

**SUMMER CAMP**  
**OPPORTUNITIES PROMOTE**  
**EDUCATION, INC.**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 AND 2019**

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**

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SEPTEMBER 30, 2020 AND 2019

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# **WAGNER & ZWERMAN LLP**

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Summer Camp Opportunities Promote Education, Inc.  
Astoria, New York

We have audited the accompanying financial statements of Summer Camp Opportunities Promote Education, Inc., (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020 and 2019, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financials statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

# **WAGNER & ZWERMAN LLP**

*Certified Public Accountants*

## **Auditor's Responsibility** (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Summer Camp Opportunities Promote Education, Inc. as of September 30, 2020 and 2019, 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.

*Wagner & Zwerman LLP*

WAGNER & ZWERMAN LLP  
Certified Public Accountants  
Melville, NY  
May 26, 2021

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF SEPTEMBER 30,**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>ASSETS</b>		
Cash and cash equivalents	\$ 679,735	\$ 471,393
Unconditional promises to give	200,000	282,300
Prepaid expenses	58,418	77,450
Investments	417,776	333,206
Website Costs - net	9,545	14,525
Other assets	5,000	5,000
	<u>1,370,474</u>	<u>1,183,874</u>
<b>TOTAL ASSETS</b>	<b>\$ 1,370,474</b>	<b>\$ 1,183,874</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Program camp tuitions and workshops payable	\$ 5,723	\$ 102,795
U.S. Small Business Administration - Paycheck		
Protection Program Loan	43,490	-
Other accounts payable	-	16,667
Accrued expenses	-	1,163
Total liabilities	49,213	120,625
	<u>49,213</u>	<u>120,625</u>
<b>NET ASSETS</b>		
Without donor restrictions	1,321,260	1,063,249
Total net assets	1,321,260	1,063,249
	<u>1,321,260</u>	<u>1,063,249</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,370,473</b>	<b>\$ 1,183,874</b>
	<u>1,370,473</u>	<u>1,183,874</u>

See Independent Auditors' Report  
and Notes to Financial Statements

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED SEPTEMBER 30,**

	Without Donor Restrictions 2020	Without Donor Restrictions 2019
<b>REVENUE AND SUPPORT</b>		
Contributions	\$ 383,693	\$ 1,105,293
Special events	210,041	329,481
Dividend and interest income	6,257	11,877
Net unrealized and realized gains (losses)	84,570	(13,046)
	<u>684,561</u>	<u>1,433,605</u>
<b>EXPENSES</b>		
Camperships and scholarships	227,123	851,638
Management and general	111,542	106,974
Fundraising	71,219	149,637
Costs of direct benefit to donors	16,666	197,444
	<u>426,550</u>	<u>1,305,693</u>
<b>CHANGE IN NET ASSETS</b>	258,011	127,912
Net assets - beginning of year	<u>1,063,249</u>	<u>935,337</u>
Net assets - end of year	<u>\$ 1,321,260</u>	<u>\$ 1,063,249</u>

See Independent Auditors' Report  
and Notes to Financial Statements

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30,**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 258,011	\$ 127,912
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	4,980	415
Net unrealized and realized (gains) losses	(84,570)	13,046
Changes in assets and liabilities		
Unconditional promises to give	82,300	61,100
Prepaid expenses	19,032	(22,388)
Program camp tuitions and workshops payable	(97,072)	(432,938)
Other accounts payable	(16,667)	-
Accrued expenses	(1,163)	(1,734)
Net cash provided by (used in) operating activities	<u>164,851</u>	<u>(254,587)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Website costs incurred	-	(14,940)
(Purchases) of investments	(66,249)	(81,736)
Proceeds from sale of investments	66,249	77,548
Net cash (used) in investing activities	<u>-</u>	<u>(19,128)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from U.S. Small Business Administration - Paycheck Protection Program Loan	43,490	-
Net cash provided by financing activities	<u>43,490</u>	<u>-</u>
Net change in cash and cash equivalents	208,341	(273,715)
Beginning cash and cash equivalents balance	<u>471,393</u>	<u>745,108</u>
Ending cash and cash equivalents balance	<u>\$ 679,734</u>	<u>\$ 471,393</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income tax paid	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report  
and Notes to Financial Statements

