

LIONS, TIGERS & BEARS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS

Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to Financial Statements	6 - 13

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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Members
Lions, Tigers & Bears

Opinion

I have audited the accompanying financial statements of Lions, Tigers & Bears, which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, cash flows and functional expenses, for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lions, Tigers & Bears as of December 31, 2022, and the results of its operations and its cash flows and functional expenses for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Lions, Tigers & Bears and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Lions, Tigers & Bears 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

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- 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 Lions, Tigers & Bears 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lions, Tigers & Bears ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Gregory V. Villard
La Mesa, California
October 30, 2023

LIONS, TIGERS & BEARS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Cash & Cash Equivalents	\$ 1,722,905	\$ 750,653	\$ 2,473,558
Inventory - Gift Shop	68,533	-	68,533
Inventory - Animal Food	21,813	-	21,813
Marketable Securities	142,863	-	142,863
Prepaid Expense	279,645	-	279,645
Accounts Receivable	14,083	-	14,083
Property and Equipment	6,203,710	-	6,203,710
	<u>6,203,710</u>	<u>-</u>	<u>6,203,710</u>
 Total Assets	 <u>\$ 8,453,552</u>	 <u>\$ 750,653</u>	 <u>\$ 9,204,205</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Accounts Payable	\$ 217,771	\$ -	\$ 217,771
Accrued Expenses	88,630	-	88,630
Notes Payable	529,761	-	529,761
	<u>529,761</u>	<u>-</u>	<u>529,761</u>
 Total Liabilities	 <u>836,162</u>	 <u>-</u>	 <u>836,162</u>
 Net Assets			
Without Restrictions	7,617,390	-	7,617,390
With Restrictions	-	750,653	750,653
	<u>-</u>	<u>750,653</u>	<u>750,653</u>
 Total Net Assets	 <u>7,617,390</u>	 <u>750,653</u>	 <u>8,368,043</u>
 Total Liabilities and Net Assets	 <u>\$ 8,453,552</u>	 <u>\$ 750,653</u>	 <u>\$ 9,204,205</u>

See accompanying notes and independent auditor's report.

LIONS, TIGERS & BEARS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 2,038,225	\$ 2,113,068	\$ 4,151,293
Gifts in Kind	392,898	-	392,898
Grants	23,000	214,977	237,977
Memberships	37,789	-	37,789
General Visits	342,405	-	342,405
Special Events, Net of Expenses \$301,323	401,298	-	401,298
Gift Shop Sales, Net of Expenses \$64,247	34,359	-	34,359
Interest & Dividends	11,169	-	11,169
Net Unrealized Gain on Marketable Securities	1,347	-	1,347
Other Income	1,342	-	1,342
Employee Retention Credit	44,642	-	44,642
Bulk Water Sales	38,995	-	38,995
Net Assets released from restriction funds	2,684,296	(2,684,296)	-
 Total support and revenue	 6,051,765	 (356,251)	 5,695,514
 EXPENSES			
Program Services	2,890,738	-	2,890,738
Supporting Services			
Management and General	291,543	-	291,543
Fundraising	382,748	-	382,748
Total Supporting Services	674,291	-	674,291
 Total Expenses	 3,565,029	 -	 3,565,029
 Change in Net Assets	 2,486,736	 (356,251)	 2,130,485
 Net Assets			
Beginning of year	5,130,654	1,106,904	6,237,558
 End of year	 \$ 7,617,390	 \$ 750,653	 \$ 8,368,043

See accompanying notes and independent auditor's report.

