

# CAMP CATANESE FOUNDATION

## FINANCIAL REPORT

September 30, 2025



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

*Analyzing Yesterday. Adjusting Today. Planning Tomorrow.*

**CAMP CATANESE FOUNDATION**

**FINANCIAL STATEMENTS**

**September 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Camp Catanese Foundation  
Phoenix, Arizona

### **Opinion**

We have audited the accompanying statement of financial position of Camp Catanese Foundation (the "Organization") as of September 30, 2025 and the related statements of activities, functional expenses and cash flows for the year ended September 30, 2025 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 the Organization as of September 30, 2025, and the changes in net assets and its cash flows for the year ended September 30, 2025 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 (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 the Organization and to meet our 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.

### **Management's Responsibility 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 or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within 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 the Company'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 the Organization'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.

  
Johnstown, Pennsylvania  
December 29, 2025

**CAMP CATANESE FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**September 30, 2025**

<i>Assets</i>	
<b>Current Assets:</b>	
Cash and cash equivalents, unrestricted	\$ 414,977
Cash and cash equivalents, restricted	199,580
Grants receivable	4,658
Investments	2,853,252
Prepaid expenses	2,113
Total Current Assets	3,474,580
<b>Property and Equipment</b>	
Furniture and equipment	21,675
Leasehold improvements	70,221
Vehicles	175,681
	267,577
Accumulated depreciation	(71,879)
Property and Equipment - Net	195,698
Other assets	25,762
Right of Use Asset	1,165,658
Total Assets	\$ 4,861,698
<i>Liabilities and Net Assets</i>	
<b>Current Liabilities:</b>	
Accounts payable	\$ 19,172
Accrued liabilities	58
Current lease liability	301,153
Total Current Liabilities	320,383
Lease liability, less current portion	864,505
Total Liabilities	1,184,888
<b>Net Assets:</b>	
Net assets without donor restrictions	3,477,230
Net assets with donor restrictions	199,580
Total Net Assets	3,676,810
Total Liabilities and Net Assets	\$ 4,861,698

See Notes to the Financial Statements

## CAMP CATANESE FOUNDATION

### STATEMENT OF ACTIVITIES

Year Ended September 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions	\$ 1,942,376	\$ 359,000	\$ 2,301,376
Contributions - noncash	855,470	-	855,470
Grant revenue	97,696	-	97,696
Investment revenue			
Interest and dividend revenue, net of expenses	72,939	-	72,939
Net realized gain/(loss)	78,630	-	78,630
Net unrealized gain	206,348	-	206,348
Other revenue	3,894	-	3,894
Net assets released from restrictions	554,026	(554,026)	-
Total Revenue and Support	3,811,379	(195,026)	3,616,353
Expenses:			
Program expenses	2,361,029	-	2,361,029
Management and general	257,859	-	257,859
Fundraising expenses	211,385	-	211,385
Total Expenses	2,830,273	-	2,830,273
Change in Net Assets	981,106	(195,026)	786,080
Net assets, beginning of year	2,496,124	394,606	2,890,730
Net assets, end of year	\$ 3,477,230	\$ 199,580	\$ 3,676,810

See Notes to the Financial Statements

**CAMP CATANESE FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended September 30, 2025**

	Program Services	Management and General	Fundraising	Total Expenses
Personnel:				
Wages	\$ 206,733	\$ 40,774	\$ 80,278	\$ 327,785
Payroll Taxes	16,783	3,310	6,517	26,610
Total Personnel Expenses	<u>223,516</u>	<u>44,084</u>	<u>86,795</u>	<u>354,395</u>
Other Expenses:				
Contract services	88,768	72,829	113,565	275,162
Depreciation	46,319	9,921	-	56,240
Food and lodging	534,661	6,613	2,881	544,155
Office, administrative and training expenses	62,175	41,142	2,786	106,103
Program materials and expenses	230,383	2,865	3,125	236,373
Rentals and occupancy	480,757	56,291	-	537,048
Scholarships	293,273	-	-	293,273
Travel	75,581	6,908	2,129	84,618
Utilities	2,416	4,943	104	7,463
Volunteer expense	323,180	12,263	-	335,443
Total Other Expenses	<u>2,137,513</u>	<u>213,775</u>	<u>124,590</u>	<u>2,475,878</u>
Total Expenses	<u>\$ 2,361,029</u>	<u>\$ 257,859</u>	<u>\$ 211,385</u>	<u>\$ 2,830,273</u>

