

# Financial Statements

Winter Wildlands Alliance, Inc.  
(a nonprofit organization)  
Years Ended June 30, 2022 and 2021



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Winter Wildlands Alliance, Inc.  
Boise, Idaho

### Opinion

We have audited the financial statements of Winter Wildlands Alliance, Inc., which comprise the statements of financial position as of June 30, 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 accompanying financial statements present fairly, in all material respects, the financial position of Winter Wildlands Alliance, Inc. as of June 30, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Winter Wildlands Alliance, Inc. 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 Winter Wildlands Alliance, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.





## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

### **In performing an audit in accordance with GAAS, we:**

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

### **Other Matter and Report on Summarized Comparative Information**

We have previously audited the Winter Wildlands Alliance, Inc.'s financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 2, 2021. 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.

*Harris CPAs*

Meridian, Idaho  
December 10, 2022

**WINTER WILDLANDS ALLIANCE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2022**  
**With Comparative Totals as of June 30, 2021**

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	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 100,928	\$ 122,647
Investments	57,739	99,894
Prepaid and other assets	<u>10,419</u>	<u>7,423</u>
Total Current Assets	169,086	229,964
<b>Furniture and equipment, net</b>	4,929	6,624
<b>Deposit</b>	<u>660</u>	<u>660</u>
Total Assets	<u>\$ 174,675</u>	<u>\$ 237,248</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 6,709	\$ 953
Accrued payroll and related costs	0	8
Refundable advance	<u>0</u>	<u>74,715</u>
Total Current Liabilities	6,709	75,676
<b>Net Assets</b>		
Without donor restrictions	44,233	113,572
With donor restrictions	<u>123,733</u>	<u>48,000</u>
Total Net Assets	<u>167,966</u>	<u>161,572</u>
Total Liabilities and Net Assets	<u>\$ 174,675</u>	<u>\$ 237,248</u>

See notes to financial statements.

**WINTER WILDLANDS ALLIANCE, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Year Ended June 30, 2022**  
**With Comparative Totals for the Year Ended June 30, 2021**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>2022 Total</u></b>	<b><u>2021 Total</u></b>
<b>Revenue and Other Support</b>				
Grants	\$ 145,100	\$ 247,350	\$ 392,450	\$ 385,410
Contributions	160,405		160,405	130,340
Refundable advance	75,082		75,082	70,510
Special events	64,564		64,564	81,049
Dues, member WWAs	31,724		31,724	34,721
Contribution of nonfinancial assets	14,450		14,450	45,533
Investment loss, net	<u>(1,770)</u>	<u></u>	<u>(1,770)</u>	<u>(33)</u>
	489,555	247,350	736,905	747,530
Net assets released from restrictions	<u>171,617</u>	<u>(171,617)</u>	<u>0</u>	<u>0</u>
Total Revenue	661,172	75,733	736,905	747,530
<b>Expenses</b>				
Program Services				
Public policy	162,562		162,562	160,874
Constituency building	102,586		102,586	115,063
Education	<u>328,471</u>	<u></u>	<u>328,471</u>	<u>327,966</u>
Total Program Services	593,619	0	593,619	603,903
Supporting Services				
Administrative	74,309		74,309	76,489
Fundraising	<u>62,583</u>	<u></u>	<u>62,583</u>	<u>54,923</u>
Total Supporting Services	<u>136,892</u>	<u>0</u>	<u>136,892</u>	<u>131,412</u>
Total Expenses	<u>730,511</u>	<u>0</u>	<u>730,511</u>	<u>735,315</u>
Change in Net Assets	(69,339)	75,733	6,394	12,215
<b>Net Assets</b>				
Beginning of Year	<u>113,572</u>	<u>48,000</u>	<u>161,572</u>	<u>149,357</u>
End of Year	<u>\$ 44,233</u>	<u>\$ 123,733</u>	<u>\$ 167,966</u>	<u>\$ 161,572</u>

See notes to financial statements.

**WINTER WILDLANDS ALLIANCE, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2022**  
**With Comparative Totals for the Year Ended June 30, 2021**

