

LOUISIANA SWAMP BASE, INC.
AND SUBSIDIARY

CONSOLIDATED FINANCIAL REPORT

Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Swamp Base, Inc. and Subsidiary
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Louisiana Swamp Base, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidating statement of financial position as of December 31, 2023, and the related consolidating statements of activities, functional expenses, and consolidated cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Swamp Base, Inc. as of December 31, 2023, 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 Consolidated Financial Statements section of our report. We are required to be independent of Louisiana Swamp Base, Inc. 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 opinions.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Louisiana Swamp Base, Inc.'s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 misstatement of the consolidated 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 consolidated 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 Louisiana Swamp Base, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Louisiana Swamp Base, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
September 16, 2025

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2023

	Operating Fund	Capital Fund	Endowment Fund	LSB Total	McGee's Venture, LLC	Consolidating Eliminating Entries	Consolidated
ASSETS							
CURRENT ASSETS							
Cash	\$ 159,951	\$ (77,696)	\$ 12,633	\$ 94,888	\$ 121,051	\$ -	\$ 215,939
Contributions receivable	5,000	9,258	-	14,258	-	-	14,258
Due from (to) other funds	550	(550)	-	-	-	-	-
Due from subsidiary	4,559	-	-	4,559	-	(4,559)	-
Due from affiliates	-	1,291	-	1,291	-	-	1,291
Prepaid expenses	1,856	-	-	1,856	-	-	1,856
Inventory	15,680	-	-	15,680	16,637	-	32,317
Total current assets	<u>187,596</u>	<u>(67,697)</u>	<u>12,633</u>	<u>132,532</u>	<u>137,688</u>	<u>(4,559)</u>	<u>265,661</u>
Property and equipment, net	-	1,906,214	-	1,906,214	17,492	-	1,923,706
OTHER ASSETS							
Restricted investments	-	602,260	-	602,260	-	-	602,260
Right-of-use asset - financing lease, net	-	-	-	-	5,740	-	5,740
Total other assets	<u>-</u>	<u>602,260</u>	<u>-</u>	<u>602,260</u>	<u>5,740</u>	<u>-</u>	<u>608,000</u>
Total Assets	<u>\$ 187,596</u>	<u>\$ 2,440,777</u>	<u>\$ 12,633</u>	<u>\$ 2,641,006</u>	<u>\$ 160,920</u>	<u>\$ (4,559)</u>	<u>\$ 2,797,367</u>
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	\$ 6,933	\$ 1,400	\$ -	\$ 8,333	\$ 15,901	\$ -	\$ 24,234
Current portion of financing lease liability	-	-	-	-	6,351	-	6,351
Other current liabilities	25	-	-	25	15,588	-	15,613
Due to parent	-	-	-	-	4,559	(4,559)	-
Due to affiliates	30,409	-	-	30,409	-	-	30,409
Deferred revenue	96,525	-	-	96,525	-	-	96,525
Total current liabilities	<u>133,892</u>	<u>1,400</u>	<u>-</u>	<u>135,292</u>	<u>42,399</u>	<u>(4,559)</u>	<u>173,132</u>
LONG-TERM LIABILITIES							
Financing lease, less current portion	-	-	-	-	3,036	-	3,036
NET ASSETS							
Without donor restrictions	53,704	1,865,936	12,633	1,932,273	115,485	-	2,047,758
With donor restrictions	-	573,441	-	573,441	-	-	573,441
Total net assets	<u>53,704</u>	<u>2,439,377</u>	<u>12,633</u>	<u>2,505,714</u>	<u>115,485</u>	<u>-</u>	<u>2,621,199</u>
Total Liabilities and Net Assets	<u>\$ 187,596</u>	<u>\$ 2,440,777</u>	<u>\$ 12,633</u>	<u>\$ 2,641,006</u>	<u>\$ 160,920</u>	<u>\$ (4,559)</u>	<u>\$ 2,797,367</u>

See independent auditor's report and notes to the consolidated financial statements.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