LIONS, TIGERS & BEARS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	With Donor Restrictions	Without Donor Restrictions	Total
Cash Flows from Operating Activities			
Change in Net Assets	\$ 2,486,736	\$ (356,251)	\$ 2,130,485
Reconciliation to net cash provided by (used in) Operating Activities:			
Depreciation	470,434	-	470,434
(Increase) decrease in operating assets			
Accounts Receivable	(14,083)	-	(14,083)
Inventory - Gift Shop	(1,627)	-	(1,627)
Marketable Securities	(19,121)	-	(19,121)
Inventory - Animal Food	15,193	-	15,193
Deposits Held	277	-	277
Employee Retention Credit Receivable	256,172	-	256,172
Prepaid Expense	(279,645)	-	(279,645)
Increase (decrease) in operating liabilities			
Accounts Payable	82,250	-	82,250
Accrued Expenses	38,424	-	38,424
Net cash provided by (used in) operating activities	<u>3,035,010</u>	<u>(356,251)</u>	<u>2,678,759</u>
Cash Flows from Investing Activities			
Purchases and Disposals of property and equipment (net)	<u>(2,729,706)</u>	<u>-</u>	<u>(2,729,706)</u>
Net cash provided by (used in) investing activities	<u>(2,729,706)</u>	<u>-</u>	<u>(2,729,706)</u>
Cash Flows from Financing Activities			
Principal payments on Notes Payable	<u>(42,153)</u>	<u>-</u>	<u>(42,153)</u>
Net cash provided (used in) financing activities	<u>(42,153)</u>	<u>-</u>	<u>(42,153)</u>
Increase (Decrease) in Cash and Cash Equivalents	\$ 263,151	\$ (356,251)	\$ (93,100)
Cash and Cash Equivalents			
Beginning of year	<u>1,459,754</u>	<u>1,106,904</u>	<u>2,566,658</u>
End of year	<u>\$ 1,722,905</u>	<u>\$ 750,653</u>	<u>\$ 2,473,558</u>
Supplemental Disclosure:			
Interest Expense	\$ 17,838	\$ -	\$ 17,838

See accompanying notes and independent auditor's report.

LIONS, TIGERS & BEARS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program	Management & General	Fundraising	Total
Salaries	\$ 683,266	\$ 128,398	\$ -	\$ 811,664
Payroll Taxes / Medical	111,531	13,176	-	124,707
Worker's Comp Insurance	19,495	3,548	-	23,043
Total salaries and related expenses	814,292	145,122	-	959,414
Computer, Software, Website Related	26,651	5,551	22,143	54,345
Animal Care	725,641	-	-	725,641
Credit Card and Bank Fees	11,782	2,007	31,346	45,135
Licenses, Permits & Dues	1,610	977	-	2,587
Educational	25,865	-	-	25,865
Insurance	107,134	8,529	3,560	119,223
Interest	16,459	971	408	17,838
Legal/Professional Fees/Consulting	27,243	35,600	5,869	68,712
Marketing	51,165	-	277,187	328,352
Office, Printing & Postage	33,729	9,315	24,503	67,547
Rent	133,500	10,500	4,500	148,500
Occupancy Costs	159,381	-	-	159,381
Repairs & Maintenance	17,778	4,471	3,600	25,849
Rescue, Travel, Meetings	93,812	4,856	-	98,668
Utilities	122,987	11,745	4,725	139,457
Vehicle Expenses	69,612	4,856	-	74,468
Volunteer & Employee Relations/Training	28,706	-	-	28,706
Donor Relations	-	-	4,907	4,907
Total expenses before depreciation	2,467,347	244,500	382,748	3,094,595
Depreciation	423,391	47,043	-	470,434
Total Expenses	<u>\$2,890,738</u>	<u>\$ 291,543</u>	<u>\$ 382,748</u>	<u>\$ 3,565,029</u>

See accompanying notes and independent auditor's report.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES

Lions, Tigers & Bears is a California nonprofit public benefit corporation (the "Organization"). Incorporated on January 3, 2001, the Organization was organized under the Nonprofit Public Benefit Corporation Law for the following charitable purposes:

- A. Preserve, protect, and provide lifetime, safe havens for endangered, injured, abused, unwanted, and abandoned exotic cats and animals.
- B. Provide educational experiences, mentorship programs, consultation services, and opportunities to display and exchange information regarding endangered, injured, abused, unwanted, and abandoned exotic animals.
- C. Conduct and disseminate qualitative and quantitative research regarding the breeding, care, preservation, protection, and environmental and other impacts upon endangered, injured, unwanted, and abandoned exotic animals.
- D. Establish a wildlife sanctuary, museum, and education facility dedicated to informing the public concerning the protection, preservation, and care of such animals.
- E. Engage in such other activities as will facilitate, or which are necessary or incidental to, achieving the foregoing charitable purposes.
- F. Rescue abandoned big cats and other exotic animals.

The Organization operates out of and is located on a leased facility located in Alpine, California.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, "Not for Profit Entities".

Revenue and Revenue Recognition

Revenue from donations, visits, auxiliary activities and grants, fund raisers, etc. are available for general use unless specifically restricted by the donor. Other than promises to give, revenue from donations and bequests are not recognized until received.

The Organization has two (2) membership types that allow for unlimited visits for one year for one named adult, or for children 12 years and younger. Both membership types include exclusive members-only events and discounts. Memberships are for one year from the date of payment. Membership dues are recognized upon collection as fees and are non-refundable and are considered a charitable donation.

