

SnowCap Community Charities

FINANCIAL STATEMENTS

June 30, 2022

with independent auditor's report thereon

CONTENTS

	<u>Page</u>
Independent Auditor's Report	3-4
Financial Statements	
Statement of Financial Position	5
Statement of Activities	6
Statement of Cash Flows	7
Statement of Functional Expenses	8
Notes to Financial Statements	9-16



SIMPSON & COMPANY
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Directors
SnowCap Community Charities

We have audited the accompanying statements of SnowCap Community Charities, a nonprofit corporation, 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 SnowCap Community Charities as of June 30, 2022, and the changes in its 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 SnowCap Community Charities 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 of events, considered in the aggregate, that raise substantial doubt about SnowCap Community Charities' 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:

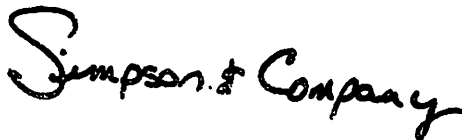
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include 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 SnowCap Community Charities' 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 SnowCap Community Charities' 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 the Organization's June 30, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 5, 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.

Portland, Oregon
August 31, 2022

A handwritten signature in black ink that reads "Simpson & Company". The signature is written in a cursive, flowing style.

SnowCap Community Charities

STATEMENT OF FINANCIAL POSITION

June 30, 2022

with summarized financial information for June 30, 2021

Assets

	<u>2022</u>	<u>2021</u>
Current Assets		
Cash and cash equivalents	\$ 1,351,344	795,157
Certificates of deposit	803,991	802,607
Receivables	250	14,576
Prepays	-	2,701
Inventories	186,644	195,592
Leasehold interest, current	<u>264,448</u>	<u>264,448</u>
Total current assets	2,606,677	2,138,813
Cash restricted to purchase of fixed assets	151,667	81,955
Beneficial interest in assets held by Community Foundation (note 6)	55,411	60,846
Receivables restricted to purchase of fixed assets (note 8)	218,153	161,885
Property and equipment (note 2)	671,508	671,014
Leasehold interest, noncurrent (note 4)	<u>4,824,618</u>	<u>5,001,967</u>
Total assets	\$ <u>8,528,033</u>	<u>8,052,748</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable	\$ 10,473	16,377
Forgivable loans (note 7)	-	96,700
Accrued vacation and payroll taxes	<u>20,637</u>	<u>40,704</u>
Total current liabilities	31,110	153,781
Net assets (note 5)		
Without donor restrictions		
Designated	1,947,457	1,452,398
Undesignated	<u>780,881</u>	<u>823,566</u>
Total	2,728,337	2,275,964
With donor restrictions	<u>5,768,586</u>	<u>5,623,003</u>
Total net assets	8,496,923	7,898,967
Total liabilities and net assets	\$ <u>8,528,033</u>	<u>8,052,748</u>

See accompanying notes to financial statements.

SnowCap Community Charities
STATEMENT OF ACTIVITIES

Year ended June 30, 2022

with summarized financial information for June 30, 2021

	<u>2022</u>	<u>2021</u>
Net assets without donor restrictions		
Revenue, gains and other support		
Church donations	\$ 29,774	33,244
Public donations	785,768	757,196
Bequests and memoriams	109,831	64,900
Corporate and foundation donations	252,702	246,935
Donated USDA and other food commodities	1,402,049	1,961,378
Donated facilities use and leasehold pledges	232,708	324,303
Donated clothing and other in-kinds	869,426	347,880
Interest income	2,109	4,583
Realized and unrealized gains (losses)	(3,400)	16,640
Special events and other	229,971	93,272
	3,910,938	3,850,331
Net assets released from donor restrictions	252,281	116,557
Total revenues, gains and other support	4,163,219	3,966,888
Expenses and losses		
Program services	3,383,868	3,312,654
Support services		
Management and general	165,035	160,504
Fund raising	161,942	142,261
Total expenses and losses	3,710,846	3,615,419
Increase (decrease) in net assets without donor restrictions	452,373	351,469
Net assets with donor restrictions		
Contributions	397,864	235,124
Leasehold pledges	-	237,322
Net assets released from donor restrictions	(252,281)	(116,557)
Increase (decrease) in net assets with donor restrictions	145,583	355,889
Total increase (decrease) in net assets	597,956	707,358
Net assets at beginning of year	7,898,967	7,191,609
Net assets at end of year	\$ 8,496,923	7,898,967

See accompanying notes to financial statements.