	Operating Fund	Capital Fund	Endowment Fund	LSB Total	McGee's Venture, LLC	Consolidating Eliminating Entries	Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS							
PUBLIC SUPPORT AND REVENUE							
Direct Public Support:							
Contributions	\$ 20,600	\$ 8,069	\$ -	\$ 28,669	\$ -	\$ -	\$ 28,669
Sales of Supplies/Products	49,759	-	-	49,759	122,027	-	171,786
Cost of Sales- Supplies/Products	(19,461)	-	-	(19,461)	(62,295)	-	(81,756)
Activity Revenue	-	-	-	-	4,795	-	4,795
Air Boat Tours	-	-	-	-	221,330	-	221,330
Swamp Treks/Public Tours	339,523	-	-	339,523	377,882	-	717,405
Rental income	60,000	-	-	60,000	-	(60,000)	-
Other Revenue	8,175	28,783	52	37,010	13,437	-	50,447
Loss on sale of fixed assets	-	(24,000)	-	(24,000)	-	-	(24,000)
Total support and revenues without donor restrictions	<u>454,096</u>	<u>12,852</u>	<u>52</u>	<u>467,000</u>	<u>677,176</u>	<u>(60,000)</u>	<u>1,084,176</u>
Net assets released from restrictions	<u>15,000</u>	<u>14,544</u>	<u>-</u>	<u>29,544</u>	<u>71,953</u>	<u>-</u>	<u>101,497</u>
TOTAL SUPPORT, REVENUES AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>469,096</u>	<u>27,396</u>	<u>52</u>	<u>496,544</u>	<u>749,129</u>	<u>(60,000)</u>	<u>1,185,673</u>
EXPENSES							
CLIENT SERVICES							
Program Services	271,714	25,935	-	297,649	479,830	(42,000)	735,479
Supporting Services:							
Management and general	169,295	11,115	-	180,410	205,641	(18,000)	368,051
Fundraising	<u>15,011</u>	<u>-</u>	<u>-</u>	<u>15,011</u>	<u>-</u>	<u>-</u>	<u>15,011</u>
TOTAL EXPENSES	<u>456,020</u>	<u>37,050</u>	<u>-</u>	<u>493,070</u>	<u>685,471</u>	<u>(60,000)</u>	<u>1,118,541</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>13,076</u>	<u>(9,654)</u>	<u>52</u>	<u>3,474</u>	<u>63,658</u>	<u>-</u>	<u>67,132</u>
NET ASSETS WITH DONOR RESTRICTIONS							
PUBLIC SUPPORT AND REVENUE							
Employee Retention Credit	-	-	-	-	66,367	-	66,367
Grant revenue	<u>15,000</u>	<u>14,544</u>	<u>-</u>	<u>29,544</u>	<u>5,586</u>	<u>-</u>	<u>35,130</u>
Total support and revenues with donor restrictions	<u>15,000</u>	<u>14,544</u>	<u>-</u>	<u>29,544</u>	<u>71,953</u>	<u>-</u>	<u>101,497</u>
Net assets released from donor restrictions	<u>(15,000)</u>	<u>(14,544)</u>	<u>-</u>	<u>(29,544)</u>	<u>(71,953)</u>	<u>-</u>	<u>(101,497)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER USES							
Transfers in (out)	<u>(7,858)</u>	<u>7,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	<u>5,218</u>	<u>(1,796)</u>	<u>52</u>	<u>3,474</u>	<u>63,658</u>	<u>-</u>	<u>67,132</u>
NET ASSETS, BEGINNING, AS RESTATED	<u>48,486</u>	<u>2,441,173</u>	<u>12,581</u>	<u>2,502,240</u>	<u>51,827</u>	<u>-</u>	<u>2,554,067</u>
NET ASSETS, ENDING	<u>\$ 53,704</u>	<u>\$ 2,439,377</u>	<u>\$ 12,633</u>	<u>\$ 2,505,714</u>	<u>\$ 115,485</u>	<u>\$ -</u>	<u>\$ 2,621,199</u>

See independent auditor's report and notes to the consolidated financial statements.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023