See Notes to the Financial Statements

**CAMP CATANESE FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**Year Ended September 30, 2025**

Cash Flows from Operating Activities:	
Net increase in net assets	\$ 786,080
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	56,240
Realized (gain) loss on investments	(78,630)
Unrealized (gain) loss on investments	(206,348)
Interest and dividend revenue, net of expenses	(72,939)
(Increases) decreases in operating assets:	
Grants receivables	502,515
Other receivables	7,401
Prepaid expenses	342,744
Right of use assets	270,479
Increases (decreases) in operating liabilities:	
Accounts payable	(53,295)
Accrued liabilities	(2,065)
Current lease liability	30,674
Long term lease liability	(301,153)
Net cash provided by operating activities	<u>1,281,703</u>
Cash Flows from Investing Activities:	
Purchases of property and equipment	(12,221)
Purchase of investments	(3,778,602)
Proceeds from sale of investments	2,664,700
Net cash (used in) investing activities	<u>(1,126,123)</u>
Net increase in cash and cash equivalents	155,580
Cash and cash equivalents, beginning of year	<u>458,977</u>
Cash and cash equivalents, end of year	<u>\$ 614,557</u>
Cash and cash equivalents are composed of:	
Cash and cash equivalents, unrestricted	\$ 414,977
Cash and cash equivalents, restricted	199,580
	<u>\$ 614,557</u>

See Notes to the Financial Statements

## CAMP CATANESE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS September 30, 2025

#### Note 1: Organization

Camp Catanese Foundation ("CCF") was established in 2017 and organized for the purpose to provide college preparation programs for the inner-city Phoenix, Arizona students to help with ACT Prep and tutoring, including a summer camp experience.

CCF operated on a fiscal year period of July 1 through June 30, with the last complete fiscal year being June 30, 2024. Subsequent to June 30, 2024, CCF changed their year end to September 30 to coincide with the ending of their summer camp programs.

#### Note 2: Summary of Significant Accounting Policies

##### Basis of Accounting

The accounts of CCF are maintained on the accrual basis of accounting as prescribed by accounting principles generally accepted in the United States of America ("GAAP"), whereby revenues are recognized when earned and expenses are recognized when incurred.

##### Basis of Presentation

CCF has elected to adopt the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958, Financial Statements of Not-for-Profit Organizations. This topic has been updated by Accounting Standards Updates ("ASU") 2016-14, Presentation of Financial Statements of Not-for-Profit entities that improved current requirements related to net asset classifications, liquidity assessment, expense reporting consistency and methods used to present cash flow from operations.

##### Net Assets

Net assets have been recorded and reported as changes in the following two net asset classes:

Net assets without donor restrictions - Net assets without donor restrictions consist of resources that are available for use in carrying out the mission of CCF and include those expendable resources that have been designated for special use by CCF.

Net assets with donor restrictions - Net assets with donor restrictions represent contributions subject to donor-imposed restrictions. Some restrictions are temporary in nature, stipulating that resources be used after a specified date or for a particular purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of a restriction is accomplished, net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Some restrictions may be perpetual in nature and mandate the original principal be invested in perpetuity.

## **CAMP CATANESE FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2025**

#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### **Cash and Cash Equivalents**

CCF considers all cash on hand and in banks and other highly liquid debt instruments with maturity of three months or less, when purchased, to be cash and cash equivalents. CCF maintains its cash in bank deposit accounts, which did exceed the federally insured limits of \$250,000 per institution. CCF has not experienced any losses in such accounts and management believes that they are not exposed to any significant credit risk related to its cash and cash equivalents.

At September 30, 2025, the CCF had cash balances in excess of FDIC insurance.

##### **Cash and Cash Equivalents - Restricted**

CCF identifies and segregates for reporting purposes restricted contributions received during the year that have not been disbursed according to their donor-imposed restrictions.

##### **Investments and Investment Revenue**

Investments are carried at fair value on the statement of financial position based on quoted market prices. Investment income, including unrealized and realized gains and losses determined by the first-in, first-out method, is included in net assets without donor restrictions.