SnowCap Community Charities
STATEMENT OF CASH FLOWS

Year ended June 30, 2022

with summarized financial information for June 30, 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 597,956	707,358
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	67,953	75,326
Loss on disposition of assets	-	49,839
Utilization of (increase in) leasehold interest	177,349	(237,322)
Forgiveness of government loan	(96,700)	-
Realized and unrealized gain on investments	3,400	(16,640)
(Increase) decrease in operating assets:		
Receivables	(41,942)	(176,461)
Prepays	2,701	(1,720)
Inventory	8,948	18,970
Increase (decrease) in operating liabilities:		
Accounts payable	(5,904)	(10,437)
Accrued liabilities	(20,067)	8,470
Contributions restricted for long-term purposes	(69,712)	(81,955)
Net cash provided (used) by operating activities	<u>623,982</u>	<u>335,428</u>
Cash flows from investing activities:		
Purchase of equipment and improvements	(68,448)	(83,781)
Purchase of certificates of deposit/investments	(1,397)	(159,375)
Proceeds from assets held by community foundation	<u>2,050</u>	<u>-</u>
Net cash used by investing activities	<u>(67,795)</u>	<u>(243,156)</u>
Net increase (decrease) in cash and cash equivalents	556,187	92,272
Beginning cash and cash equivalents	<u>795,157</u>	<u>702,885</u>
Ending cash and cash equivalents	\$ <u>1,351,344</u>	<u>795,157</u>

See accompanying notes to financial statements.

SnowCap Community Charities
STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2022

with summarized financial information for the year ended June 30, 2021

	<u>Supporting Services</u>			<u>Total</u>	
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising Services</u>	<u>2022</u>	<u>2021</u>
Compensation and related expenses:					
Salaries	\$ 283,523	93,031	66,451	443,005	431,847
Employee benefits	58,050	19,509	13,752	91,311	96,073
Payroll taxes	30,157	9,434	6,921	46,512	40,515
	371,730	121,974	87,124	580,828	568,435
Client assistance	124,223	-	-	124,223	60,663
Distribution of donated food and other materials	1,656,681	-	-	1,656,681	2,171,644
Agency transfers	617,709	-	-	617,709	151,951
Discards	6,032	-	-	6,032	4,633
Insurance	16,250	3,250	2,167	21,667	19,489
Maintenance and equipment	11,180	1,397	1,397	13,974	20,734
Merchant and bank fees	-	-	8,169	8,169	9,839
Occupancy- donated space	382,812	13,623	13,623	410,058	324,302
Occupancy- utilities and maintenance	49,798	2,767	2,767	55,332	36,765
Professional fees and contract labor	36,414	10,884	21,910	69,208	47,797
Postage	5,355	483	2,107	7,945	7,623
Printing and media	8,112	1,499	1,205	10,816	7,157
Special events and mailers	1,527	-	4,576	6,103	5,965
Supplies and software	8,192	1,738	9,245	19,175	13,877
Training and conferences	2,723	840	840	4,403	7,622
Telephone	12,457	2,669	2,669	17,795	15,697
Transportation	9,041	502	502	10,045	12,535
Miscellaneous	1,667	387	676	2,730	3,526
	3,321,903	162,013	158,977	3,642,893	3,490,254
Loss on disposition of fixed assets	-	-	-	-	49,839
Depreciation	61,965	3,022	2,965	67,953	75,326
	\$ 3,383,868	165,035	161,942	3,710,846	3,615,419
	91.19%	4.45%	4.36%		
PY	91.63%	4.44%	3.93%		

See accompanying notes to financial statements.

