

ELUNA
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022



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ELUNA
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Eluna
Philadelphia, Pennsylvania

Opinion

We have audited the accompanying financial statements of Eluna, which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Eluna as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Eluna and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Eluna's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibility 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 auditors' 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 Eluna'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 Eluna'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 audits.



CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
May 16, 2024

ELUNA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 939,734	\$ 643,876
Grants and Contributions Receivable	1,188,255	1,162,969
Related-Party Contributions Receivable	124,000	42,262
Inventory	52,844	46,657
Prepaid Expenses and Other Current Assets	74,025	46,795
Total Current Assets	<u>2,378,858</u>	<u>1,942,559</u>
INVESTMENTS	444,544	391,321
PROPERTY AND EQUIPMENT, NET	23,542	32,764
OTHER ASSETS		
Grants and Contributions Receivable, Long-Term	323,960	416,069
Related-Party Contributions Receivable, Long-Term	301,139	33,348
Right-of-Use Asset	259,314	324,197
Total Other Assets	<u>884,413</u>	<u>773,614</u>
Total Assets	<u><u>\$ 3,731,357</u></u>	<u><u>\$ 3,140,258</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 48,464	\$ 107,542
Lease Liability, Current Portion	75,753	64,834
Total Current Liabilities	<u>124,217</u>	<u>172,376</u>
LEASE LIABILITY, NET OF CURRENT PORTION	<u>201,138</u>	<u>276,890</u>
Total Liabilities	325,355	449,266
NET ASSETS		
Without Donor Restrictions	1,258,276	772,150
With Donor Restrictions	2,147,726	1,918,842
Total Net Assets	<u>3,406,002</u>	<u>2,690,992</u>
Total Liabilities and Net Assets	<u><u>\$ 3,731,357</u></u>	<u><u>\$ 3,140,258</u></u>

See accompanying Notes to Financial Statements.

ELUNA
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE						
Grants and Contributions	\$ 1,797,807	\$ 1,821,300	\$ 3,619,107	\$ 1,113,503	\$ 2,070,686	\$ 3,184,189
Special Events	103,588	-	103,588	210,659	-	210,659
Partner and Community Events	69,133	-	69,133	63,110	-	63,110
In-Kind Contributions	48,627	-	48,627	107,705	-	107,705
Net Investment Return	73,281	-	73,281	(77,083)	-	(77,083)
Other Income	41,442	-	41,442	36,451	-	36,451
Net Assets Released from Restrictions	1,592,416	(1,592,416)	-	1,131,791	(1,131,791)	-
Total Revenue	3,726,294	228,884	3,955,178	2,586,136	938,895	3,525,031
PROGRAM AND SUPPORTING EXPENSES						
Program Services	2,324,487	-	2,324,487	2,175,583	-	2,175,583
Supporting Services:						
General and Administrative	351,317	-	351,317	451,437	-	451,437
Fundraising	564,364	-	564,364	615,230	-	615,230
Total Program and Supporting Expenses	3,240,168	-	3,240,168	3,242,250	-	3,242,250
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSES)	486,126	228,884	715,010	(656,114)	938,895	282,781
OTHER INCOME (EXPENSE)						
Loss on Disposal of Equipment	-	-	-	(2,878)	-	(2,878)
Employee Retention Tax Credit	-	-	-	315,334	-	315,334
Total Other Income	-	-	-	312,456	-	312,456
CHANGE IN NET ASSETS	486,126	228,884	715,010	(343,658)	938,895	595,237
Net Assets - Beginning of Year	772,150	1,918,842	2,690,992	1,115,808	979,947	2,095,755
NET ASSETS - END OF YEAR	<u>\$ 1,258,276</u>	<u>\$ 2,147,726</u>	<u>\$ 3,406,002</u>	<u>\$ 772,150</u>	<u>\$ 1,918,842</u>	<u>\$ 2,690,992</u>

See accompanying Notes to Financial Statements.