Merchandise sales include clothing and other materials that generally have the Organization's logo.

Grant revenues earned, are recorded when funds are received. Grant expenditures are recorded when the liability is incurred.

No allowance for uncollectible accounts has been established since, in management's opinion, they are all collectible.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. The Organization uses the allowance method to determine uncollectible promises receivable. The allowance, if applicable, is based on prior years' experience and management's analysis of specific promises made.

Contributed Services and Materials

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Contributed services are reflected in the accompanying financial statements at fair value of the services received, if the services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing these skills and would otherwise need to be purchased if not provided by donation. Such items are capitalized or charged to operations as appropriate.

The Organization received a substantial amount of services donated by volunteers in carrying out the Organization's program services. No amounts have been recorded for these services as they do not meet the requirements for recognition under generally accepted accounting principles as contributions in the financial statements.

Inventory

Gift shop inventory, consisting of clothing and other retail items that generally have the Organization's logo are stated at lower cost or market value. Animal food inventory consists of food held in storage for feeding the animals on the premises.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Property and Equipment

Property and equipment additions are recorded at cost, or if donated, are recorded at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. It is the Organization's policy to capitalize property acquisitions that exceed \$750 in cost or donated value.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with initial maturity of three months or less to be cash equivalents.

Income Tax Status

The Organization has qualified for tax-exempt status under Internal Revenue Code Section 501(c)(3) and California Revenue Code Section 23701(a). The Organization has also been classified by the Internal Revenue Service as an entity that is not a private foundation within the meaning of Section 170(c)(2). Income for certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. No provision for income taxes has been made in the accompanying financial statements, however, since there is no unrelated business activity.

The Organization recognizes the financial statement benefit of tax positions, such as its income tax exempt filing status, only after determining that the relevant tax authority would more likely than not sustain the position following an audit. The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California purposes is generally three and four years, respectively.

Functional Allocation of Expenses

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

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Impairment of Long-lived Assets

The Organization accounts for impairment of long-lived assets in accordance with FASB ASC 360. "Property, Plant, and Equipment, with Regard to Impairment and Disposal of Long-lived Assets." This analysis included a review for a significant decrease in market value below book value, the extent and manner for which the long-lived assets are used, a review of legal factors and business climate, and a review of the costs of new construction and cash flows generated by the Organization in the year ended December 31, 2022. The Organization has determined that no impairment has occurred for the year ended December 31, 2022.

Investments

Investments in all debt securities and equity securities with readily determinable market values are recorded at fair market values in the Statement of Financial Position. Realized and unrealized gains and losses are included in the accompanying Statement of Activities and Changes in Net Assets. Fair market value is determined from quoted market prices.

NOTE 3. NOTES PAYABLE

Long-term debt at December 31, 2022 was comprised of the following:

Note payable for a 60 month term with monthly payments of \$372.10 collateralized by a travel hauler	\$ 8,646
Note payable for a 60-month term with monthly payments of \$1,350.07 collateralized by a truck	26,628
Note payable for a 60 month term with monthly payments of \$1,194.77 collateralized by a truck	20,366
Note payable to the Small Business Association For a 360 month term at 2.75% With monthly payments of \$2,136.00	<u>474,121</u>
Sub-Total	529,761
Less Current Portion	(45,382)
Long-Term Debt	<u>\$484,379</u>

The future maturities of long-term debt are as follows:

2023	\$ 45,382
2024	51,842
2025	62,118
Remaining Years	<u>370,419</u>
Total	<u>\$529,761</u>

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4. PROPERTY AND EQUIPMENT

Property and Equipment at December 31, 2022 are summarized as follows:

Land	\$1,253,178
Habitats and Improvements	5,683,060
Transportation and Equipment	<u>2,186,067</u>
	<u>\$9,122,305</u>
Less accumulated depreciation	<u>(2,918,595)</u>
Total Property and Equipment	<u>\$6,203,710</u>

Included in the transportation and equipment of \$2,186,067 is a special truck for hauling animals. This truck was purchased for \$192,275 by Lions, Tigers, & Bears, LLC, which is solely owned by Lions, Tigers, & Bears.

Depreciation expense for the year ended December 31, 2022, was \$470,434.

NOTE 5. RELATED PARTY ADVANCES AND OTHER TRANSACTIONS

The Organization's founder is the Chairman of the Board of Trustees and Vice-President (the "Founder") and her husband is the President (the "Co-Founder"). The Founder manages and operates the Organization on a full-time basis and the Co-Founder provides assistance on a full-time basis and equipment to maintain the Organization's Alpine facility.

