

**Elna M Smith Foundation
Review Report
For the Years Ended December 31, 2020, 2021 & 2022**

**Windle & Associates
Certified Public Accountants
P.O. Box 212
Eureka Springs, AR 72632**

To the Board of Directors

Elna M Smith Foundation
Eureka Springs, AR 72632

We have reviewed the accompanying Statement of Financial Position of Elna M Smith Foundation as well as the related Statement of Activities as of December 31, 2020, 2021 & 2022, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Elna M Smith Foundation.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with General Accepted Accounting Principles.

Our reviews were made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statement in order for them to be in conformity with General Accepted Accounting Principles.

Windle & Associates

Windle & Associates
Eureka Springs, AR
August 23, 2023

ELNA M. SMITH Foundation

Financial Statements for the Periods ended December 31, 2020, 2021 & 2022

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ELNA M. SMITH Foundation
Statement of Financial Position

| | For the Periods Ended December 31: | | |
|---|---|---------------------|---------------------|
| | 2020 | 2021 | 2022 |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | \$ 579,293 | \$ 764,246 | \$ 239,776 |
| Inventories and Other | \$ 122,584 | \$ 111,610 | \$ 227,523 |
| Total Current Assets | \$ 701,876 | \$ 875,856 | \$ 467,298 |
| Other Assets-Bank Escrow Account | \$ - | \$ 150,000 | \$ 150,000 |
| PROPERTY PLANT AND EQUIPMENT | | | |
| Total Property, Plant and Equipment | \$ 7,312,438 | \$ 7,561,764 | \$ 7,838,067 |
| Less: Accumulated Depreciation | \$ (5,455,867) | \$ (5,580,203) | \$ (5,714,602) |
| Net Property, Plant and Equip. | \$ 1,856,571 | \$ 1,981,561 | \$ 2,123,465 |
| Total Assets | \$ 2,558,447 | \$ 3,007,416 | \$ 2,740,763 |
| CURRENT LIABILITIES | | | |
| Accounts Payable and Other | \$ (2,393) | \$ 24,082 | \$ 30,174 |
| Sales Tax Payable | \$ 11,014 | \$ 13,104 | \$ 15,665 |
| Payroll Liabilities Payable | \$ - | \$ - | \$ - |
| Note Payable Affiliate | \$ 74,780 | \$ 7,000 | \$ 7,000 |
| Total Current Liabilities | \$ 83,401 | \$ 44,186 | \$ 52,838 |
| LONG TERM LIABILITIES | | | |
| Bank Loan Payable | \$ 1,999,535 | \$ 898,518 | \$ 328,603 |
| PPP Loans | \$ 190,800 | \$ - | \$ - |
| SBA Loan Payable | \$ 149,259 | \$ 149,259 | \$ 149,900 |
| Total Long Term Liabilities | \$ 2,339,594 | \$ 1,047,777 | \$ 478,503 |
| Total Liabilities | \$ 2,422,995 | \$ 1,091,963 | \$ 531,341 |
| NET ASSETS | | | |
| Total Net Assets | \$ 135,453 | \$ 1,915,453 | \$ 2,209,422 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 2,558,447 | \$ 3,007,416 | \$ 2,740,763 |