CCF continually reviews investments for impairment conditions that indicate any other than temporary decline in market value has occurred. In conducting this review, numerous factors are considered which, individually or in combination, indicate that a decline is other than temporary and that a reduction of the carrying value is required. These factors include specific information pertaining to an individual company or a particular industry and general market conditions that reflect prospects for the economy as a whole. Based on this review, no other than temporary losses were recorded during the period.

##### **Fair Value Measurements**

In accordance with FASB ASC Topic, Fair Value Measurements and Disclosures, fair value is the price we would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement.

##### **Prepaid Expenses**

Prepaid expenses consist of deposits and prepayments made in the current year that benefit future periods.

## CAMP CATANESE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS September 30, 2025

#### Note 2: Summary of Significant Accounting Policies (continued)

##### **Property and Equipment**

Property and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which is 5 years for vehicles and for leasehold improvements the lesser of the estimated useful life or the time period of the lease agreement. Expenditures for additions and improvements are capitalized and expenditures for maintenance and repairs are expensed in the period incurred. Management has reviewed property and equipment for impairment and has determined that no write-downs were necessary at September 30, 2025.

##### **Right of Use Assets and Lease Liabilities**

CCF determines if an arrangement contains a lease at the inception of a contract. Right-of-use assets represent CCF's right to use an underlying asset for the lease term and lease liabilities represent CCF's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of the lease, renewal date of the lease, or when significant lease modifications are made.

For real estate leases, CCF accounts for lease components and non-lease components as a single lease component. CCF, as lessee, recognizes a right-of-use asset and a lease liability on its statement of financial position for its real property lease. As of the commencement date of the lease, a lease liability and corresponding right-of-use asset are established on CCF's statement of financial position at the present value of future minimum lease payments. CCF's real property lease contains fixed amounts and the right of use asset, and lease liability recognized on the statement of financial position include these fixed payments.

CCF's real estate leases may contain options that permit renewals for additional periods. Options to extend are considered, based on operational and economic circumstances, and are included in the calculation of Right-of-Use assets and Lease Liabilities if they are deemed reasonably certain to be exercised at lease commencement.

CCF elected the short-term lease exception policy, which permits leases with an initial term of 12 months or less to not be recorded on CCF's statement of financial position and instead to be recognized as lease expense as incurred.

See Note 6 "Lease Commitments" for additional information about right-of-use assets and lease liabilities.

##### **Deferred Revenue**

Deferred revenue includes grant receipts received in advance by CCF which have not been earned. Grant revenue will be recognized as services are performed.

**CAMP CATANESE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2025**

**Note 2: Summary of Significant Accounting Policies (continued)**

**Contribution Revenue**

Contributions received by CCF are considered available for the general programs of CCF, unless specifically restricted by the donor. CCF reports all monetary gifts as support with donor restrictions if they are received with donor stipulations that limit their use or are subject to time restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met or expire in the fiscal year in which the contributions are recognized.

**Contributed Materials and Services**

Contributions of nonfinancial assets are recognized as revenue and expenses on the accompanying statement of activities at their estimated fair value at the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

The following table summarizes contributed nonfinancial assets that the Organization received by major category for the year ended September 30, 2025:

<u>Contributed nonfinancial assets</u>	<u>Estimated Fair Value</u>	<u>Manner of Use</u>	<u>Fair Value Techniques and inputs</u>
Goods/Housing	\$ 465,027	Program – camps	Estimated fair value at the date of donation, value of lodging during the course of the camps
Volunteer time	340,443	Program – camps	Based on the Arizona minimum wage rate times the number of hours
Scholarships	<u>50,000</u>	Program - scholarships	Based on cost of scholarships
Total contributed nonfinancial assets	<u>\$ 855,470</u>		

Contributed nonfinancial assets are presented on the accompanying statement of activities. No contributed nonfinancial assets were monetized and there were no donor-imposed restrictions on the contributed nonfinancial assets during the year ended September 30, 2025.

## CAMP CATANESE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS September 30, 2025

#### Note 2: Summary of Significant Accounting Policies (continued)

##### Grant Revenue

CCF has entered into grant agreements with various funding sources that assist in the various programs offered by CCF. Grant revenue is recognized in the statement of activities as the services are performed or disbursements made as specified by each grant agreement. Grant amounts received in which the services have not yet been earned, services have not yet been provided or disbursements made, are recorded as deferred revenue in the statement of financial position.