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022:

Generator	\$60,465
Equipment Replacement	13,733
Emergency Fire Fund	9,248
Meatball's Pool & Funds & Bear Habitat 2 Funds	35,949
Veterinary	33,677
Raffles	30,081
The Cross	2,210
Rescue Fund	59,844
Vehicle Replacements	5,724
Venue	91,121
Solar	191,935
Ranch Needs	6,000
Serval-Raphael	1,500
Camera and Wi-Fi	6,689
Water Truck, Tanks/Pumps	167,019
Shade Sails and Restroom	<u>50,454</u>
Total amount subject to expenditures for a specific purpose	<u>\$750,649</u>

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2022:

Bear Habitat 2/Meatball Pool	\$ 44,875
Emergency Fire Fund	65,508
Equipment Replacement Funds	24,336
Raffles	152,784
Food Prep Trailer	180,000
Eddie's Habitat	116,063
Rescue Fund	56,884
Venue	100,000
Solar Fund	172,805
Veterinary	25,311
Cameras/Wifi	217,160
Water Truck/Pumps/Tanks	200,914
Shade Sales/Restroom Trailer	74,546
Land Acquisition	<u>1,253,710</u>
 Total	 <u>\$2,684,896</u>

NOTE 7. RELATED PARTY OPERATING LEASE

On March 29, 2008, as amended on March 10, 2010, as restated on January 1, 2015, the Organization entered into a Related Party Triple – Net Operating Lease with the Founder and Co-Founder to lease approximately seven (7) acres of land and improvements in Alpine, California, the Alpine Facility, for an initial term on ten (10) years from January 1, 2015 (the “Related party Operating lease”). The Alpine Facility leased by the Organization under the Related Party Operating Lease is owned by the Founder and Co-Founder and is part of a parcel of 93 acres of land upon which their residence is located. Monthly rental for the Related Party Operating lease during the ten (10) year term is \$6,975. If mutually agreed upon by both parties, the Organization has the option to add acreage to the lease at the monthly rate of \$500 per acre. The Organization has an option to extend the Related Party Operating Lease for an additional five (5) year term with a minimum of 180 days written notice prior to the expiration of the initial lease term. Rent expense for the year ended December 31, 2022, was \$150,000.

The Related Party Operating Lease for the Alpine Facility is likely under market rental rates for the location. The Organization has not recorded as contributed services and additional rent an amount for the below market lease rate.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Other than the Related Party Operating Lease, Notes Payable, and Loan Payable, there are no known commitments or contingencies.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end excluding property and equipment	\$3,000,495
Less those unavailable for general expenditures within one year due to:	
Donor restricted for various programs	<u>(750,653)</u>
Financial assets available to meet cash needs for General expenditures within one year	<u>\$2,249,842</u>

NOTE 10. SBA-PAYCHECK PROTECTION PROGRAM

In April 2020, the Organization applied for a PPP (Paycheck Protection Program) Loan through the Small Business Administration. Authorized by the CARES ACT, the Organization received a \$147,000 loan which was forgiven in December 2020. During the current year, the Organization applied for and received a second PPP loan for \$135,000, which was also forgiven during 2022.

NOTE 11. FAIR VALUE MEASUREMENTS

Fair values are measured along the following criteria:

- Level 1 input: Quoted prices in active markets for identical assets
- Level 2 input: Significant observable inputs
- Level 3 input: Significant unobservable inputs

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

- Cash and cash equivalents: The carrying amount approximates fair value because of the short maturities.
- Certificates of deposit: The fair value of certificates of deposit is determined based on quoted market prices.

LIONS, TIGERS & BEARS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Fair values of the Association's financial instruments at December 31, 2022 are as follows, and all values are classified as Level 1 inputs:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial Assets:		
Cash and Cash Equivalents	\$2,473,558	\$2,473,558
Marketable Securities	142,816	142,816

NOTE 12. EMPLOYEE RETENTION CREDIT

The Organization applied for an employee Retention Credit of \$270,255 in 2021 and received these funds from the Federal government in 2022. In addition, the Association received an additional \$44,642 during the 2022 year.

NOTE 13. LAND ACQUISITION

On August 14, 2022, the Organization purchased 49 acres of neighboring land for future expansion of its exotic wildlife sanctuary. The cost of this acquisition was \$1,253,179.

NOTE 14. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 30, 2023, the date that the financial statements were available to be issued.