ELNA M. SMITH Foundation
Statement of Activities

| | FY ended December 31 | | |
|--|----------------------|---------------------|---------------------|
| | 2020 | 2021 | 2022 |
| Revenues, Gains and Other Income | | | |
| Performance and Exhibits | \$ 724,334 | \$ 1,113,093 | \$ 1,170,197 |
| Donations | \$ 556,268 | \$ 1,266,651 | \$ 775,373 |
| Merchandise Sales | \$ 332,619 | \$ 593,075 | \$ 604,675 |
| Food and Beverage | \$ 52,574 | \$ 278,423 | \$ 269,187 |
| PPP Loan Forgiveness | \$ - | \$ 502,769 | \$ - |
| Other Federal Grants | \$ 44,786 | \$ 491,191 | \$ - |
| Miscellaneous Program Revenue | \$ 11,749 | \$ 8,703 | \$ 13,961 |
| Insurance Reimbursements | \$ 24,522 | \$ 4,318 | \$ - |
| | \$ 1,746,852 | \$ 4,258,224 | \$ 2,833,393 |
| Less Cost of Goods Sold | \$ 186,198 | \$ 399,412 | \$ 430,047 |
| Total Revenues, Net of COGS | \$ 1,560,654 | \$ 3,858,812 | \$ 2,403,346 |
| | <i>Check= zero=</i> | \$ - | \$ - |
| Operating Expenses | | | |
| Programs and Exhibits | \$ 678,852 | \$ 1,169,310 | \$ 1,216,250 |
| Food Service | \$ 32,262 | \$ 92,368 | \$ 139,160 |
| Management | | | |
| Fundraising | \$ 49,967 | \$ 78,668 | \$ 96,484 |
| Selling | \$ 126,568 | \$ 154,205 | \$ 192,329 |
| Total Operating Expense | \$ 887,648 | \$ 1,494,551 | \$ 1,644,223 |
| Operating Income | \$ 673,005 | \$ 2,364,261 | \$ 759,123 |
| General and Administrative Expense | | | |
| Payroll and Benefits | \$ 104,843 | \$ 120,571 | \$ 101,807 |
| Interest Expense | \$ 142,658 | \$ 129,372 | \$ 37,185 |
| Depreciation and Amortization | \$ 24,080 | \$ 24,867 | \$ 26,880 |
| Insurance | \$ 142,210 | \$ 165,090 | \$ 185,934 |
| Property Taxes | \$ 13,751 | \$ 13,537 | \$ 13,706 |
| Professional Outside Services | \$ 11,037 | \$ 9,588 | \$ 9,075 |
| Other G&A | \$ 41,954 | \$ 100,293 | \$ 86,737 |
| Total G&A Expense | \$ 480,534 | \$ 563,318 | \$ 461,323 |
| Net Income | \$ 192,472 | \$ 1,800,943 | \$ 297,800 |
| | <i>Check= zero=</i> | \$ - | \$ - |
| Unrest. Net Assets at Beginning of Period | \$ (65,643) | \$ 135,453 | \$ 1,915,453 |
| Unrest. Net Assets-Adj.s to Prior Periods | \$ 8,624 | \$ (20,943) | \$ (3,831) |
| Unrest. Net Assets at End of Period | \$ 135,453 | \$ 1,915,453 | \$ 2,209,422 |

ELNA M. SMITH Foundation
Statements of Cash Flows

For the Years ended December 31

| | 2020 | 2021 | 2022 |
|---|-------------------|----------------------|--------------------|
| Cashflows from Operating Activities | | | |
| Net Income from Change in Net Assets | \$192,472 | \$1,800,943 | \$297,800 |
| Adjustments to reconcile changes in income to net cash provided (used): | | | |
| Depreciation and Amortization Expense | \$120,400 | \$124,336 | \$134,399 |
| Changes in assets and liabilities: | | | |
| (increase) decrease in Inventories | (\$66,931) | \$10,974 | (\$115,913) |
| increase (decrease) in accounts payable | (\$22,928) | \$26,475 | \$6,092 |
| Increase in other liabilities | \$11,684 | (\$18,853) | \$2,560 |
| Less Income from Forgiveness of PPP Loans | \$0 | (\$502,769) | \$0 |
| Total Adjustments | \$42,225 | (\$359,837) | \$27,138 |
| Net Cash Flows from Operating Activities | \$234,696 | \$1,441,106 | \$324,938 |
| Cash provided by (Used in) Investing Activities | | | |
| Additions to Capital Assets | (\$19,744) | (\$249,326) | (\$280,135) |
| Proceeds from sale of assets | \$0 | \$0 | \$0 |
| Net Cash Provided by (Used in) Investing Activities | (\$19,744) | (\$249,326) | (\$280,135) |
| Cash Flows from Loan Transactions Increase (Decrease) | | | |
| Notes Payable Bank | (\$37,466) | (\$1,101,016) | (\$569,914) |
| Notes Payable SBA | \$149,259 | \$0 | \$641 |
| Notes payable to Affiliate | \$7,000 | (\$67,780) | \$0 |
| PPP Loan Proceeds | \$190,800 | \$311,969 | \$0 |
| Payment to Bank as Escrow (Note 4) | | (\$150,000) | \$0 |
| Net Cash Provided by (used in) Financing Activities | \$309,593 | (\$1,006,827) | (\$569,273) |
| Net Increase in Cash | \$524,545 | \$184,953 | (\$524,470) |
| Cash at Beginning of Period | \$54,748 | \$579,293 | \$764,246 |
| Cash at End of Period | \$579,293 | \$764,246 | \$239,776 |

