

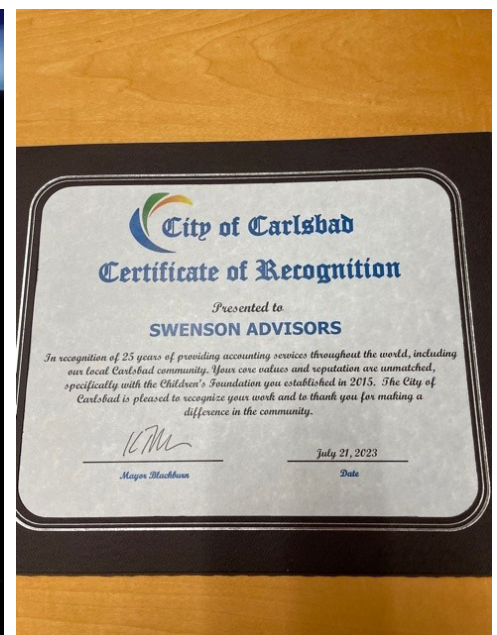
Welcome to the Fall edition of our Inside Swenson newsletter. We are pleased to provide you with the latest news and update you on some of the exciting happenings at Swenson.

SWENSON ADVISORS' 25TH ANNIVERSARY CELEBRATION

Swenson Advisors held its 25th Anniversary Gala Luncheon at the Westin Carlsbad Resort & Spa on Friday, July 21, 2023. In welcoming the many clients, employees and spouses, former employees, and community leaders who attended the celebration, Swenson's Managing Partner Steve Austin noted that "this event is a special day for the firm and reflects the firm's overall team effort, innovation, and focus on client service and quality for the last 25 years."



Steve then spoke about the history of the firm and also its vision for the future. His slide presentation "A Look Back . . . and a Look Forward" featured key events, activities and accomplishments in its past. It looked at the firm's teams and also companies that support the firm, including **Mance Creative**, **AccuVisors** and **Primero**. Swenson and its staff are committed to supporting the community and volunteerism. The firm established the **Swenson Children's Foundation** in 2015, and Steve spoke about its mission and achievements. "Looking Forward" focused on what to expect from Swenson in the next 5 years, including Life after Implementation: Lease Accounting/AccountLease 2.0; and Artificial Intelligence and its pros and cons.



SWENSON ADVISORS' 25TH ANNIVERSARY CELEBRATION (cont.)

A highlight of the luncheon was the presentation of a special citation to Steve Austin by Dr. Melanie Burkholder, representing the Carlsbad, CA City Council, recognizing the accomplishments of Swenson Advisors and the Swenson Children's Foundation.

On behalf of Swenson, Steve recognized and presented the following awards: **Distinguished Client Awards** to CONNECT, Delta Energy & Communications, The Garrett Group, KPC, NTC Foundation, AOTI, Eco Farms, and Steve and Victoria Deal; **Distinguished Alumni Awards** to Alisia Estes and Brian Mendez; **and a very special Friend of the Firm Award to Jim Roszak**, who has been for many years Swenson's most important champion and supporter.

The event was strongly patriotic and was enhanced by the music of Kayla and Erik Hanson. At the close of the event, Kayla and Erik led the audience in singing the inspiring "God Bless the U.S.A."

It was a truly wonderful commemoration of Swenson Advisors' twenty-five years and an exciting look toward the future.



INTEGRA INTERNATIONAL'S 2023 GLOBAL CONFERENCE

INTEGRA INTERNATIONAL® YOUR GLOBAL ADVANTAGE



This year's Integra International Global Conference was held in Singapore October 26-28, 2023. It was truly a privilege and pleasure for our attendee, Grace Brentlinger, to represent Swenson Advisors. She learned about the worldwide additions to Integra, with new member presentations by firms located in the Philippines, Taiwan, Uganda, Malaysia, India, and Angola. Integra is one of the fastest growing CPA alliances in the world.