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 31, 2020**

	Camperships and Scholarships	Administrative and General	Fundraising	Costs of Direct Benefit to Donors	Total
Staff Compensation	\$ 128,000	\$ 46,000	\$ 26,000	\$ -	\$ 200,000
Employee Benefits	20,931	7,521	4,252	-	32,704
Payroll Taxes	10,326	3,711	2,098	-	16,135
Consultants	7,073	15,247	3,000	-	25,320
Professional fees	-	16,453	-	-	16,453
Office and General Expense	5,259	8,708	1,257	-	15,224
Facility Costs	-	-	4,381	16,307	20,688
Children's Camp Tuitions	15,000	-	-	-	15,000
Scholarships	5,000	-	-	-	5,000
Silent Auction Items	-	-	-	359	359
Camp Site Visits	14,174	-	-	-	14,174
Occupancy	21,360	7,676	4,339	-	33,375
Promotion	-	-	9,399	-	9,399
Credit Card Fees	-	-	14,003	-	14,003
Amortization	-	2,489	2,490	-	4,979
Insurance	-	3,737	-	-	3,737
	<u>\$ 227,123</u>	<u>\$ 111,542</u>	<u>\$ 71,219</u>	<u>\$ 16,666</u>	<u>\$ 426,550</u>
Total expenses	<u>\$ 227,123</u>	<u>\$ 111,542</u>	<u>\$ 71,219</u>	<u>\$ 16,666</u>	<u>\$ 426,550</u>

See Independent Auditors' Report  
and Notes to Financial Statements



**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 31, 2019**

	Camperships	Administrative and General	Fundraising	Costs of Direct Benefit to Donors	2019 Total
Staff Compensation	\$ 124,160	\$ 44,620	\$ 25,220	\$ -	\$ 194,000
Employee Benefits	23,201	8,337	4,713	-	36,251
Payroll Taxes	10,111	3,634	2,054	-	15,799
Consultants	3,600	12,811	25,052	-	41,463
Professional fees	-	18,588	-	-	18,588
Office and General Expense	4,961	5,905	2,830	-	13,696
Facility Costs	-	-	46,887	169,478	216,365
Children's Camp Tuitions	639,800	-	-	-	639,800
Silent Auction Items	-	-	-	27,966	27,966
Camp Site Visits	20,781	-	-	-	20,781
Occupancy	25,024	8,993	5,083	-	39,100
Promotion	-	-	15,393	-	15,393
Investment Fees	-	163	-	-	163
Credit Card Fees	-	-	22,197	-	22,197
Amortization	-	207	208	-	415
Insurance	-	3,716	-	-	3,716
<b>Total expenses</b>	<b>\$ 851,638</b>	<b>\$ 106,974</b>	<b>\$ 149,637</b>	<b>\$ 197,444</b>	<b>\$ 1,305,693</b>

See Independent Auditors' Report  
and Notes to Financial Statements

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 1: ORGANIZATION**

Summer Camp Opportunities Promote Education, Inc. ("SCOPE" or the "Organization") is a non-profit corporation organized in the State of New York. SCOPE is dedicated to helping children in need by funding not-for-profit camps with "camperships" that offer an enriching summer camp experience. The camps supported by SCOPE are located nationwide; however, there is a concentration in the Northeastern United States.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of the major accounting policies is presented to assist the reader in evaluating the financial statements and other data contained herein.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") 958-205 regarding Financial Statements of Not-for-Profit Organizations. Under the ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions – expendable resources that are used to carry out the Organization's operations and that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by the Board of Directors. As of September 30, 2020 and September 30, 2019, board designated funds amounted to \$417,776 and \$333,206. See Footnote 9.

Net assets with donor restrictions – represent assets that are restricted by the donor as to the purpose and/or passage of time.