ELNA M. SMITH Foundation
Schedule to Statement of Activities-Expenses

| | Periods ended December 31 | | |
|---|---------------------------|---------------------|---------------------|
| | 2020 | 2021 | 2022 |
| Cost of Goods Sold | \$ 186,198 | \$ 399,412 | \$ 430,047 |
| Operating Expenses by Function | | | |
| Programs and Exhibits | \$ 678,852 | \$ 1,169,310 | \$ 1,216,250 |
| Merchandise | | | |
| Food Service | \$ 32,262 | \$ 92,368 | \$ 139,160 |
| Advertising and Promotion | \$ 49,967 | \$ 78,668 | \$ 96,484 |
| Selling | \$ 126,568 | \$ 154,205 | \$ 192,329 |
| Misc. Income | | | |
| Total Operating Expense | \$ 887,648 | \$ 1,494,551 | \$ 1,644,223 |
| General and Administrative Expense | | | |
| Payroll and Benefits | \$ 104,843 | \$ 120,571 | \$ 101,807 |
| Interest Expense | \$ 142,658 | \$ 129,372 | \$ 37,185 |
| Depreciation and Amortization | \$ 24,080 | \$ 24,867 | \$ 26,880 |
| Utilities and Tele. | | | |
| Insurance | \$ 142,210 | \$ 165,090 | \$ 185,934 |
| Property Taxes | \$ 13,751 | \$ 13,537 | \$ 13,706 |
| Professional Outside Services | \$ 11,037 | \$ 9,588 | \$ 9,075 |
| Bank Charges and Fees | \$ 15,288 | \$ 60,091 | \$ 27,836 |
| Travel | \$ 6,103 | \$ 4,662 | \$ 23,861 |
| Other G&A | \$ 20,563 | \$ 35,540 | \$ 35,039 |
| Total General and Admin. Expense | \$ 480,534 | \$ 563,318 | \$ 461,323 |
| Total All, Expenses | \$ 1,554,380 | \$ 2,457,281 | \$ 2,535,593 |

| Operating Expenses by Natural Expense Account | | | |
|--|---------------------|---------------------|---------------------|
| Payroll | \$ 567,023 | \$ 864,980 | \$ 1,002,363 |
| Payroll Taxes and Benefits | \$ 67,437 | \$ 81,564 | \$ 97,121 |
| Cost of Goods Sold | \$ 186,198 | \$ 399,412 | \$ 430,047 |
| Depreciation Expense | \$ 120,400 | \$ 124,336 | \$ 134,399 |
| Utilities | \$ 107,866 | \$ 137,234 | \$ 171,776 |
| Repair and Maintenance | \$ 47,343 | \$ 94,310 | \$ 40,288 |
| Insurance Expense | \$ 74,773 | \$ 83,526 | \$ 88,812 |
| Interest Exp. | \$ 142,658 | \$ 129,372 | \$ 37,185 |
| Supplies | \$ 21,272 | \$ 78,134 | \$ 74,435 |
| Animal Expense | \$ 37,032 | \$ 99,527 | \$ 43,503 |
| State and Local Taxes | \$ 17,027 | \$ 39,230 | \$ 41,480 |
| Advertising and Promotion | \$ 49,967 | \$ 78,668 | \$ 96,484 |
| Auto Expense | \$ 22,981 | \$ 93,301 | \$ 86,915 |
| Lease Expense | \$ 6,008 | \$ 6,843 | \$ 5,054 |
| Licenses and Permits | \$ 2,838 | \$ 3,555 | \$ 320 |
| Professional Outside Services | \$ 11,037 | \$ 9,588 | \$ 9,075 |
| Bank Fees | \$ 15,288 | \$ 60,091 | \$ 27,836 |
| Travel and Entertainment | \$ 6,103 | \$ 4,662 | \$ 23,861 |
| Property Taxes | \$ 13,751 | \$ 13,537 | \$ 13,706 |
| Computing Expense | \$ 840 | \$ 21,879 | \$ 14,987 |
| Office Expense | \$ 10,878 | \$ 3,263 | \$ 14,679 |
| Other Operating Expense | \$ 25,660 | \$ 30,270 | \$ 73,760 |
| Total All Expenses | \$ 1,554,380 | \$ 2,457,281 | \$ 2,528,086 |