*Grace Brentlinger, CPA, MSA
Lease Accounting Analyst*

Two of the many interesting sessions offered at the conference addressed:

- How to resolve the long-term talent crunch in the accounting profession by “selling” the profession to the young ones in the elementary through high schools, presented by the CEO of the Institute of Singapore Chartered Accountants.
- The practical application of RPA (Robotic Process Automation) and AI for auditors and accountants. Attendees learned about a software robot that can save time and increase productivity for accountants.



We at Swenson want to offer our congratulations to our colleagues at Actus Tax Corporation, headquartered in Tokyo, Japan, who received Integra's “Firm of the Year 2023” award.

As in every conference, the big “reveal” is where next year's Global Conference will be held, and that is Paris in October 2024. Other regional conferences on the agenda for 2024 include Panama in May and Zurich in June, as well as a one-day Cross-Border Tax Workshop in Vienna in September.

ANNOUNCING ACCOUNTLEASE 2.0

LIFE AFTER LEASE ACCOUNTING / 842 IMPLEMENTATION

Announcing AccountLease 2.0

Swenson Advisors provides the following services for life after lease accounting / 842 implementation:

- Maintenance of the lease portfolio
- Development of key internal accounting controls and GAAP update
- Preparing for the annual audit
- Draft quarterly and annual footnote disclosures
- Planning and assistance with integration of lease accounting software systems into the ERP system



SWENSON 25 LEASE ACCOUNTING GLOBAL REACH

Swenson/AccountLease™/Cresia as leading members of Integra International® and their 150 global offices and 6,000 personnel are able to offer accounting, tax and lease accounting anywhere in the world. See selected cities where we have provided lease accounting consulting.



► Maintenance of the lease portfolio

- Review of existing leases for future modifications such as extensions, early terminations, lease term modifications, interest rate
- Input into lease accounting software at the proper time
- Implementing subsequent changes determined to be appropriate and reasonable

► Development of key internal accounting controls and GAAP update

- Follow COSO for SOX compliance for public companies
- Develop procedure narratives documenting the process and key controls
- Provide employee education and 842 refresher sessions including GAAP changes and PCAOB guidance
- Implement controls and then test on a sample basis
- Conduct annual brainstorming session for embedded leases
- Update or develop a tailored Lease Accounting manual
- Lessons learned from the implementation process
- Scaling processes and activities to best meet the needs of the organization – one size doesn't fit all
- Ensuring policy elections, controls, and processes are documented and effectively communicated to and understood by stakeholders

► Preparing for the annual audit

- Prepare/respond to typical auditor PBC requests
- Provide internal control narratives and testing results
- Interface with auditors as needed
- Provide SOC reports as requested
- Address technical issues raised by the auditors

► Draft quarterly and annual footnote disclosures

- Update as needed prior footnote disclosures with current year information
- Update with any new observations from other public lease accounting information

► Planning and assistance with integration of lease accounting software systems into the ERP system

- Work with the companies' IT groups and lease accounting software companies to plan and implement a fully integrated lease accounting system
- Provide for efficiency and elimination of certain monthly journal entries
- Provide oversight and testing of the new integrated system



WELCOMING OUR NEW LEASE ACCOUNTING CLIENTS



ARC Burger is headquartered in Atlanta, Georgia and was formed by High Bluff Capital Partners, a private equity company based in San Diego, to complete the acquisition of 80 Hardee's restaurants on August 14, 2023. High Bluff agreed to buy this court-approved auction of assets of Summit Restaurant Holdings, which filed for Chapter 11 bankruptcy protection in May of this year. The 80 restaurants included in the sale are in Alabama, Florida, Georgia, Kansas, Missouri, South Carolina, and Wyoming.