Upon expiration of a donor-imposed restriction on contributions, the amount is reclassified to net assets without donor restrictions. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization's policy is to report donor-restricted contributions whose restrictions are met in the same reporting period as contributions without donor restrictions. As of September 30, 2020 and September 30, 2019, the Organization's net assets contained no donor restrictions.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Recently Issued Accounting Pronouncements

In July 2017, the FASB issued Accounting Standards Update ASU No. 2017-13, Revenue Recognition (Topic 606). The objective of the new guidance is to establish principles to report useful information to users of the financial statements about the nature, amount, timing, and uncertainty of revenue from contracts with customers. The Organization is assessing the impact of the new guidance that will be implemented for the year ending September 30, 2021.

In July 2017, the FASB issued Accounting Standards Update ASU No. 2017-13, Leases (Topic 840) and Leases (Topic 842). The new standards will require organizations that lease assets to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. The Organization is assessing the impact of the new guidance that will be implemented for the year ending September 30, 2022.

Use of Estimates in the Preparation of Financial Statements

Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that management uses.

Cash and Cash Equivalents

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

Investments

Investments in marketable securities are stated at fair value. SCOPE's marketable securities consist entirely of common stock, exchange traded funds ("ETF's"), and mutual funds. All gains, losses, and investment income arising from the investments in marketable securities are without donor restrictions.

Common stock and ETF's are valued at the last quoted market price on the last business day of SCOPE's fiscal year and shares of mutual funds are valued at the fair market asset value of shares held by SCOPE at the fiscal year end. All realized and unrealized gains and losses are included in the statements of activities. Investments in marketable securities that are donated are recorded at fair value on the date of donation.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Fair Value Measurements

The provisions included in GAAP concerning "Fair Value Measurements and Disclosures", define fair value, establish a framework for measuring fair value and expand disclosures about fair value measurements. These provisions apply to SCOPE's investments, which are presented at fair value.

Unconditional promises to give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give which occurred before year-end are recorded as receivables and are recognized as support in the statements of activities at a net realizable value.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At September 30, 2020 and 2019, no allowance has been recognized based on management's determination.

Donated Services

Donated services are recognized as contributions in accordance with GAAP, if the services (a) create or enhance non-financial assets or (b) require specialized skills, performed by people with those skills, and would otherwise be purchased by SCOPE. A substantial number of volunteers donate significant amounts of their time in SCOPE's program activities; however, these donated services have not been recognized in the financial statements because they did not meet the criteria prescribed by GAAP, and no objective basis is available to measure the value of such services.

Donated Materials

Donated materials are recognized at fair value as of the date donated and are included in contributions.

Functional Allocation of Expenses

The costs of providing the Organization's program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain shared costs have been allocated among the programs and supporting services benefited. The allocations are based on several factors. Compensation, benefit, and payroll tax expenses are allocated based on the time spent on tasks related to either program or support services. General expenses are allocated using the same basis as the salary and related expenses. Occupancy costs are allocated based on the square footage of the office utilized for either program or support services.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business. Accordingly, no provision for federal or state income taxes is included in these financial statements. The Organization did not have net income derived from unrelated business activities for years ended September 30, 2020 and 2019.

Uncertain Tax Positions

Management has analyzed the tax positions taken by the Organization, and has concluded that as of September 30, 2020 and 2019 there are no known uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions. Management believes that the Organization's tax returns prior to 2017 are no longer subject to examination, based on the normal statutory periods subject to audit, notwithstanding any events or circumstances that may exist, which could expand the open period.

Website Development Costs

Costs associated with the development of the Organization's new website have been capitalized in accordance with ASC 350-50-25. See Footnote 4.

Advertising Expense

Advertising is expensed as incurred and amount to \$9,399 and \$15,393 for the years ended September 30, 2020 and 2019, respectively.

Loan – U.S. SBA PAYCHECK PROTECTION PROGRAM

In April 2020, the Organization received proceeds in the amount of \$43,490 under the United States Small Business Administration ("SBA") Paycheck Protection Program ("PPP"). The PPP was established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). The Organization is accounting for the loan as a financial liability. The organization subsequently applied and was granted complete forgiveness for the PPP loan on April 8, 2021.

On February 4, 2021, the Organization was approved an additional SBA Paycheck Protection Program Second Draw ("PPP2") loan in the amount of \$41,665, with similar terms as the original PPP.