##### Use of Estimates

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

##### Tax Status

CCF is an exempt not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code and did not conduct unrelated business activities.

CCF applies FASB ASC Topic 740, Accounting for Uncertainty in Income Taxes. Management of CCF believes that for all the years subject to audit by the relevant taxing authorities, no material uncertain tax positions should be recognized in the financial statements. CCF believes that it has appropriate support for the positions taken on its tax returns. The amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Management believes its non-profit status would be upheld upon examination. CCF is no longer subject to income tax examinations for years prior to 2021.

##### Functional Allocation of Expenses

The statement of functional expenses reports expenses by functions (program, general and administrative and fundraising functions), as well as their natural classification. Functional expenses have been allocated between program services, general and administrative and fundraising based upon actual costs and allocations of time or other factors performed in each area.

##### Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the audit report, which is the date the financial statements were available to be issued. Management has determined that no additional disclosures and/or recognition are required as a result of this evaluation, other than the donation of the property under the first office lease as discussed in Note 6.

# CAMP CATANESE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS September 30, 2025

### Note 3: Liquidity

CCF's working capital and cash flows fluctuate during the year due to the timing of the various sources of revenue and support.

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

Cash and cash equivalents	\$ 414,977
Grants receivable	4,658
Investments	<u>2,853,252</u>
Financial assets available within one year to meet cash need for general expenditures	<u>\$ 3,272,887</u>

### Note 4: Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2025.

*Equity Securities:* Equity securities are classified as Level 1 assets. Equity securities are valued at the closing prices reported in the active market in which the individual securities are traded.

*Exchange Traded Funds:* Exchange traded funds are classified as Level 1 assets. Exchange traded funds are valued at the closing prices reported in the active market in which the individual securities are traded.

*Government Obligations:* Government obligations are classified as Level 1 assets, which are valued at the closing price reported in the active market in which the funds are traded.

## CAMP CATANESE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS September 30, 2025

#### Note 4: Fair Value Measurements\_(continued)

*Money Market Funds:* Money market funds are, as a practical expedient, valued at the Net Asset Value ("NAV") of shares held at year end.

*Mutual funds:* Mutual funds are classified as Level 1 assets. Mutual Funds are valued at the closing price reported in the active market in which the individual securities are traded.

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 CCF 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.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect CCF's investments and the amounts reported in the statement of financial position and the statement of activities.

The credit and liquidity crisis in the United States and throughout the global financial systems has resulted in substantial volatility in financial markets and the banking system. These and other economic events may have caused significant volatility to CCF's investment portfolio subsequent to year-end.

Management reviews for other than temporary decline in accordance with the requirements of fair value measurements. CCF invests in money market funds, U.S. government securities, corporate obligations, equities, and mutual funds. Certain individual investments may have fair values measured below cost. The severity of any impairment and the duration of any impairment correlate with current market conditions. Based upon the near-term prospects of the issuer of any of the securities in relation to the severity and duration of the impairment, and based upon CCF's ability and intent to hold those investments for a reasonable period of time sufficient for a forecast recovery of fair value, CCF does not consider those investments to be other-than-temporarily impaired at September 30, 2025.

The following investments are carried at fair value in CCF's financial statement: money market funds, U.S. government securities, and mutual funds. These fair value disclosures include information regarding the valuation of CCF's investments as of September 30, 2025:

**CAMP CATANESE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2025

*Assets at Fair Value as of September 30, 2025*

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV Expedient</u>	<u>Total</u>
Investments measured at fair value:					
Government Obligations	\$ 517,303	\$ -	\$ -	\$ -	\$ 517,303
Mutual Funds	835,739	-	-	-	835,739
Equity Securities	60,288				60,288
Exchange Traded Funds	<u>223,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,246</u>
	1,636,576	-	-	-	1,636,576
Investments at net asset value:					
Money Market Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,216,676</u>	<u>1,216,676</u>
Total Fair Value Measurements	<u>\$ 1,636,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,216,676</u>	<u>\$ 2,853,252</u>

**Changes in Fair Value Levels**

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers were evaluated between levels based upon the nature of the financial instrument and size of the transfer. For the period, there were no significant transfers in or out of Levels 1, 2, or 3.