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

(1) **Nature of operations and summary of significant accounting policies**

Nature of operations:

SnowCap Community Charities (SnowCap) is a philanthropic organization in East Multnomah County created to provide food, clothing, advocacy and other services to the poor. The corporation solicits a variety of in-kind gifts such as food, clothing, books, toys, and seeds from the community, and receives commodities from the United States Department of Agriculture (USDA). These gifts are used to plant gardens, teach classes, outfit children for school, but primarily to make up food boxes.

SnowCap is a founding member of the Oregon Food Bank, West Columbia Chamber of Commerce, Gresham Chamber of Commerce, East Portland Chamber of Commerce, and Ecumenical Ministries of Oregon.

SnowCap enjoys the support of approximately 1,000 dedicated volunteers, 10 paid staff and many local givers. During the year ended June 30, 2022, SnowCap served 92,814 East County individuals in need (92,395 in the prior year).

Accounting policies:

The organization keeps its books on the accrual method of accounting.

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

Donations of food (including USDA) and clothing during the year ended June 30, 2022 are recorded at their estimated fair market values of \$1.25 and \$3.75 per pound. Food and clothing inventory balances at June 30, 2022 were recorded at the same respective values. The majority of the food come through the Oregon Food Bank, which are USDA products, donated and purchased food. The rest come from local grocery stores and the general public.

A substantial number of volunteers have donated approximately 18,842 hours (13,111 in the prior year) to the organization's program services and fund-raising campaigns during the year; however, these donated services are not reflected in the financial statements since the

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(1) Nature of operations and summary of significant accounting policies
(continued)

services do not require specialized skills. Donated professional services, primarily computer consulting, are recorded at their estimated fair market value.

The organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The organization's cash balances are deposited in checking and money market accounts of several banks and are covered by federal insurance on bank accounts. Management believes the organization is not exposed to any significant credit risk on cash.

The certificates of deposit are recorded at cost, which approximates market value. The certificates bear interest ranging from 0.05 to 1.1 percent and have maturities ranging from six months to six years with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Cash restricted for long-term purposes has been restricted by donors and is not available for operating purposes.

Property and equipment are stated at cost. Donated property and equipment are recorded at their estimated fair market value at the time of donation. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long these assets must be maintained, the organization reports expirations of donor restrictions when the donated asset is placed in service or when the cash is expended towards the intended purpose. Net assets with donor restrictions are reclassified to net assets without restrictions at that time.

All acquisitions of property and equipment, and all expenditures for repairs, maintenance, and betterments over \$1,000 that materially prolong the useful lives of assets are capitalized. Lesser amounts are expensed. Depreciation is computed on the straight-line method over the estimated useful lives of the assets ranging from five to thirty-nine years.

Vacation pay is charged to expense when earned.

Under the company's pension plan, SnowCap annually contributes five percent of the employee's gross salary. All employees that are employed half time or more are eligible after six months of employment. During the year, contributions of \$21,253 were charged to current operations (\$20,179 in the prior year).

The costs of advertising the organization's programs are expensed as incurred.

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(1) **Nature of operations and summary of significant accounting policies (continued)**

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs such as salaries, occupancy, and office expenses have been allocated on the basis of estimates of time and effort among the functions benefited. Directly identifiable expenses are charged to programs and supporting services.

The organization provides additional utility assistance in partnership with Heat Oregon. SnowCap provides the administrative screening of eligible families and Heat Oregon makes the assistance payments directly to the utility companies.