Subsequent Events

The Organization has evaluated subsequent events through May 26, 2021, the date, which the financial statements were available to be issued, for possible recognition or disclosure.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

**NOTE 3: INVESTMENTS**

Investments at fair value are comprised of the following at September 30, 2020 and 2019:

**Investments as of September 30, 2020**

	<u>Cost</u>	<u>Fair Value</u>	<u>Accumulated Unrealized Gain</u>
Common stock	\$ 39,532	\$ 103,903	\$ 64,371
Exchange traded funds	38,361	124,984	86,623
Mutual funds	<u>178,664</u>	<u>188,889</u>	<u>10,225</u>
	<u>\$ 256,557</u>	<u>\$ 417,776</u>	<u>\$ 161,219</u>

**Investments as of September 30, 2019**

	<u>Cost</u>	<u>Fair Value</u>	<u>Accumulated Unrealized Gain</u>
Common stock	\$ 39,532	\$ 52,146	\$ 12,614
Exchange traded funds	52,104	140,100	87,996
Mutual funds	<u>130,921</u>	<u>140,960</u>	<u>10,039</u>
	<u>\$ 222,557</u>	<u>\$ 333,206</u>	<u>\$ 110,649</u>

Net unrealized and realized (losses) gains as shown on the Statement of Activities consists of the following:

	<b>2020</b>	<b>2019</b>
Realized gains (losses)	\$ 37,120	\$ (2,078)
Unrealized gains (losses)	50,570	(6,839)
Investment fees	<u>(3,120)</u>	<u>(4,129)</u>
	<u>\$ 84,570</u>	<u>\$ (13,046)</u>

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 4: INTANGIBLE ASSETS**

On September 24, 2019 the Organization put into service a new website designed by a third party vendor. In compliance with ASC Topic 350, the Organization capitalized \$14,940 in website development costs. The website has an estimated useful life of three years. The amortization expense for the years ended September 30, 2020 was \$4,980. The estimated aggregate amortization expense for each of the two following years is:

2021	\$ 4,980
2022	<u>4,565</u>
Total	<u>\$ 9,545</u>

**NOTE 5: FAIR VALUE MEASUREMENTS**

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).

The Organization prioritizes the inputs to valuation techniques used to measure fair value. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy.

When the Organization believes that the reported net asset value per share (or its equivalent) of an investment is not representative of fair value, the Organization categorizes the investment in accordance with ASC 820, Fair Value Measurements and Disclosures hierarchy.

The three levels of the fair value hierarchy under FASB Accounting Standards Codification are described as follows:

Level 1        Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2        Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 5: FAIR VALUE MEASUREMENTS** (Continued)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value.

- *Common Stock, Exchange Traded Funds, and Mutual Funds*: Valued at the closing price reported in the active market in which the individual securities are traded. This is consistent with prior periods.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables on the following page sets forth by level, within the fair value hierarchy, the Organization's assets measured at fair value.



**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 5: FAIR VALUE MEASUREMENTS** (Continued)

<b>Assets at Fair Value as of September 30, 2020</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common stocks	\$ 103,903	\$ -	\$ -	\$ 103,903
Exchange traded funds	124,984	-	-	124,984
Mutual funds	188,889	-	-	188,889
Total investments as fair value	\$ 417,776	-	-	417,776
<b>Assets at Fair Value as of September 30, 2019</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common stocks	\$ 52,146	\$ -	\$ -	\$ 52,146
Exchange traded funds	140,100	-	-	140,100
Mutual funds	140,960	-	-	140,960
Total investments as fair value	\$ 333,206	-	-	333,206

**NOTE 6: UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give at September 30, 2020 and 2019 consist entirely of amounts due in less than one year. In addition, at September 30, 2020 and 2019, \$200,000 of each of the balances is pledged by an entity related to a member of SCOPE's Board of Directors.

**NOTE 7: LEASE COMMITMENTS**

In December 2017, the Organization exercised its option under its office space lease to extend the lease to January 1, 2020. Originally, the lease required monthly payments of \$2,500 that began October 1, 2015, subject to annual 4% increases, plus an additional \$75 per person monthly fee for telephone, internet, and fax connections. The Organization currently leases the space on a month to month basis. Rent expense for the years ended September 30, 2020 and 2019 amounted to \$33,375 and \$39,100, respectively.