Hardee's is a quick-service restaurant chain franchised by CKE Restaurant Holdings which also franchises quick-service Carl's Jr restaurants specializing in innovative menu items such as Charbroiled Burgers, Made from Scratch™ Biscuits and Hand-Breaded Chicken Tenders™.

High Bluff's founder, Anand Gowda, said the purchase was in line with its strategy of "investing in iconic consumer-facing brands, with a strong presence in historically underserved markets, that have the opportunity for significant growth and value creation."



kpc

- KPC Healthcare Holdings, Inc.
- KPC Global Medical Centers, Inc.
- KPC Promise Healthcare, LLC

KPC's healthcare entities are a group of integrated healthcare delivery systems consisting of acute care hospitals, Independent Physicians Associations (IPAs), medical groups, urgent care facilities, skilled nursing facilities and various fully integrated multi-specialty medical facilities throughout the United States.

CONNECTING WITH THE UKRAINE

Our colleagues at **CONNECT** are supporting the **American Council on Diplomacy** and hosted for three weeks a Ukrainian fellow, Oksana Kikhtenko, as part of their Ukrainian Business Leaders Program. Christie Marcella, **CONNECT**'s Chief Operating Officer and Oksana joined the Swenson team for a lunch in our offices.

Following lunch, we connected via video conference with **Yulia Shchurovska, Swenson's Senior Audit Director** via our partnership with **EBS**, a leading consulting company headquartered in Kyiv. It was an opportunity for Oksana and Yulia to discuss potential opportunities with Ukrainian companies.



Oksana Kikhtenko and Christie Marcella

INTRODUCING SYDNEY BACON

WELCOME, SYDNEY!



Sydney Bacon has joined Swenson Advisors as a member of our Marketing organization, whose focus is on expanding Swenson's social media involvement. It is led by Jim LoPresti, our Business Development Executive who has more than 40 years of experience in marketing, business development, and sales management in financial and professional services.

Sydney's past professional experience includes having served as Social Media Recruiting Assistant for Vector Marketing, and Marketing Intern for Get Community, Inc.

She is currently working towards her Bachelor of Business Administration degree, which she expects to receive in 2025 from the University of Georgia in Athens, Georgia.

Sydney is an active supporter of the University of the Georgia's Bulldogs, the #1 college football team in the country. In an epic competition against the University of Florida's Gators on Saturday, October 28, the Bulldogs won 46 to 20, and Sydney was there to cheer them on and celebrate their victory.

Steve Austin, Swenson Advisors' Managing Partner, who received his MBA from the University, is also a huge fan of the Bulldogs.



OUR SPECIAL INTERN – PAUL GRANT



Paul Grant has been interning with Swenson Advisors since receiving his Bachelor of Science in Accounting degree from Purdue University Global. Paul was on Purdue’s Chancellor’s list and graduated with a 3.98 GPA this past August. At Swenson, Paul has been working with our Audit and Lease Accounting Departments. Paul’s dad, Duane Grant is our Lease Accounting Manager, and the Department is headed by Joel Colbourn, Lease Accounting Director.

Prior to joining Swenson, Paul was a Virtual Audit Intern with Purdue Global Financial in West Lafayette, Indiana, performing various services for clients including payroll audits, tax filings, bank reconciliations, and financial statement updates.

Since January 2020, Paul has been with the U.S. Army Reserve, and at the end of the year he is being deployed to the Middle East.

We will very much miss his excellent work as well as his dedication.

Our very best wishes go with you, Paul. We look forward to your return.