	Program Services	Management and General	Fund Fundraising	LSB Total	McGee's Venture, LLC	Consolidating Eliminating Entries	Consolidated
Salaries and wages	\$ 134,469	\$ 69,159	\$ 3,896	\$ 207,524	\$ 274,998	\$ -	\$ 482,522
Employee benefits	20,010	7,177	404	27,591	15,088	-	42,679
Payroll taxes	20,099	15,079	850	36,028	18,903	-	54,931
Total payroll and related expenses	174,578	91,415	5,150	271,143	308,989	-	580,132
OTHER EXPENSES							
Depreciation and amortization	23,456	10,052	-	33,508	11,788	-	45,296
Insurance	1,359	3,860	218	5,437	57,416	-	62,853
Interest Expense	-	-	-	-	891	-	891
Marketing and advertising	3,847	10,926	616	15,389	22,780	-	38,169
Meals and entertainment	-	-	-	-	480	-	480
Occupancy	11,476	32,590	1,836	45,902	60,000	(60,000)	45,902
Office	-	-	-	-	22,887	-	22,887
Other and miscellaneous	452	194	-	646	10,018	-	10,664
Postage	382	936	53	1,371	352	-	1,723
Printing and publications	745	2,116	120	2,981	-	-	2,981
Professional Fees	63	10,380	6,010	16,453	14,530	-	30,983
Program & other supplies	60,557	3,057	171	63,785	14,051	-	77,836
Recognition and awards	2,656	197	11	2,864	-	-	2,864
Repairs and maintenance	-	-	-	-	53,547	-	53,547
Special events	-	-	-	-	36,815	-	36,815
Telephone	450	1,278	72	1,800	-	-	1,800
Travel and transportation	17,628	13,409	754	31,791	57,441	-	89,232
Utilities	-	-	-	-	13,486	-	13,486
Total other expenses	123,071	88,995	9,861	221,927	376,482	(60,000)	538,409
TOTAL EXPENSES	\$ 297,649	\$ 180,410	\$ 15,011	\$ 493,070	\$ 685,471	\$ (60,000)	\$ 1,118,541

See independent auditor's report and notes to the consolidated financial statements.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

	Operating Fund	Capital Fund	Endowment Fund	Total	McGee's Ventures, LLC	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES						
Increase (decrease) in net assets	\$ 5,218	\$ (1,796)	\$ 52	\$ 3,474	\$ 63,658	\$ 67,132
Depreciation and amortization	-	33,508	-	33,508	11,788	45,296
Loss on disposal of property and equipment	-	24,000	-	24,000	-	24,000
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:						
Changes in assets:						
Inventory	(1,612)	-	-	(1,612)	(206)	(1,818)
Contributions receivable	2,200	(7,646)	-	(5,446)	-	(5,446)
Due from affiliates	33,467	(1,291)	-	32,176	-	32,176
Due from (to) other funds	8,117	(8,117)	-	-	-	-
Due from subsidiary/parent	7,191	-	-	7,191	(7,191)	-
Prepaid expenses	1,144	3,220	-	4,364	3,175	7,539
Changes in liabilities:						
Accounts payable	4,955	116	-	5,071	(2,403)	2,668
Due to affiliates	20,720	-	-	20,720	-	20,720
Accrued expenses	(102)	-	-	(102)	10,492	10,390
Deferred revenue	(46,128)	-	-	(46,128)	-	(46,128)
Net cash provided by operating activities	<u>35,170</u>	<u>41,994</u>	<u>52</u>	<u>77,216</u>	<u>79,313</u>	<u>156,529</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Construction in progress	-	(14,544)	-	(14,544)	-	(14,544)
Purchase of short-term investments	-	(28,783)	-	(28,783)	-	(28,783)
Net cash used by investing activities	<u>-</u>	<u>(43,327)</u>	<u>-</u>	<u>(43,327)</u>	<u>-</u>	<u>(43,327)</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Principal payments on finance lease obligations	-	-	-	-	(9,997)	(9,997)
Net cash used in financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,997)</u>	<u>(9,997)</u>
Net increase (decrease) in cash and cash	35,170	(1,333)	52	33,889	69,316	103,205
CASH, beginning of year, as restated	<u>124,782</u>	<u>(76,363)</u>	<u>12,581</u>	<u>61,000</u>	<u>51,735</u>	<u>112,735</u>
CASH, end of year	<u>\$ 159,952</u>	<u>\$ (77,696)</u>	<u>\$ 12,633</u>	<u>\$ 94,889</u>	<u>\$ 121,051</u>	<u>\$ 215,940</u>