	Program Services			Total Program Services	Supporting Services		Total Supporting Services	2022 Total	2021 Total
	Public Policy	Constituency	Education		General and Admin	Fundraising			
Salaries and wages	\$ 101,822	\$ 52,773	\$ 189,350	\$ 343,945	\$ 36,673	\$ 27,544	\$ 64,217	\$ 408,162	\$ 374,734
Employee benefits	18,394	18,679	18,828	55,901	10,865	9,054	19,919	75,820	59,950
Special events	2,874	658	26,007	29,539	234	9,191	9,425	38,964	71,328
Communications	7,428	6,295	16,294	30,017	4,385	3,615	8,000	38,017	58,976
payroll taxes	6,376	5,420	13,271	25,067	3,825	3,188	7,013	32,080	43,540
Professional fees	5,241	4,438	13,777	23,456	3,133	2,610	5,743	29,199	43,297
Conferences and meetings	6,892	4,597	9,843	21,332	4,896	1,634	6,530	27,862	3,445
Rent	4,834	3,344	8,066	16,244	2,361	1,967	4,328	20,572	18,469
Operating	3,706	2,372	6,669	12,747	1,674	1,395	3,069	15,816	13,904
Merchandise	1,736	1,476	3,710	6,922	1,042	868	1,910	8,832	9,777
Dues and subscriptions	1,523	1,123	2,879	5,525	858	685	1,543	7,068	6,813
Insurance	705	599	1,445	2,749	2,048	353	2,401	5,150	3,951
Employee training	455	387	933	1,775	273	228	501	2,276	281
Program supplies	130	110	16,042	16,282	78	65	143	16,425	15,252
Office supplies	399	275	788	1,462	194	162	356	1,818	1,366
Depreciation					1,695		1,695	1,695	1,464
Interest expense			368	368				368	145
Other	47	40	201	288	75	24	99	387	8,623
Total Expenses	<u>\$ 162,562</u>	<u>\$ 102,586</u>	<u>\$ 328,471</u>	<u>\$ 593,619</u>	<u>\$ 74,309</u>	<u>\$ 62,583</u>	<u>\$ 136,892</u>	<u>\$ 730,511</u>	<u>\$ 735,315</u>

See notes to financial statements.

**WINTER WILDLANDS ALLIANCE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Year Ended June 30, 2022**  
**With Comparative Totals for the Year Ended June 30, 2021**

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	<u>2022</u>	<u>2021</u>
<b>Cash Flow from Operating Activities</b>		
Change in net assets	\$ 6,394	\$ 12,215
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	1,695	1,464
Unrealized loss on investments	2,155	53
Realized loss on investments	0	86
Donated securities	0	(20,033)
Changes in operating assets and liabilities		
Prepaid and other expenses	(2,996)	1,841
Accounts payable	2,255	(7,800)
Accrued payroll liabilities	3,493	(1,332)
Refundable advance	<u>(74,715)</u>	<u>4,205</u>
Net Cash Provided (Used) by Operating Activities	(61,719)	(9,301)
<b>Cash Flow From Investing Activities</b>		
Acquisition of property and equipment	0	(3,991)
Proceeds from sale of investments	40,000	19,947
Purchase of investments	<u>0</u>	<u>(99,947)</u>
Net Cash Provided (Used) by Investing Activities	<u>40,000</u>	<u>(83,991)</u>
Net Change in Cash and Cash Equivalents	(21,719)	(93,292)
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>122,647</u>	<u>215,939</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 100,928</u>	<u>\$ 122,647</u>

See notes to financial statements.

## WINTER WILDLANDS ALLIANCE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### **Note A – Significant Accounting Policies**

##### *Nature of Organization*

Winter Wildlands Alliance, Inc. (WWA) is an Idaho nonprofit organization organized for charitable and educational purposes within the meaning of Section 501(c)(3) of the United States Internal Revenue Code. The mission of WWA is to promote and preserve winter wild lands and a quality human-powered snow sports experience on public lands. WWA's primary source of revenue is through grants from a small number of foundations and donations from individuals and corporations.

##### *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

##### *Basis of Presentation*

WWA reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

##### *Accounting Pronouncements Adopted*

For the year ended June 30, 2022, WWA adopted Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The ASU requires not-for-profit entities to disclose a disaggregation of the amount of contributed nonfinancial assets recognized within the statement of activities by category that depicts the type of contributed nonfinancial assets. WWA must also disclose qualitative info about whether the contributed nonfinancial assets were monetized or utilized during the reporting period, WWA policy about monetizing contributed nonfinancial assets, a description of any donor imposed restrictions, the valuation method used, and the principal or most advantageous market used for the valuation if it is a market in which the recipient WWA is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. There was no material impact on WWA's activities or financial position upon adoption of the new standard.

##### *Cash and Cash Equivalents*

WWA considers its short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

## WINTER WILDLANDS ALLIANCE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### **Note A – Significant Accounting Policies (Continued)**

##### *Fixed Assets*

Fixed assets consist of office equipment and website design. They are stated at cost or, if donated, at the estimated fair market value at the date of donation. Acquisitions of equipment with an estimated useful life of at least two years and a cost basis in excess of \$300 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to ten years.

##### *Fair Value*

WWA uses fair value for reporting financial assets and liabilities. A hierarchy for reporting the reliability of input measurements is used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short term, highly liquid nature.