ELUNA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Camp Erin	Camp Mariposa	The Resource Center	Total Program Services	Management and General	Fundraising	Total
Grants and Program Related Costs (Including In-Kind of \$2,250)	\$ 349,047	\$ 595,882	\$ 6,581	\$ 951,510	\$ -	\$ -	\$ 951,510
Marketing and Promotion	14,225	10,493	48,751	73,469	8,201	14,943	96,613
Salaries and Employee Benefits	351,807	359,600	257,770	969,177	269,710	349,621	1,588,508
Special Events Expenses (Including In-Kind of \$45,530)	-	-	-	-	-	35,183	35,183
Professional Services (Including In-Kind of \$847)	53,190	100,049	16,752	169,991	20,999	102,296	293,286
Rent and Occupancy	24,467	23,198	15,916	63,581	17,248	18,798	99,627
Travel and Conferences	12,769	35,144	10,893	58,806	6,915	13,082	78,803
Office Expenses	447	400	315	1,162	2,133	909	4,204
Postage and Printing	1,399	1,304	1,882	4,585	855	6,781	12,221
Telephone and Utilities	2,250	2,135	1,466	5,851	1,570	1,733	9,154
Depreciation	2,845	2,700	1,853	7,398	1,984	2,184	11,566
Dues and Subscriptions	5,404	3,246	2,503	11,153	9,166	4,049	24,368
Insurance	2,196	2,190	1,483	5,869	5,134	1,761	12,764
Bad Debt Expense	-	-	-	-	1,000	-	1,000
Miscellaneous	814	597	524	1,935	6,402	13,024	21,361
Total Expenses	<u>\$ 820,860</u>	<u>\$ 1,136,938</u>	<u>\$ 366,689</u>	<u>\$ 2,324,487</u>	<u>\$ 351,317</u>	<u>\$ 564,364</u>	<u>\$ 3,240,168</u>

See accompanying Notes to Financial Statements.

ELUNA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Camp Erin	Camp Mariposa	The Resource Center	Total Program Services	Management and General	Fundraising	Total
Grants and Program Related Costs (Including In-Kind of \$18,451)	\$ 275,194	\$ 564,728	\$ 15,471	\$ 855,393	\$ -	\$ -	\$ 855,393
Marketing and Promotion	22,168	11,817	58,972	92,957	6,130	111,078	210,165
Salaries and Employee Benefits	271,146	399,546	218,751	889,443	279,060	334,298	1,502,801
Special Events Expenses (Including In-Kind of \$28,980)	-	-	-	-	-	85,712	85,712
Professional Services (Including In-Kind of \$60,274)	84,307	111,110	14,872	210,289	18,363	23,451	252,103
Rent and Occupancy	15,435	21,460	11,682	48,577	31,974	16,750	97,301
Travel and Conferences	8,194	20,306	6,365	34,865	20,832	12,066	67,763
Office Expenses	554	540	354	1,448	9,453	9,429	20,330
Postage and Printing	1,173	1,657	870	3,700	234	5,149	9,083
Telephone and Utilities	1,546	2,180	1,166	4,892	1,480	1,696	8,068
Depreciation	2,443	3,482	1,851	7,776	2,362	2,697	12,835
Dues and Subscriptions	7,415	4,666	3,350	15,431	2,690	4,227	22,348
Insurance	2,964	4,246	2,299	9,509	2,922	3,304	15,735
Bad Debt Expense	-	-	-	-	72,671	-	72,671
Miscellaneous	188	442	673	1,303	3,266	5,373	9,942
Total Expenses	<u>\$ 692,727</u>	<u>\$ 1,146,180</u>	<u>\$ 336,676</u>	<u>\$ 2,175,583</u>	<u>\$ 451,437</u>	<u>\$ 615,230</u>	<u>\$ 3,242,250</u>

See accompanying Notes to Financial Statements.