The following summarizes investment activity for the period:

Investments – Beginning of year	\$ 1,381,433
Purchases/uninvested cash	3,930,171
Sales/other disbursements	(2,664,700)
Unrealized gain (loss)	<u>206,348</u>
Investments – End of year	<u>\$ 2,853,252</u>

The following summarized investment returns for the year:

Interest and dividend income, net of expenses	\$ 72,939
Net realized gain (loss)	78,630
Net unrealized gain (loss)	<u>206,348</u>
Total investment revenue	<u>\$ 357,917</u>

**CAMP CATANESE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2025**

**Note 5: Net Assets**

The following is a summary of the components of net assets for the period:

Net assets without donor restrictions	\$ 3,477,230
Net assets with donor restrictions, restricted by purpose:	
Fundraising purposes	385
Student programs	<u>199,195</u>
Total net assets with donor restrictions, restricted by purpose	<u>199,580</u>
Total net assets	<u>\$ 3,676,810</u>

During the period, net assets released from restrictions were \$554,026.

**Note 6: Lease Commitments**

CCF's real estate lease contain fixed amounts as stated in the lease. The right-of-use asset and lease liability recognized on the statement of financial position include these fixed payments. Variable portions of lease payments are not based on an index or rate.

CCF recognizes operating lease expense for actual lease costs, which include both fixed and variable amounts. The right-of-use asset and lease liability are generally reduced each period based on amortization calculated with the applicable discount rate over the lease term.

CCF leases certain property under two operating lease agreements.

The first lease is for office facilities. The term of the agreement commenced on November 12, 2023 through October 2028, with an additional 5 year option period available through October 2033 at the option of CCF. The agreement requires monthly base rent payments of \$3,500 per month plus applicable rental taxes that increases by the end of the lease term to monthly payments of \$4,254 plus applicable rental taxes. Subsequent to September 30, 2024, a lease addendum was signed that increased the monthly rent to \$21,059 beginning in October 2024.

The lease does not contain a determinable implicit rate and CCF is also unable to determine an incremental borrowing rate. CCF uses a risk-free rate for the real estate lease based on the remaining term of the lease at adoption.

A second lease agreement for office facilities commenced for a 40 month period from August 1, 2024 through November 30, 2027, with an additional three year option period available through November 30, 2030 at the option of CCF. The agreement requires no payments during the first four months of the lease term, with monthly base rent payments of \$7,460 plus applicable rental taxes that increases by the end of the extended lease term to monthly payments of \$8,200 plus applicable rental taxes. Additional, variable lease payments are also due based upon the operating costs of the office facilities.

**CAMP CATANESE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2025**

**Note 6: Lease Commitments (continued)**

The lease does not contain a determinable implicit rate and CCF is also unable to determine an incremental borrowing rate. CCF uses a risk-free rate for the real estate based on the remaining term of the lease at adoption.

The following table is a summary of the amounts included in net lease costs for the period:

Lease Cost	
Operating Lease Costs - Fixed	\$ 338,413
Operating Lease Costs – Variable	-
Short-Term Lease Costs	-
Sublease Income	<u>-</u>
 Net Lease Cost	 <u>\$ 338,413</u>

Supplemental cash flow information related to leases

Cash flow related to leases

Cash paid for amounts included in the measurement of lease liabilities (operating):

□ Operating cash flows paid for operating leases	<u>\$ 338,413</u>
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Supplemental statement of financial position information related to leases

Operating lease right-of-use assets	<u>\$ 1,165,658</u>
Current portion of operating lease liabilities	\$ 301,153
Long-term portion of lease liabilities	<u>864,505</u>
Total operating lease liabilities	<u>\$ 1,165,658</u>

Weighted average information

Weighted average remaining lease term-operating leases (in years)	3.87
Weighted average discount rate-operating leases	4.26%

**CAMP CATANESE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2025**

**Note 6: Lease Commitments (continued)**

The future minimum base rents payable under the remaining non-cancelable term of the operating leases are as follows:

2026	\$ 343,658
2027	345,374
2028	347,140
2029	117,307
2030	98,092
Thereafter	<u>16,400</u>
Total undiscounted lease payment maturities	\$ 1,267,971
Impact of present value discount	<u>(102,313)</u>
Amount report on Statement of Financial Position	<u>\$ 1,165,658</u>

In October 2025, the property under the first office lease was donated to CCF with an appraised value of \$4,300,000.