The Organization achieves some of its programmatic and management and general goals in direct mail campaigns and newsletters that include requests for contributions. The costs of conducting those campaigns included a total of \$8,391 of joint costs that are not directly attributable to either the program or management and general components or the fund-raising component of the activities. Those joint costs were allocated as follows:

Program Services	\$	6,803
Fund-raising		1,588
Management and General		-
	\$	<u>8,391</u>

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SnowCap Community Charities is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). SnowCap's form 990, Return of Organization Exempt from Income Tax returns for the year ending June 30, 2021, 2020 and 2019 are subject to examination by the IRS, generally 3 years after they were filed. SnowCap believes that it has support for any tax positions taken, and such, does not have any uncertain tax positions that are material to the financial statements.

The financial statements include certain prior-year summarized comparative information in total but not by functional expense. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles, and accordingly should be read with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(2) Property and equipment

As of June 30, 2022, property and equipment consists of the following:

Equipment	\$	35,174
Leasehold improvements		43,841
Building		637,290
Building furnishings		52,926
Warehouse equipment		230,130
Vehicles		298,072
Greenhouse/garden improvements		16,373
Software		-
New Warehouse Prelim Costs		183,957
		1,497,763
Accumulated depreciation		(826,255)
	\$	671,508
Equipment	\$	28,706
Leasehold improvements		43,841
Building		630,592
Building furnishings		52,926
Warehouse equipment		225,131
Vehicles		178,497
Greenhouse/garden improvements		16,373
Software		84,125
New Warehouse Prelim Costs		8,884
		1,269,074
Accumulated depreciation		(650,976)
	\$	618,098

(3) Lease commitments

In May 1996, the organization signed a lease agreement for a tract of land for a term of forty years with an annual payment of \$1. In January 2014, an addendum was signed for additional space used by the organization to extend the warehouse, and as a private park area. For a 40-year term beginning in July 2019, a new lease was signed for a separate tract of land with a base rent of \$1 annually, for a new multi-use building. Also see note 4.

The Organization has an operating lease for a copier and fifteen phones with a sixty-month term. The rental portion of the payments for this lease was \$8,096 for the year ended June 30, 2021 (\$8,0965 in the prior year). Future minimum payments under this lease contract include all service, training and periodic maintenance, and are as follows.

2022	\$	23,700
2023		17,775
	\$	41,475

In the effort to reduce traffic at its warehouse, SnowCap started using a facility in Gresham to store clothing beginning in April 2021. The storage facilities are provided at no cost but based on current market rates, the Organization would have paid \$11,467 monthly for the space. This facility is leased on a short-term basis, and is cancellable by either party. The value of this utilized space was recognized in the Statement of Activities.

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(4) Leasehold interest

As of June 30, 2022, the organization had the following leasehold rights: 1) the use of a tract of land through April 2036 where the original building and warehouse were built on; 2) an additional tract of land used partly to extend the original warehouse and the rest as a park area through 2036; and 3) a separate tract of land where two multiuse buildings are planned to be built in two phases, through June 2059.

The land lease #3 above is the foundation of a capital campaign to relocate SnowCap's clothing program, add warehouse and community space and assure a long-term home for SnowCap.

The present value of the above is based on an estimated current fair market rent of \$272,458 annually (\$272,458 in the prior year) over their respective lease terms, using a 4.5% discount rate for the first land lease, 3.14% for the second, and 2.5% for the third. The first two leases cover property adjacent to each other, while the third is in a separate location.

The total leasehold interest amounts are classified as follows:

Future leasehold rights	\$ 5,089,066
Less current portion - twelve months	<u>(264,448)</u>
Leasehold interest - non-current	<u>\$ 4,824,618</u>

The expected time expirations on restrictions of leasehold interests are:

<u>Year ended June 30</u>	
2023	\$ 264,448
2024	256,689
2025	249,173
2026	241,891
2027	234,835
Thereafter	<u>3,842,030</u>
	<u>\$ 5,089,066</u>