ELUNA
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 715,010	\$ 595,237
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	11,566	12,835
Realized and Unrealized Gains (Loss) on Investments	(44,935)	84,895
Donor Contributed Investments	(113,927)	-
Loss on Disposal of Equipment	-	2,878
(Increase) Decrease in Operating Assets:		
Grants and Contributions Receivable	66,823	(1,183,230)
Related-Party Contributions Receivable	(349,529)	146,761
Inventory	(6,187)	(4,572)
Prepaid Expenses and Other Current Assets	(27,230)	(13,070)
Right-of-Use Asset	64,883	(324,197)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	(59,078)	47,360
Lease Liability	(64,833)	341,724
Net Cash Provided (Used) by Operating Activities	<u>192,563</u>	<u>(293,379)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(2,344)	(6,736)
Purchase of Investments	(74,253)	(106,195)
Proceeds from Sale of Investments	179,892	92,049
Net Cash Provided (Used) by Investing Activities	<u>103,295</u>	<u>(20,882)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	295,858	(314,261)
Cash and Cash Equivalents - Beginning of Year	<u>643,876</u>	<u>958,137</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 939,734</u></u>	<u><u>\$ 643,876</u></u>

See accompanying Notes to Financial Statements.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 NATURE OF ORGANIZATION

Eluna (formerly the Moyer Foundation) is a nonprofit organization with a mission to support children, teens and families impacted by grief or addiction with community, connections, and a continuum of support to help them live healthy lives. Eluna created three signature programs which are fully sponsored by donors to remain free of charge for all families:

- Camp Erin is the largest national bereavement program for youth and families grieving the death of a significant person in their lives.
- Camp Mariposa is a national addiction prevention and mentoring program for youth impacted by substance abuse in their families.
- The Resource Center provides research-based educational and personalized support with a comprehensive online library for those needing assistance with grief, substance use and other mental health issues such as bullying and suicide prevention.

Eluna collaborates with and funds local nonprofits throughout the U.S. and Canada to offer its camp programs. Eluna's support comes primarily from donor contributions, corporate sponsors, grants, and fundraising events.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Eluna prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for Not-for-Profit Organizations. The significant accounting and reporting policies used by Eluna are described subsequently to enhance the usefulness and understandability of the financial statements.

Basis of Presentation

Eluna is required to report information regarding its financial position and activities according to two classes of net assets. Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Eluna and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Eluna does not have any net assets perpetual in nature.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and money market funds. Eluna considers all short-term securities with an original maturity of three months or less to be cash equivalents.

Investments

Investments are recorded at fair value in the statements of financial position. Net investment returns are reported in the statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external investment expenses.

Grants and Contributions Receivable

Grants and Contributions receivable are reported at the amount management expects to collect on balances outstanding at year-end. Management reviews the collectability of contributions receivable on a periodic basis and determines the amount estimated to be uncollectible. A reserve for doubtful accounts is then established. Eluna charges off receivables against the allowance when management determines that a receivable is not fully collectible.

Inventory

Items in inventory include sports memorabilia and camp apparel, and are stated at lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

Property and equipment are recorded at cost if purchased, or at fair value at the date of receipt, if contributed. Items with a cost exceeding \$1,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of seven years for office furnishings, five years for website design, and three years for office equipment. Expenditures for normal maintenance and repairs are expensed as incurred. Leasehold improvements are amortized using the straight-line method over the shorter of the term of the lease or the useful life of the asset.

Revenue Recognition

Grants and Contribution Revenue

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 unrestricted net assets and reported in the statement of activities as net assets released from restrictions, including restrictions that are met in the year of receipt.

Unconditional promises to give are recognized as contribution revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at fair value, which is estimated as net realizable value if expected to be collected in one year and discounted future cash flows if expected to be collected in more than one year.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Grants and Contribution Revenue (Continued)

Conditional promises to give are not included as support until the conditions are substantially met. As of December 31, 2023 and 2022, unrecognized conditional contributions which are expected to be recognized in future years aggregated \$1,118,769 and \$1,373,379, respectively.

Special Events

Special events revenue is recognized at the time the event occurs. Special event payments received prior to the occurrence of the event are recognized as deferred revenue and special event expenses paid prior to the date of the event are recognized as prepaid expenses.

In-Kind Contributions

Contributed goods, advertising (including public service announcement commercials for Eluna), and other miscellaneous services are recorded at fair value. For the years ended December 31, 2023 and 2022, Eluna recognized \$48,627 and \$107,705, respectively, in the accompanying statements of activities.