See independent auditor's report and notes to the consolidated financial statements.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Louisiana Swamp Base, Inc., a nonprofit corporation (“Organization”), is a national conservation and high adventure recreation base originally created in 2010 by the Evangeline Area Council (“Council”) Boy Scouts of America (“BSA”) to commemorate the Centennial of Scouting while also making a 100 year commitment to annually immerse thousands of youth in the environment and culture of the Atchafalaya Swamp. At 1.4 million acres in size, the Atchafalaya Swamp is an unique wonder of America, filled with cypress swamps and a diversity of birds, fish, and reptiles that inhabit its skies and waterways. The Louisiana Swamp Base mission statement is to promote the importance of the Atchafalaya Swamp to the Boy Scouts of America, the community of Acadiana, and the State of Louisiana through environmental stewardship and high adventure activities, in order to create the next generation of individuals passionate about the protection of this important natural resource and culture.

On December 30, 2016, Louisiana Swamp Base Inc. purchased the land, building and assets of McGee's Ventures, LLC for \$1,763,320. McGee's Ventures, LLC is a "for profit" Limited Liability Company which provides swamp tours and related activities to the general public. Louisiana Swamp Base Inc. owns McGee's Ventures, LLC 100% and provides management services. Accordingly, the financials for McGee's Ventures, LLC are consolidated with Louisiana Swamp Base, Inc.

Principles of Consolidation

The accompanying financial statements include the consolidated accounts of Louisiana Swamp Base, Inc. and its subsidiary, McGee’s Ventures, LLC. McGee’s Ventures, LLC is wholly owned, managed, and operated by Louisiana Swamp Base, Inc. All significant intercompany balances and transactions have been eliminated.

Basis of Accounting

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations or grantor-imposed restrictions.

Net Assets with Donor Restrictions – Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). The standard prescribes a single model for revenue recognition, with a set of principles to be used for determining when revenue should be recognized. It also requires expanded disclosures about the nature, amount, and timing of revenue and cash flows. This standard was effective beginning January 1, 2019 and was adopted by the Organization at this time.

Revenue is recognized when earned. Program service fees and payments under cost reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Revenue with and without Donor Restrictions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

Contributions, camping and activity fees and all other revenue are recorded as without donor restrictions support or revenue unless specifically restricted by the donor.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Donated Services and Equipment

Donated services and equipment are reflected in the accompanying statements at their estimated values at the date of receipt. The donations of services are recognized if the services (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing these skills and would typically need to be purchased if not provided by donations. No amounts have been reflected in the statements for volunteer services, since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and its fundraising activities.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Exemption

Louisiana Swamp Base, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore has no provision for federal income taxes. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the code. It is also exempt from Louisiana income tax. However, should the Organization engage in activities unrelated to its exempt purpose, taxable income could result. The Organization had no material unrelated business income for the fiscal year under audit. The organization was incorporated in Louisiana on December 22, 2014.

McGee's Ventures, LLC is a "for profit" business and Louisiana Swamp Base Inc. will be liable for any unrelated business income taxes related to net profits of McGee's Ventures, LLC. No unrelated business income was taxable for 2023.

Accounting Standards Codification 740 (ASC 740) requires that a tax position be recognized or derecognized based on a "more than not" threshold. This applies to positions taken or expected to be taken in a tax return where there is uncertainty about whether a tax position will ultimately be sustained upon examination. The Organization has evaluated its tax positions and determined that it does not have any uncertain tax positions that meet the requirements of ASC 740. Accordingly, implementation of ASC 740 did not have any impact on the accompanying financial statements.