(5) **Net assets**

Generally, the financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows: Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are board designations of sums to assure adequate financing of certain plans. Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The organization's unspent contributions would be classified in this class if the donor limited their use. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from "Net assets with restrictions" to "Net assets without restrictions". As of June 30, 2022, net assets consist of:

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(5) **Net assets (continued)**

Without donor restrictions	
Designated:	
Invested in building and equipment	\$ 671,508
Fundraising fund	20,538
Quasi-endowment fund (note 6)	55,411
New warehouse project	1,200,000
Undesignated	780,881
Total	\$ 2,728,337
With donor restrictions	
Restricted for:	
Endowment	7,525
Food purchase	1,483
Donated facilities available	5,089,066
Pet food fund	5,469
New warehouse project	635,160
Miscellaneous	29,883
Total	5,768,586
Total net assets	\$ 8,496,923

(6) **Beneficial interest in assets held by the community foundation**

The Board of Directors has established an account with the Oregon Community Foundation (OCF), designated as Quasi-Endowment funds. The organization has granted OCF variance power over these funds, which gives OCF's Board of Directors the power to use the funds for other purposes in certain circumstances. The beneficial interest in assets held at the OCF has been valued, as a practical expedient, at the fair value of the Organization's share of OCF's investment pool as of the measurement date. OCF values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of OCF, which includes private placements and other securities for which prices are not readily available, are determined by the management of OCF and may not reflect amounts that could be realized upon immediate sale, not amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

The following is a summary of assets held at fair value at June 30, 2022:

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(6) **Beneficial interest in assets held by the community foundation (continued)**

Fair Value Measurements Using				
Description	Total	Quoted Prices In	Significant	Significant
		Active Markets For	Other	Unobservable
		Identical Assets	Observable	Unobservable
		(Level 1)	Inputs	Inputs
		(Level 1)	(Level 2)	(Level 3)
Beneficial interest in assets held at OCF	\$ 55,411	\$ -	\$ -	\$ 55,411
Total	\$ 55,411	\$ -	\$ -	\$ 55,411

Fair Value Measurements Using				
Description	Total	Quoted	Significant	Significant
		Prices	Other	Unobservable
		In	Observable	Unobservable
		Active	Observable	Unobservable
		Markets For	Observable	Unobservable
		Identical	Observable	Unobservable
		Assets	Observable	Unobservable
		(Level	Observable	Unobservable
		1)	(Level	(Level 3)
		(Level	(Level	(Level 3)
		1)	(Level	(Level 3)
		(Level	(Level	(Level 3)
		1)	(Level	(Level 3)
Beneficial interest in assets held at OCF	\$ 44,656	\$ -	\$ -	\$ 44,656
Total	\$ 44,656	\$ -	\$ -	\$ 44,656

Financial instruments classified as Level 3 in the fair value hierarchy represent the Organization's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model. The following table represents a reconciliation of the activities for Level 3 financial instruments:

Balance at June 30, 2021	\$ 60,846
Share of appreciation of fund	(3,385)
Distributions received	(2,050)
Balance at June 30, 2022	\$ 55,411

(7) **Forgivable loans under the Paycheck Protection Program**

In response to the coronavirus (COVID 19) outbreak in 2020, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act, that among other economic stimulus measures, established the Paycheck Protection Program (PPP) to

provide small business loans. In May 2020, SnowCap obtained a PPP loan for \$96,700, which was forgiven in July 2021.

(8) Receivable restricted to long-term use

Receivables restricted to purchase of fixed assets as of June 30, 2022 are for the new warehouse project and is expected to be collected over the next 3 years discounted at 2%. The unamortized discount is \$6,847 as of June 30, 2022.

Receivable in one to three years	\$ 225,000
Less discounts to net present value	<u>(6,847)</u>
Net receivable	\$ 218,153

SnowCap Community Charities

NOTES TO FINANCIAL STATEMENTS, Continued

(9) Subsequent events

See PPP loan forgiveness above.

Management has evaluated subsequent events through August 31, 2022, the date that the financial statements were available to be issued.