##### *Investments*

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

##### *Concentrations*

Financial instruments that potentially subject WWA to significant concentrations of credit risk consist principally of cash and investments. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation for up to \$250,000 and the Securities Investor Protection Corporation for up to \$500,000. There were no uninsured balances at June 30, 2022 and 2021.

For the year ended June 30, 2022 approximately 31% of WWA's support was received from two foundations. The current level of WWA's operations and program services may be impacted or segments discontinued if the funding is not renewed. For the year ended June 30, 2021 there were no contributors greater than 10% of WWA's total support..

## WINTER WILDLANDS ALLIANCE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### **Note A – Significant Accounting Policies (Continued)**

##### *Functional Allocation of Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Compensation and benefits are allocated on the basis of estimates of time and effort. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of WWA.

##### *Contributions and Donor Imposed Restrictions*

Contributions received are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increase that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, 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 restriction.

##### *Contributed Services and Materials*

WWA records in-kind goods based on the fair value as described in generally accepted accounting principles. WWA recognizes donated services if they create or enhance non-financial assets or require specialized skills and would typically be purchased if not provided by donation. In-kind contributions are recognized as revenue when received and as expenditures when the resources are consumed.

##### *Revenue and Revenue Recognition*

Membership dues, which are nonrefundable, are an exchange transaction based on the value of benefits provided. WWA recognizes membership dues over the membership period. The performance obligation consists of providing members continuous access to the annual events, and is recognized ratably as services are simultaneously received and consumed by the members. Admissions revenue is recognized at the time the admission is purchased. Program revenue is recognized when the events take place.

##### *Income Taxes*

WWA is a not-for-profit organization that is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

## WINTER WILDLANDS ALLIANCE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### **Note A – Significant Accounting Policies (Continued)**

##### *Uncertain Tax Positions*

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, WA may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2022 or 2021.

WWA files Form 990 in the U.S. federal jurisdiction. WWA is generally no longer subject to examination by the Internal Revenue Service for years before 2018.

##### *Use of Estimates*

WWA uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

##### *Comparative Data*

The amounts shown for the year ended June 30, 2021 in the accompanying financial statements are included to provide a basis for comparison with 2021 and present summarized totals only. Accordingly, the 2021 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with WWA's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

##### *Subsequent Events*

WWA has evaluated subsequent events through December 10, 2022, which is the date the financial statements were available to be issued.

## WINTER WILDLANDS ALLIANCE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### Note B – Liquidity and Availability of Resources

WWA's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$	100,928
Investments		<u>57,739</u>
Total financial assets available within one year		158,667
Less amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with purpose restrictions		<u>(123,733)</u>
Total financial assets available within one year after restriction	\$	<u>34,934</u>

As part of WWA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At June 30, 2021, all net assets without donor restrictions are available for payment of (any major expenditures incurred), except for receivables which are available when the receivable is collected.

#### Note C – Property and Equipment

At June 30, property and equipment consists of the following:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 36,612	\$ 36,612
Less accumulated depreciation	<u>(31,683)</u>	<u>(29,988)</u>
	<u>\$ 4,929</u>	<u>\$ 6,624</u>

For the years ended June 30, 2022 and 2021, WWA recognized \$1,695 and \$1,464 in depreciation expense, respectively.

**WINTER WILDLANDS ALLIANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note D – Investments**

Investments as of June 30, 2022 and 2021, are summarized as follows:

	<u><b>2022</b></u>	<u><b>2021</b></u>
Cost	\$ 59,947	\$ 99,947
Unrealized loss	<u>(2,208)</u>	<u>(53)</u>
Fair Value	<u><b>\$ 57,739</b></u>	<u><b>\$ 99,894</b></u>

Investment income (loss) consists of the following for the years ended June 30:

	<u><b>2022</b></u>	<u><b>2021</b></u>
Unrealized loss	\$ (2,155)	\$ (53)
Realized loss	0	(86)
Interest and dividends	<u>385</u>	<u>106</u>
Total Investment Income (Loss)	<u><b>\$ (1,770)</b></u>	<u><b>\$ (33)</b></u>

**Note E – Fair value of Assets and Liabilities**

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
Level 2	Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value instrument.