Contributions of donated in-kind items are recorded at their fair value in the period received. The in-kind contributions have been recorded as support and are also included as an expense in the statements of activities.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills and would otherwise be purchased by Eluna. Donated services that met the requirements for recognition have been recognized in income and the related expenses.

Many individuals volunteer their time and perform a variety of tasks that assist Eluna with events and programs. The value of this contributed time is not reflected in these financial statements because the criteria for recognition has not been satisfied.

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred. Such expenses for the years ended December 31, 2023 and 2022, were \$96,613 and \$210,165, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject Eluna to a concentration of credit risk consist principally of cash and cash equivalents, investments and contributions receivable. Eluna places its cash and temporary cash investments with financial institutions and, at times, such cash balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits. Investment strategy shall be diversified in a way that is consistent with the risk tolerance and investment objectives of Eluna's investment policies and guidelines.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration of Credit Risk (Continued)

Concentrations of credit risk with respect to contributions receivable are limited due to the composition of Eluna's contributor base. Management assesses the financial strength of its unconditional pledges receivable based on prior history and experience with its donor and grantor agencies.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from the estimated amounts.

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Expenses attributable to a specific functional area are reported as expenses of those functional areas. Certain costs that benefit multiple areas have been allocated among the programs and supporting services based on the proportion of full-time equivalents of a respective location versus the total full-time equivalents of all locations.

Leases

Eluna leases office space and equipment. Eluna determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the statement of financial position.

ROU assets represent Eluna's right to use an underlying asset for the lease term and lease liabilities represent Eluna's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, Eluna uses 10.5% based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that Eluna will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Income Taxes

Eluna is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for income taxes is included in the accompanying financial statements. Eluna is annually required to file a Form 990 with the Internal Revenue Service.

With few exceptions, Eluna is no longer subject to U.S. federal or state and local income tax examinations by tax authorities for the years before 2018. Based on Eluna's assessment of many factors, including past experience, Eluna does not currently anticipate significant changes in its tax positions over the next 12 months.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Eluna has evaluated subsequent events through May 16, 2024, the date the financial statements were available to be issued.

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2023	2022
Cash and Cash Equivalents	\$ 939,734	\$ 643,876
Contributions Receivable, Net	1,512,215	1,579,038
Related Party Contributions Receivable, Net	425,139	75,610
Investments	444,544	391,321
Subtotal	3,321,632	2,689,845
Less: Those Assets Unavailable for General Expenditures		
Within One Year Due to Donor-Imposed Restrictions	(2,147,726)	(1,918,842)
Total	<u>\$ 1,173,906</u>	<u>\$ 771,003</u>

As part of its liquidity management, Eluna has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Eluna invests cash in excess of daily requirements in various short-term investments including money market funds and other short-term equity investments until it is required for operational use. In the event of an unanticipated liquidity need, Eluna could also draw upon its \$200,000 available line of credit (as further discussed in Note 8).

Eluna manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. Eluna forecasts its future cash flows and monitors its liquidity and reserves quarterly.

NOTE 4 FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 – Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in the methodologies used at December 31, 2023 and 2022. Mutual funds are valued at the closing price reported in active open markets.

Assets at Fair Value as of December 31, 2023				
	Total	(Level 1)	(Level 2)	(Level 3)
Mutual Funds	\$ 439,279	\$ 439,279	\$ -	\$ -
Equities	5,265	5,265	-	-
Total Assets at Fair Value	<u>\$ 444,544</u>	<u>\$ 444,544</u>	<u>\$ -</u>	<u>\$ -</u>

Assets at Fair Value as of December 31, 2022				
	Total	(Level 1)	(Level 2)	(Level 3)
Mutual Funds	\$ 391,321	\$ 391,321	\$ -	\$ -
Total Assets at Fair Value	<u>\$ 391,321</u>	<u>\$ 391,321</u>	<u>\$ -</u>	<u>\$ -</u>

Through the use of a globally diversified investment strategy, the primary investment objectives of Eluna are 1) to grow the assets of the investment portfolio at a rate that is greater than the rate of inflation and 2) to provide cash flow on occasion and at the discretion of Eluna to supplement the general fund. With the approval of the board of trustees, Eluna may also draw principal from this account from time to time in order to maintain operations and meet financial commitments of Eluna.