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all unrestricted highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Inventory

Inventory is stated at the net realizable value. Inventory consists of materials donated and purchased to fund programs and support services of the Organization.

Investments

The Organization has adopted the Financial Accounting Standards Board in its Statement of Accounting Standards Codification No. 958-320, "*Not-for-Profit Entities-Investments-Debt and Equity Securities*." Under FASB ASC 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall (Subtopic 825-10: Recognition and Measurement of Financial Assets and Financial Liabilities)*, and subsequently issued related ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10)*. These standards amend certain aspects of accounting and disclosure requirements for financial instruments, including the requirement that equity investments with readily determinable fair values are to be measured at fair value with any changes in fair value recognized in the statement of changes in net assets. The Organization adopted this standard on January 1, 2019.

The Organization's financial instruments consist of cash and cash equivalents, investments, accounts receivable, and accounts payable. The recorded values of the financial instruments approximate fair values based on short-term nature.

Property and Equipment

Property and equipment includes land, office furniture, equipment and auto/transport equipment. The Organization capitalizes expenses in excess of \$5,000 which are capitalized at cost for purchased items and at their estimated fair market value for donated items. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided over the estimated useful lives of the respective assets using straight-line depreciation methods, which range from five to ten years.

Lease Commitments

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under Topic 840, *Leases*. The FASB also subsequently issued several ASUs, which amend and clarify Topic 842. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the balance sheet. The Organization elected to adopt these ASUs effective January 1, 2022 and utilized all of the available practical expedients.

Operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities in the Organization's balance sheet. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in the Organization's balance sheets.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease Commitments (Continued)

Since the Organization's leases do not provide an implicit rate, to determine the present value of lease payments, management uses the Organization's incremental borrowing rate based on the information available at lease commencement. Operating lease ROU assets also include any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

The Organization has elected to apply the short-term lease exception to all leases with a term of one year or less.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$38,169 for 2023.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.)

Compensated Absences

Employees of the Organization are entitled to paid vacation and paid time off days, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absences when actually paid to employees.

Subsequent Events

The Organization has evaluated subsequent events through September 16, 2025, the date the financial statements were available to be issued. See Note 11 for additional information.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of FASB ASU 2016-13 and Related Standards

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization’s financial statements and did not change how the allowance for credit loss is determined. At December 31, 2023, the allowance for credit losses was \$0.

NOTE 2 AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets available for general expenditures that is, without donor or other restrictions limiting their use as of December 31, 2023:

Financial assets at year end:

Cash and cash equivalents	\$ 215,939
Accounts receivables	14,258
Inventory	<u>32,317</u>
Total financial assets available to meet general expenditures over the next twelve months	<u>\$ 291,297</u>

NOTE 3 RELATED PARTY TRANSACTIONS

The Evangeline Area Council Boy Scouts of America (EACBSA), an affiliated nonprofit, provides management services and support to the organization. All the participants in the treks into the Swamp Base are Boy Scouts from EACBSA.

The Organization has executed a "shared services agreement" with EACBSA. The agreement includes shared services/expenses related to payroll and occupancy costs. Expenses under this agreement were \$74,426 for 2023. A net liability of \$30,049 was due to EACBSA at December 31, 2023 for shared services and employee expense reimbursements.

McGee’s Ventures, LLC is wholly owned by Louisiana Swamp Base Inc. who provides management services. McGee's Ventures, LLC pays Louisiana Swamp Base Inc for shared services that relate to wages, benefits and rent at the rate of \$11,750 per month (\$141,000 annually) plus any other incidental expenses. At December 31, 2023, McGee's owed LSB \$4,559 for miscellaneous reimbursements. The rental portion of the shared services agreement has no set terms and is re-evaluated annually. As such, management believes the rental portion of the shared services agreement does not meet the requirements of FASB ASC 842, *Leases*. The respective \$60,000 of rental income and expense have been eliminated from the financial statements as of December 31, 2023.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 3 RELATED PARTY TRANSACTIONS (CONTINUED)