Additional Expense Detail

Payroll Taxes and Benefits Allocation

| | | | |
|----------------------------|------------------|------------------|------------------|
| Performance | \$ 28,948 | \$ 31,082 | \$ 35,156 |
| Sales | \$ 13,453 | \$ 13,288 | \$ 16,989 |
| Exhibits and Grounds | \$ 10,463 | \$ 18,845 | \$ 23,690 |
| Food and Beverage | \$ 3,429 | \$ 7,959 | \$ 12,293 |
| General and Administrative | \$ 11,144 | \$ 10,390 | \$ 8,993 |
| Total Above | \$ 67,437 | \$ 81,564 | \$ 97,121 |

Elna M Smith Foundation
Note to Financial Statements
Periods Ending December 31, 2020, 2021 and 2022

Note 1. Summary of Significant Accounting Policies

Organization. The Elna M Smith Foundation (herein referred to as "The Great Passion Play") was formed in 1965 as a nonprofit corporation. It is a 501 C (3) corporation and designated as an entity that is not a private foundation within the meaning of Section 509 (a) of the Internal Revenue Code, and Arkansas law. It does business as the Great Passion Play with all activities located in Eureka Springs, Arkansas. Activities principally include The Great Passion Play performance center, the Bible Museum, the Christ of the Ozarks statue and the New Holy Land.

Overview of Operations. The Great Passion Play derives income from donations and or ticket sales related to its performances, guest tours and the operation of a restaurant facility and a small gift shop. The Great Passion Play employs approximately 40 people, on average, on a compensated basis. In addition it relies on the volunteer services of from 20 to 35 people, including most management people.

Basis of Presentation. The Financial Statements are prepared on a modified cash basis. In cases where amounts are deemed material to the presentation, certain accrued expenses and or payment are included. Financial statement preparation follows the requirement of the FASB codification Topics for Not-for-Profit Entities ("FASB"). Under these topics, the Great Passion Play is required to provide information related to its financial position and activities generally in three categories: unrestricted net assets, temporary restricted net assets and permanently restricted assets. Donations or contributions that come from outside parties with defined restrictions are accounted for in these categories as appropriate. Those restrictions reflect the specified preferences of the individuals making those contributions.

Contributions. Gifts of cash and other assets are recorded as unrestricted unless accompanied by specific stipulations by donors that limit the purpose of the donations. Restricted contributions are recorded as restricted assets, either temporary or permanent. When a donor restriction expires or the purpose of the restriction has been accomplished, temporarily restricted assets are reclassified as unrestricted; hence contributions that are restricted by the related donor are reported as increases in the unrestricted net assets if the restrictions expire in the fiscal year being reported.

Gifts of land, buildings and equipment are presented as unrestricted support unless explicit donor stipulations 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 Great Passion Play reports expirations of donor restrictions when such long-lived assets are placed in service.

Contributed services which increase non-financial assets, property or inventory, as well as services contributed by individuals with specialized skill which would have otherwise been purchased, are reported as unrestricted support. Other contributed services that enhance programs but are not essential are not recorded as support or income.

Inventories. Inventories are stated at the lower of cost (determined on a first-in, first-out basis) or market. Inventories consist primarily of items used for preparations of food or items held for sale in gift shops.

Property and Equipment (PP&E). PP&E are recorded at cost if purchased or at fair market value at the date of acquisition, if acquired by donation or bequest. Depreciation is provided for on straight-line basis over the estimated useful lives of the respective assets as follows:

| | |
|------------------------------------|------------|
| Buildings and improvements | 5-50 years |
| Animals | 5-10 years |
| Machinery and equipment | 3-20 years |
| Office furniture and equipment | 5-10 years |
| Scripts, sound and light equipment | 7-10 years |

Depreciation expense for the years ending December 31, 2020, 2021, and 2022 was \$120,400, \$124,336 and \$134,399 respectively.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the covered periods. Actual amounts could differ from the estimates.