SPOTLIGHT ON JOEL



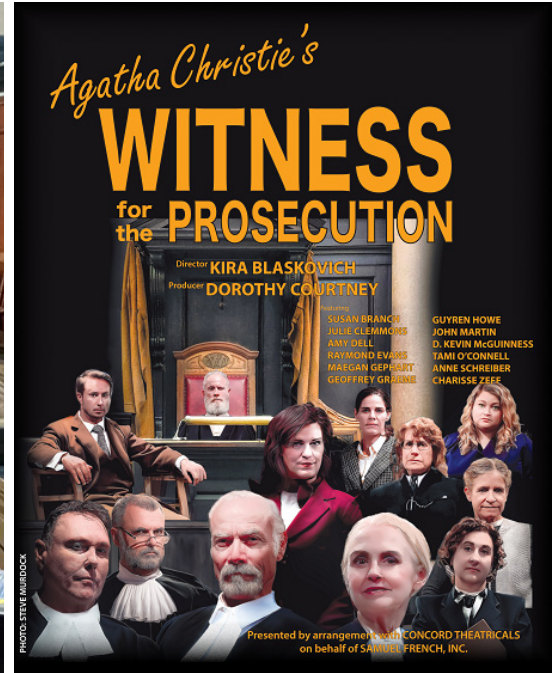
If you have been wondering what Swenson’s Lease Accounting Director, Joel Colbourn, does when he is not “accounting for leases,” . . . well, for more than 20 years he has been actively involved with PowPAC, Poway, CA’s Community Theater. The theatre is an all-volunteer, not-for-profit, 70-seat theater, now in its 43rd season, that stages six full productions each year.



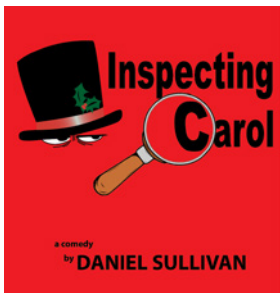
Joel had never been involved with live theater before moving from Pittsburgh to Poway. His wife Sherrie had been a professional actress who appeared in many leading roles at the Old Globe. In Poway, Sherrie became involved with PowPAC and brought Joel along to help build sets. He then became more active with producing shows, helping sort out the theater’s business challenges, designing sets that he helped to build, and even occasionally appearing on stage.

Joel was subsequently tapped to lead the organization as its President and served for five years. At the same time, Sherrie served as the theater’s Artistic Director. Their activities extended to other community

SPOTLIGHT ON JOEL (cont.)



theaters, including theaters that are part of Associated Community Theaters of San Diego (ACT-SD). After Joel and Sherrie stepped down, they continued to recruit volunteers and train and mentor those assuming new roles. Joel continues to serve as PowPAC's Construction Manager, leading the construction team and also designing the sets for some of the productions.



Joel's set designs have received several awards over the years, including an Aubrey Award from ACT-SD for an Agatha Christie play staged in 2022 - *A Murder is Announced*. Earlier this year he designed the set for another Agatha Christie play, *Witness for the Prosecution*.

Most recently, Joel collaborated on the set design for *Inspecting Carol*, PowPac's holiday offering, which has opened to enthusiastic reviews.

ROOTING FOR THE PADRES

In their last home game of the season, the Padres completed against the St. Louis Cardinals at Petco Park. It was a beautiful, sunny Sunday, and the Swenson Advisors team, family and friends had a great afternoon of fun and food. And what an

exciting game it was, with the Padres beating the Cardinals by a score of 12-2.

Although our Padres did not make it to the 2023 World Series, we'll be rooting for them next year.





FOUNDATION UPDATE



***Building Faith.
Changing Lives.***

SWENSON CHILDREN'S FOUNDATION HAS SOME VERY EXCITING NEWS... WE ARE EXPANDING COAST TO COAST!

Director, Sarah Frohman has recently moved to Greenville, South Carolina. The Lord put it on Sarah's and her husband Josh's hearts to broaden their horizon in a new part of the country and to share God's love with every new face that they have the pleasure of meeting.

Sarah is already seeing how purposeful this move is becoming. Swenson Children's Foundation is now able to support children and families in need from coast to coast.

"We are looking forward to sharing our annual Christmas outreach, that should be truly unique! We humbly ask for continued prayers for the Lord to open as many doors as He possibly can for our Foundation to shine God's care and compassion to those who need it the most."