During the year ended December 31, 2023, the Organization reimbursed the Executive Director, \$81,524 for expenses incurred on behalf of the Organization. These expenses included the following:

Mileage	\$ 14,844
Cell phone	1,200
Other	<u>65,480</u>
	<u>\$ 81,524</u>

NOTE 4 INVESTMENTS

Investments are stated at fair value, and consist of cash, cash equivalents and U.S. Securities (all Level 1 Measurements). Fair values and unrealized appreciation (depreciation) at December 31, 2023 are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Money market	<u>\$ 602,260</u>	<u>\$ 602,260</u>	<u>\$ -</u>
Total	<u>\$ 602,260</u>	<u>\$ 602,260</u>	<u>\$ -</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2023. While the initial investment has imposed donor restrictions, the earnings from the investment are without donor restrictions as follows:

<u>Without donor restrictions</u>	
Interest and dividends	\$ 28,835
Investment administrative fees	<u>(175)</u>
	<u>\$ 28,660</u>

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 5 PROPERTY AND EQUIPMENT

A summary of changes in property and equipment is as follows:

	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
<u>Louisiana Swamp Base, Inc.:</u>				
Land	\$ 1,385,000	\$ -	\$ -	\$ 1,385,000
Building and improvements	136,340	-	(60,000)	76,340
Machinery and equipmen	267,072	-	(7,093)	259,979
Vehicles & Trailers	88,901	-	-	88,901
Construction in Progress	<u>300,387</u>	<u>14,544</u>	<u>-</u>	<u>314,931</u>
Total property and equipment	<u>2,177,700</u>	<u>14,544</u>	<u>(67,093)</u>	<u>2,125,151</u>
Accumulated depreciation	<u>(228,522)</u>	<u>(33,508)</u>	<u>43,093</u>	<u>(218,937)</u>
Property and equipment, net	<u>\$ 1,949,178</u>	<u>\$ 48,052</u>	<u>\$ (24,000)</u>	<u>\$ 1,906,214</u>
	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
<u>McGee's Ventures, LLC:</u>				
Machinery and equipment	<u>\$ 22,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,262</u>
Total property and equipment	<u>22,262</u>	<u>-</u>	<u>-</u>	<u>22,262</u>
Less: Accumulated depreciation	<u>(1,590)</u>	<u>(3,180)</u>	<u>-</u>	<u>(4,770)</u>
Property and equipment, net	<u>\$ 20,672</u>	<u>\$ (3,180)</u>	<u>\$ -</u>	<u>\$ 17,492</u>

Depreciation expense for the year ended December 31, 2023 was \$36,688.

NOTE 6 FINANCING LEASE COMMITMENT

The Organization leases a modular building per a financing lease agreement that originated in February 2018. The lease was amended and renewed on July 28, 2022 through July 27, 2024. The Organization paid monthly lease payments of \$772 increasing to \$907 over the term of the lease.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 6 FINANCING LEASE COMMITMENT (CONTINUED)

Additional information about the Organization's leases is as follows:

Financing lease - statement of financial position presentation:

Financing lease right-of-use asset	\$ 51,650
Less: accumulated amortization	<u>(45,910)</u>
Net financing lease right-of-use asset	<u>\$ 5,740</u>
Current portion of finance lease obligations	\$ 6,351
Long-term portion of finance lease obligations	<u>3,036</u>
Total finance lease liability	<u>\$ 9,387</u>

Financing lease - statement of activities presentation:

Amortization of assets, included in depreciation and amortization	\$ 8,608
Interest, included in interest expense	<u>892</u>
Total lease cost	<u>\$ 9,500</u>

Financing lease - statement of cash flow presentation:

Operating cash flows - interest expense	<u>\$ 892</u>
Financing cash flows - cash paid for lease liabilities	<u>\$ 9,997</u>

Lease Term and Discount Rate:

Weighted average remaining lease term—Financing lease	1 year
Weighted average discount rate—Financing lease	6%