ELUNA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consist of the following at December 31:

	2023	2022
Receivable in Less than One Year	\$ 1,188,255	\$ 1,162,969
Receivable in One to Five Years	341,000	435,000
Subtotal	1,529,255	1,597,969
Discounts to Present Value	(17,040)	(18,931)
Total	<u>\$ 1,512,215</u>	<u>\$ 1,579,038</u>

At December 31, 2023, 75% of Grants and contributions receivable were due from three donors. Grants and contributions from three donors accounted for 35% of total grant contributions revenue in 2023. At December 31, 2022, 82% of Grants and contributions receivable were due from two donors. Grants and contributions from two donors accounted for 81% of total contributions revenue in 2022.

Related party contributions receivable, including contributions from board members, board member affiliated parties and employees, consists of the following at December 31:

	2023	2022
Current Related-Party Contribution Receivables	\$ 124,000	\$ 42,262
Long-Term Related Party Contribution Receivables	316,134	34,812
Subtotal	440,134	77,074
Discounts to Present Value	(14,995)	(1,464)
Total	<u>\$ 425,139</u>	<u>\$ 75,610</u>

During the years ended December 31, 2023 and 2022, Eluna received contributions from members of its board of directors and other related parties amounting to \$500,500 and \$41,002, respectively.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2023	2022
Office Equipment and Furnishings	\$ 40,739	\$ 38,395
Website Design	148,473	148,473
Leasehold Improvements	4,711	4,711
Subtotal	193,923	191,579
Accumulated Depreciation	(170,381)	(158,815)
Total	<u>\$ 23,542</u>	<u>\$ 32,764</u>

Depreciation expense was \$11,566 and \$12,835 for the years ended December 31, 2023 and 2022, respectively.

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NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	2023	2022
Subject to Expenditure for Specified Purpose:		
Camp Erin	\$ 588,453	\$ 1,288,965
Camp Mariposa	1,108,451	373,423
The Eluna Resource Center	2,000	175,632
Catch A Cure for Cancer - Gregory Fund	1,822	1,822
General Foundation and Scholarship Fund	32,000	-
Time Restricted	415,000	79,000
Total	<u>\$ 2,147,726</u>	<u>\$ 1,918,842</u>

NOTE 8 LINE OF CREDIT

Eluna has a \$200,000 secured line of credit (the Line) from a bank. The Line was established in 2016. Interest on the Line is payable monthly at the bank's prime rate plus 3.5%. Substantially all Eluna's assets are collateralized by the Line. Eluna had no outstanding borrowings on the Line at December 31, 2023 and 2022.

NOTE 9 IN-KIND CONTRIBUTIONS AND DONATED SERVICES

For the year ended December 31, 2023, Eluna recorded the following donated services and gifts in-kind in the statement of activities as revenues and related expenses:

	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Legal Services	\$ 43,030	General use	None	Fair value provided by donor
Professional Services	4,750	General use	None	Fair value provided by donor
Total Donated Services	<u>\$ 47,780</u>			
Spring Soiree	\$ 686	General use	None	Fair value provided by donor
Award Engraving - DC Reception	161	General use	None	Fair value provided by donor
Total Gifts In-Kind	<u>\$ 847</u>			

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NOTE 9 IN-KIND CONTRIBUTIONS AND DONATED SERVICES (CONTINUED)

For the year ended December 31, 2022, Eluna recorded the following donated services and gifts in-kind in the statement of activities as revenues and related expenses:

	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Legal Services	\$ 47,524	General use	None	Fair value provided by donor
Video Services	12,750	General use	None	Fair value provided by donor
Total Donated Services	<u>\$ 60,274</u>			
Auction Items for Special Event	\$ 28,980	General use	None	Fair value provided by donor
MLB Game Tickets	3,772	Camp Mariposa	None	Fair value provided by donor
MLB Game Tickets	14,679	Camp Erin	None	Fair value provided by donor
Total Gifts In-Kind	<u>\$ 47,431</u>			

NOTE 10 LEASE COMMITMENTS

Operating Leases – ASC 842

Eluna leases office space under an operating lease which expires February 2027. For the year ended December 31, 2023 and 2022, rent expense under this lease excluding utility expense amounted to \$97,181 and \$96,871, respectively. Eluna records periodic rental expense over the life of the lease.