# **WINTER WILDLANDS ALLIANCE, INC.** **NOTES TO FINANCIAL STATEMENTS** ---

## **Note E – Fair value of Assets and Liabilities (Continued)**

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. WWA's investments held in exchange traded funds are actively traded and have been valued using unadjusted quoted prices for identical assets in active markets and are considered level 1 investments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although WWA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, WWA's financial assets at fair value measured on a recurring basis as of June 30, 2022, and 2021:

		<b><u>Fair Value Measurements Using</u></b>		
	<b><u>Total</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>
<b>June 30, 2022</b>				
Exchange traded funds	\$ 57,739	\$ 57,739	\$ 0	\$ 0
	<b><u>Total</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>
<b>June 30, 2021</b>				
Exchange traded funds	\$ 99,894	\$ 99,894	\$ 0	\$ 0

## **Note F – Refundable Advance**

In April 2020, WWA was granted a paycheck protection program loan (the "PPP Loan") from First Interstate Bank in the amount of \$70,510, pursuant to the Paycheck Protection Program ("PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The PPP Loan was set to mature in April 2022 and bore an interest at a rate of 1.00% per annum, with payments commencing in November 2020. WWA could only use funds from the PPP Loan for purposes specified in the CARES Act and related PPP rules, which included payroll costs, costs used to continue group health care benefits, rent, and utilities; other uses would constitute a default under the PPP Loan. Under the terms of the PPP, certain amounts of the PPP Loan could be forgiven if they were used for qualifying expenses as described in the CARES Act during the 24-week period commencing on the date of disbursement of the PPP Loan. WWA considers the conditions of this contribution to have been substantially met once the lender has approved forgiveness of the PPP Loan. During the year ended June 30, 2021, WWA used the entire PPP Loan amount for qualifying expenses and applied for and received loan forgiveness from the lender, therefore the entire PPP Loan was recorded as other revenue for the year ended June 30, 2021.

**WINTER WILDLANDS ALLIANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note F – Refundable Advance (Continued)**

In April 2021, WWA was granted a second PPP loan (“PPP Loan 2”) from First Interstate Bank in the amount of \$74,715, pursuant to the PPP under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The PPP Loan was set to mature in April 2026 and bore an interest at a rate of 1.00% per annum, with payments commencing in August 2022. WWA could only use funds from the PPP Loan 2 for purposes specified in the CARES Act and related PPP rules, which included payroll costs, costs used to continue group health care benefits, rent, and utilities; other uses would constitute a default under the PPP Loan 2. Under the terms of the PPP, certain amounts of the PPP Loan 2 could be forgiven if they were used for qualifying expenses as described in the CARES Act during the 24-week period commencing on the date of disbursement of the PPP Loan. WWA considers the conditions of this contribution to have been substantially met once the lender has approved forgiveness of the PPP Loan. During the year ended June 30, 2022, WWA used the entire PPP Loan amount for qualifying expenses and applied for and received loan forgiveness from the lender, therefore the entire PPP Loan was recorded as other revenue for the year ended June 30, 2022.

**Note G –Net Assets**

The detail of WWA’s net asset categories at June 30, is as follows:

	<u>2022</u>	<u>2021</u>
Without donor restrictions		
Undesignated surplus	\$ 39,304	\$ 106,948
Invested in furniture and equipment	<u>4,929</u>	<u>6,624</u>
Total without donor restrictions	44,233	113,572
With donor restrictions:		
California Policy	67,983	0
Targhee Campaign	26,250	0
Murdock – Membership Director	26,000	33,000
Snow School	<u>3,500</u>	<u>15,000</u>
Total with donor restrictions	<u>123,733</u>	<u>48,000</u>
Total net assets	<u>\$ 167,966</u>	<u>\$ 161,572</u>

**WINTER WILDLANDS ALLIANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note H – Contributed Nonfinancial Assets**

For the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statement of activities included:

	<u>2022</u>	<u>2021</u>
Supplies	\$ 13,000	\$ 14,500
Stock	0	20,033
Services	<u>1,450</u>	<u>11,000</u>
Total in-kind donations	<u>\$ 14,450</u>	<u>\$ 45,533</u>

WWA recognized contributed nonfinancial assets within revenue, including program supplies and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed supplies recognized are various outdoor merchandise items, which are included in giveaways at the film festival and throughout the year. Contributed supplies are valued and are reported at the estimated fair value in the financial statements based on wholesale values that would be received for selling similar products.

Contributed services recognized are often guided trips and various professional services. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal services.

**Note I – Retirement Plan**

WWA has established a SIMPLE IRA pension plan, covering all employees who have completed one year of full-time employment. WWA makes a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the year. The employer contributions for the years ended June 30, 2022 and 2021, were \$12,062 and \$8,828, respectively.

**WINTER WILDLANDS ALLIANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note J – Operating Leases**

WWA entered into an operating lease for office space on February 1, 2019, which expired on January 31, 2022, with monthly payments ranging from \$1,594 to \$1,691. WWA entered into an amendment for the office lease beginning March 2, 2022, which expires February 28, 2025, with monthly payments ranging from \$975 to \$1,011. Rental expense under these leases totaled \$20,572 and \$18,468 for the years ended June 30, 2022 and 2021, respectively.

The following summarizes the remaining future minimum payments required under the lease:

2023	\$	11,727
2024		11,899
2025		<u>8,092</u>
Total	\$	<u><u>31,717</u></u>