Maturities of financing lease liabilities as of December 31, 2023 for the years ending December 31:

2024	<u>\$ 12,422</u>
Total lease payments	12,422
Less: interest	<u>(3,035)</u>
Present value of lease liabilities	<u>\$ 9,387</u>

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

During the year 2019, Louisiana Swamp Base, Inc. received a donor restricted donation of \$841,761. The donation is restricted for the purpose of expanding the capital assets and capital improvements at the swamp base camp and McGee's swamp tour ventures. As of December 31, 2023, the restricted investment was \$573,441.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 8 EMPLOYEE RETIREMENT BENEFIT PLANS

The Organization's employees, excluding those employed by McGee's Ventures, LLC, participate in various benefit plans sponsored by the National Council of Boy Scouts of America (BSA) through the Evangeline Area Council (the Council), as described below. The Organization reimburses the Council monthly for payments made on its behalf.

BSA Retirement Program - Employer Contributions

The Organization and local councils contribute 12% of each employee's compensation to the BSA Retirement Program. Local councils are invoiced monthly by BSA for the difference between the 12% contribution and the employer contributions made to the BSA Match Savings Plan (see below). Retirement program expense (excluding employee contributions) was approximately \$14,155 in 2023 and covered current service cost.

Health Care Plan

The Organization's employees participate in a health care plan provided by BSA. The Organization pays a portion of the cost for its employees, while employees are responsible for the remaining portion and for any costs associated with dependent coverage. For the year ended December 31, 2023, the Council remitted approximately \$20,160 to BSA on behalf of the Organization's employees for health care plan expenses.

BSA Match Savings Plan (as applicable)

The Organization participates in a defined contribution plan established by the National Council of the Boy Scouts of America, known as the BSA Match Savings Plan. This plan covers substantially all employees of the Organization. Participants may elect to make voluntary before-tax and/or Roth after-tax contributions based on a percentage of their pay, subject to limitations set forth in the Internal Revenue Code of 1986, as amended. The Organization and local councils match employee contributions up to 50% of each participant's contribution, limited to 6% of the employee's gross pay. In 2023, the Council contributed approximately \$5,075 to the BSA Match Savings Plan on behalf of the Organization's employees.

NOTE 9 CONCENTRATION OF CREDIT RISK

The Organization maintains deposits with financial institutions that may at times exceed the Federal Deposit Insurance Corporation insured limits. The Organization has not experienced any losses in such accounts and believes that there is not any significant credit risk associated with cash.

NOTE 10 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members can request reimbursement for out-of-pocket expenses in accordance with the Organization's travel policy when traveling on behalf of the Organization.

LOUISIANA SWAMP BASE, INC. AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 11 ADJUSTMENT TO PRIOR PERIOD FINANCIAL STATEMENTS

The accompanying financial statements for the year ended December 31, 2022 have been restated to correct two errors in the Organization's previously issued financial statements. The errors relate to cash and receivables. The effect of the restatement for the year ended December 31, 2022 is as follows:

	As Reported 12/31/2023	Prior Period Adjustment	Restated 12/31/2022
Cash	\$ 89,235	\$ 23,500	\$ 112,735
	<u>\$ 89,235</u>	<u>\$ 23,500</u>	<u>\$ 112,735</u>
Without donor restrictions	1,957,126	23,500	1,980,626
With donor restrictions	<u>573,441</u>	<u>-</u>	<u>573,441</u>
Net assets	<u>\$ 2,530,567</u>	<u>\$ 23,500</u>	<u>\$ 2,554,067</u>

NOTE 12 SUBSEQUENT EVENTS

In 2020, Louisiana Swamp Base, Inc. was awarded a cost-reimbursement grant in the amount of \$1,780,000 from the State of Louisiana's Facility Planning and Control department for construction of the Phase 1A project, which consists of the building of a multi-purpose pavilion, improved boat ramp, and infrastructure work on site. The grant was subsequently amended to increase the total funding to \$2,280,000.

As of September 2025, \$414,168 has not been recognized as revenue as the Organization has not earned the revenue through expenditures.