Art Objects and Books. In accordance with the provisions of the FASB, the Great Passion Play does not capitalize art objects, historical artifacts or documents and books. The Great Passion Play owns many such objects of art which in the aggregate have substantial market value. Such assets have been added to collections that are held for public exhibition, education or research in furtherance of public service rather than financial gain; and the assets are protected, kept unencumbered, cared for and preserved.

Income Tax Position. The Great Passion Play qualifies as an organization exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and similar laws and regulations in the State of Arkansas. The Great Passion Play has also been classified as an entity that is not a private foundation within the meaning of Section 509 (a) of the Internal Revenue Code. Accordingly the Great Passion Play has made no provision for such income taxes in its financial statements. Management has assessed the tax position taken and determined that it is not at all likely that the Internal Revenue Service or the State of Arkansas will take any adverse position with regard to income taxes for the Great Passion Play and that no disclosure of any adverse position is required.

The Great Passion Play files informational "Return of Organization Exempt from Income Tax" (Form 990) in the US and in Arkansas and is in general subject to audit or examination of such returns filed after 2013.

Cash Equivalents. For purposes of its Statements of Cash Flows of highly liquid investments with an initial maturity of 90 days or less to be "cash equivalents".

Functional Allocation of Expenses. The Great Passion Play allocates its expenses on a functional basis among various programs and support service categories. Expenses directly identified with a program or service area are directly allocated to those areas. Other expenses that are common among several functions are allocated based on resources expended.

Long-lived Assets Impairment. Pursuant to FASB, Long-lived and intangible assets are examined and reviewed for impairment whenever events or changes in circumstances indicate that carrying amounts for such assets may not be recoverable. Management that no provision for such impairment is required because any such changed or impaired values are not material.

Note 2. Property Plant and Equipment (PP&E).

Major classifications of PP&E are as follows as on the end of the respective financial statement periods:

| | <u>12/31/2020</u> | <u>12/31/2021</u> | <u>12/31/2022</u> |
|-------------------------|----------------------------|----------------------------|----------------------------|
| Land and Improvements | \$ 3,207,435 | \$ 3,220,626 | \$ 3,220,626 |
| Buildings and Improvem | \$ 2,692,863 | \$ 2,797,941 | \$ 2,979,845 |
| Animals | \$ 15,043 | \$ 15,043 | \$ 15,043 |
| Machinery and Equipme | \$ 534,648 | \$ 559,407 | \$ 604,770 |
| Scripts, Sound and Ligh | \$ 443,897 | \$ 550,195 | \$ 599,231 |
| Office Equipment and F | \$ 418,552 | \$ 418,552 | \$ 418,552 |
| xed Assets | <u>\$ 7,312,438</u> | <u>\$ 7,561,764</u> | <u>\$ 7,838,067</u> |
| Less Accumulated Depr | \$(5,455,867) | \$(5,580,203) | \$(5,714,602) |
| xed Assets | <u>\$ 1,856,571</u> | <u>\$ 1,981,561</u> | <u>\$ 2,123,465</u> |

The Great Passion Play uses financial institutions in which it maintains cash, which from time to time may exceed the FDIC and/or SIPC insured limits of \$250,000. The Great Passion Play has not experienced any losses in such accounts and management believes it is not exposed to any significant risk of loss of cash value. As of the end of December 31, 2020 and 2021, the amounts on deposit with banks included the following:

| | <u>12/31/2020</u> | <u>12/31/2021</u> | <u>12/31/2022</u> |
|-------------------------------------|-------------------|-------------------|-------------------|
| CSBank, Eureka Springs, Arkansas | \$ 299,709 | \$ 659,309 | \$ 50,888 |
| Grand Savings Bank, Grove, Oklahoma | \$ 254,599 | \$ 76,606 | \$ 147,128 |

Note 4. Long Term Notes Payable.

CS Bank Debt Agreement. As of December 31, 2020, The Great Passion Play owed \$1,899,450 under a loan agreement with CS Bank, an FDIC insured bank in Eureka Springs, Arkansas (the "CS Bank Debt"). The original principal amount of that debt was \$2,406,827 and the Interest rate was 7.0%. The full remaining principal amount of \$1,899,450 was paid in full as of 10/13/21, based on refinancing with a different bank (see Grand Savings Bank Debt Agreement below). That loan agreement is now expired. Total interest expense for the CS Bank debt was approximately \$142,658, \$129,372 and \$37,185 in the periods ended December 31, 2020, 2021 & 2022 respectively.

