300
Other	<u>-</u>	<u>-</u>	<u>2,598</u>	<u>2,598</u>
	<u>1,525</u>	<u>7,500</u>	<u>2,898</u>	<u>11,923</u>
Donated services				
Training instructors	<u>-</u>	<u>45,765</u>	<u>-</u>	<u>45,765</u>
	<u>-</u>	<u>45,765</u>	<u>-</u>	<u>45,765</u>
Donated use of facilities and equipment				
Lift tickets and admissions	12,901	237,635	-	250,536
Equipment rental	-	55,523	-	55,523
Office space	-	46,143	-	46,143
Lodging	<u>-</u>	<u>-</u>	<u>12,250</u>	<u>12,250</u>
	<u>12,901</u>	<u>339,301</u>	<u>12,250</u>	<u>364,452</u>
	<u>\$ 14,426</u>	<u>\$ 392,566</u>	<u>\$ 15,148</u>	<u>\$ 422,140</u>

Contributed nonfinancial assets were utilized by the Organization. The fair market value of donated goods was estimated based on retail values that would be available for similar products. The fair market value of donated services was estimated based on actual rates paid to non-volunteer instructors with similar skills. The fair market value of donated use of facilities and equipment was based on quoted rates generally available to the public by the owners of the facilities, including consideration of high-quantity discounts.

## 13. COMMITMENTS AND CONTINGENCIES

The Organization leases its Salt Lake City office space under a non-cancellable operating lease expiring in July 2025. This lease requires monthly payments of \$4,945, which escalate each year by 3%. Future minimum payments required under this lease are as follows:

<u>Year ending June 30,</u>	
2023	\$ 60,979
2024	62,800
2025	64,690
2026	5,404
Thereafter	<u>-</u>
	<u>\$ 193,873</u>

The Organization leases its Snowbird office space under a cancellable operating lease that requires no rent payments. Rent expense during the year ended June 30, 2022 was \$156,285, of which \$58,393 represented contributed use of facilities. Rent expense is included in occupancy in the statement of functional expenses. The Organization may be involved in certain claims arising from the ordinary course of operations and has purchased insurance policies to cover these risks.



#### **14. CONCENTRATIONS**

During the year ended June 30, 2022, the Organization received approximately 44% of its total revenue and support from its major fundraising event, the Steve Young Ski Classic. In addition, the Organization received approximately 17% of its total revenue and support from a single corporate donor in the form of contributed nonfinancial assets.

#### **15. COMPARATIVE FINANCIAL INFORMATION**

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021 from which the summarized information was derived.

#### **16. SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 14, 2023, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.