Eluna also leases equipment under one operating leases. For the year ended December 31, 2023 and 2022, rental expense on leased equipment was \$2,964 and \$2,741, respectively.

The following tables provide quantitative information concerning Eluna's leases for the years ended December 31, 2023 and December 31, 2022:

	2023	2022
Operating Lease Cost	\$ 96,871	\$ 96,871
Total Lease Cost	<u>\$ 96,871</u>	<u>\$ 96,871</u>

Other Information:

Cash Paid for Amounts Included in the Measurement
of Lease Liabilities:

Operating Cash Flows from Operating Leases \$ 96,821 \$ 79,344

Right-of-Use Assets Obtained in Exchange for New

Operating Lease Liabilities \$ - \$ 382,925

Weighted-Average Remaining Lease Term -

Operating Leases 3.1 Years 4.1 Years

Weighted-Average Remaining Discount Rate -

Operating Leases 10.50% 10.50%

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NOTE 10 LEASE COMMITMENTS (CONTINUED)

Operating Leases – ASC 842 (Continued)

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2023, is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 100,379
2025	102,235
2026	104,091
2027	17,632
Total	324,336
Less: Imputed Interest	(47,445)
Total Present Value of Lease Liabilities	<u>\$ 276,891</u>
Short-Term Lease Liabilities	\$ 75,753
Long-Term Lease Liabilities	\$ 201,138

NOTE 11 RETIREMENT PLAN

Eluna has a 401(k) plan providing retirement benefits to its employees. Employees may contribute up to the maximum amount provided by law. Eluna will make a fixed safe harbor nonelective contribution in an amount equal to 3% of the employee's compensation for the plan year. Employees are eligible for participation in the plan at age 21 and after a 180 day probationary period. All employer contributions vest immediately for eligible participants. In addition, the plan allows for discretionary matching contributions as determined by Eluna. Eluna's contributions to the plan were \$37,792 and \$33,039 for the years ended December 31, 2023 and 2022, respectively.

NOTE 12 CONDITIONAL PLEDGES

Eluna provides funding to local community organizations in the fields of bereavement, health, and child and family services for the establishment and operation of various camps and related programs across North America. Eluna conditionally pledges annual funds to each community organization for a multiyear time period which may vary in amount and duration pending compliance with the grant terms and conditions. Eluna only provides funds to cover approved program expenses and reserves the right to terminate its obligations at any time. As of December 31, 2023, if all grants were fulfilled, Eluna would expend a total of \$954,401 in partner program funding (\$829,401 for Camp Mariposa and \$125,000 for Camp Erin) through the year 2023.

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NOTE 13 EMPLOYEE RETENTION CREDIT

The Employee Retention Credit (ERC) is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. On December 27, 2020, the Consolidated Appropriations Act (CAA) was signed into law. Among other provisions, the CAA expanded the eligibility for ERC to include more entities as well as extending ERC into calendar year 2021 including the first, second and third calendar quarters. CAA provided entities the ability to retroactively cover payroll taxes from earlier in 2020 during which they were previously ineligible by retroactively applying for the credit.

Employers, including tax-exempt organizations, are eligible for the credit if they operate a trade or business during calendar year 2020 and 2021 and experience either a full or partial suspension of the operation of their trade or business during any calendar quarter due to a significant decline in gross receipts or because of governmental orders limiting commerce, travel or group meetings due to COVID-19. The credit applies to qualified wages (including certain health plan expenses) paid during this period for any calendar quarter in which eligibility requirements were met.

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During the year ended December 31, 2022, Eluna applied for ERC grant funding from the Internal Revenue Service. Eluna recognized \$316,662 of grant revenue related to performance requirements being met in compliance with the program during the year ended December 31, 2022. For the years ended December 31, 2023 and 2022, \$250,081 was included in grants and contributions receivable.

Eligibility and conditions for the ERC program may be audited by the Internal Revenue Service. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; management is of the opinion that any audit will not have a material adverse impact on Eluna's financial position.



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