The Grand Savings Bank Debt Agreement. As of 10/13/2021 the Great Passion Play entered into a loan agreement with Grand Savings Bank, an FDIC insured bank in Grove, Oklahoma, with a principal amount of \$1,899,450 (the "Grand Savings Bank Loan"). The Grand Savings Bank Loan agreement calls for principal payments of \$11,512 to be made monthly, commencing 10/13/2021, and a final maturity date of 9/31/31. The interest rate on such debt is at 4.0% per annum for the first 60 months of its term. Thereafter the interest rate may be adjusted based on changes in the JP Morgan Prime rate. As part of the Grand Savings Bank Loan agreement and as additional security, the Bank was granted a first lien mortgage against all assets of the Great Poisson Play, including all assets acquired after the date of the agreement. The Bank also received a cross collateralization covering any and all monies or assets on deposit with the Grand Savings Bank. Also as additional security the Bank secured a full and complete personal guaranty by Randal Christy who is the principal executive officer and a member of the Board of Directors of the Great Passion Play. As part of the agreement, the Great Passion Play has agreed to maintain an escrow account at Grand Savings Bank in an amount sufficient to secure an amount equal to the SBA Loan described below. As of December 31, 2021 an amount equal to \$150,000 remained on deposit with Grand Savings Bank pursuant to that escrow agreement. Total interest expense for the Grand Savings Bank debt was \$29,700 in 2021 and \$36,908 in 2022.

SBA Emergency Loan. As of 6/20/2020 the Great Passion Play entered into a loan agreement with the U.S. Small Business Administration (the "SBA Loan"). This loan had a principal amount of \$150,000, with an interest rate of 2.75% per annum. Monthly payments of \$641, including principal and interest were required. Shortly after commencement of the SBA Loan, the SBA notified the Great Passion Play that it was suspending payment requirement indefinitely. The Great Passion Play made initial payments thru December 2020. Included as long term debt was \$149,259 as of December 31, 2020 and 2021, pursuant to the SBA Loan. The SBA Loan included a general collateral agreement against all Great Passion Play assets.

Loans from Affiliate Parties. The Great Passion Play borrowed \$67,780 and \$7,000 respectively in FY 2019 and FY2020, respectively from The Gospel Station. The Gospel Station is a Company owned or controlled by Randal Christy, who is the principal executive officer and a member of the Board of Directors of the Great Passion Play. The funds were advanced by the Gospel Station on an informal basis, and with no defined repayment or interest rate terms. In 2021, \$67,780 of the subject loans were repaid by the Great Passion Play. The unpaid principal amounts of the loans are reflected as short term indebtedness in the financial statements of The Great Passion Play. As of December 31, 2021, \$7,000 of the loans remained unpaid.

Note 5. PPP Loans and Debt Forgiveness.

During 2020 and 2021, the Great Passion Play received \$190,800 and \$311,969, respectively, as loans pursuant to the Payroll Protection Plan administered by the United States Treasury Department ("PPP Funds"). All PPP Funds were initially recorded as long term loans. After achieving compliance with the PPP rules and regulations, the Great Passion Play was granted forgiveness of all amounts of debt representing PPP Funds in FY 2021. Upon confirmation of forgiveness of the associated debt, the recorded loan balances were reduced to zero, and a gain from forgiveness of debt was recorded. This resulted in a one-time extraordinary income item of \$502,769 in FY 2021.

Note 6. Uncertainty.

The stated purpose of the Great Passion Play is the dissemination of the Christian Gospel message thru the preservation of religious art, biblical documents, manuscripts and artifacts in addition to its's buildings monuments, shrines, galleries, museums, libraries and theaters whereby dramatic productions are performed as fine art. These performances are the principle basis for donation and other income to cover operating and general administrative expenses. It is the intention of the Board to continue such performances at current or increasing levels. If the performances were not able to be continued or continue at reduced levels, the Board may have to find other sources of income in order to remain as a viable organization, which may include additional grants or other contributions. As of the end of the reporting periods, the Board continues to believe that the Foundation will be able to continue operations in and at similar levels to those in fiscal year 2021. The Board is committed to reduce long-term debt owed to Grand Savings Bank to zero within the next 12-24 months.