**NOTE 8: RELATED PARTY TRANSACTIONS**

During the year ended September 30, 2020, twenty-three Board members or entities the Board members control contributed \$92,089 to the Organization. During the year ended September 30, 2019, thirty-three Board members or entities the Board members control contributed \$427,532 to the Organization.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 9: BOARD DESIGNATED FUNDS AND SCHOLARSHIPS**

The Board has designated from net assets without donor restrictions a quasi-endowment in the name of Sanford Lavitt. The purpose of these funds is to provide college or vocational school scholarships to children who remain in the SCOPE program and graduate from high school. The Lavitt Education Fund will provide college or approved vocational school scholarships for recipients of the Organization's "camperships". Campers entering third, fourth or fifth grade each summer are eligible. Children must stay in school, return to camp each summer, and graduate high school. "Gap year" campership will be available for campers to return in a leadership capacity as they age out of the camper program. For the year ended September 30, 2020, two campers were given scholarships amounting to \$2,500 each, however the funds were provided with operating cash.

Contributions to the fund are made through donations and gains on the Organization's investments. Appropriations from the fund are authorized once a camper fulfills the requirements to become eligible for a scholarship. The following table represents changes in the fund:

Balance at October 1, 2018	\$ 342,064
Investment loss, net of fees	<u>(8,858)</u>
Balance at September 30, 2019	333,206
Investment income, net of fees	<u>84,570</u>
Balance at September 30, 2020	<u><u>\$ 417,776</u></u>

**NOTE 10: LIQUIDITY OF FINANCIAL ASSETS**

The Organization has a liquidity management policy, which structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization operates with a budgeting process and anticipates sufficient contributions to cover general expenditures.

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 679,735
Unconditional promises to give	200,000
Marketable securities	<u>417,776</u>
	<u><u>\$ 1,297,511</u></u>

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 11: NOTE PAYABLE**

U.S. Small Business Administration – Paycheck Protection Program Loan

In April 2020, the Organization borrowed \$43,490 under PPP. The unsecured term notes require 18 monthly payments of \$2,448, including interest at 1%, accrued from the date of the loans, commencing November 2020. Subsequent to the year ended September 30, 2020 the Organization received loan forgiveness for the entire loan balance.

**NOTE 12: RETIREMENT PLAN**

The Organization sponsors a 403(b) plan that provides for salary deferrals for eligible employees who elect to participate in the Plan. No employer contribution to the plan has been made during the years ended September 30, 2020 and 2019.

**NOTE 13: RISKS AND UNCERTAINTIES**

The Organization maintains cash balances with high quality financial institutions and, at times balances may exceed federally insured limits. The Organization has not experienced any losses related to these balances. All accounts are subject to federal insurance limits of \$250,000 per institution. Total amounts in excess of federally insured limits as of September 30, 2020 were \$187,044.

Contributions from a board member of SCOPE accounted for 18% of the Organization's total contributions for the year ended September 30, 2019. Contributions from donors, one unrelated to SCOPE and one a board member of SCOPE, accounted for 23% of the Organization's total contributions for the year ended September 30, 2019. During the year ended September 30, 2020, the Organization did not have any contributions by board member's or unrelated parties in excess of 10% of total contributions.

At September 30, 2020 and 2019, one donor represents 100% and three donors represent 99% of the balance of unconditional promises to give, respectively.

SCOPE invests in investment securities (common stock, ETF's, and mutual funds). Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such change could materially affect SCOPE's total net assets.

**SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 AND 2019**

**NOTE 13: RISKS AND UNCERTAINTIES** (Continued)

In December 2019, a novel strain of coronavirus (“COVID-19”) was reported in Wuhan, China and subsequently spread throughout the world. The World Health Organization has declared the outbreak a “Public Health Emergency of International Concern.” The Organization was able to provide a limited number of camperships due to Government imposed restrictions on the camp industry in the summer of 2020. Due to the significant restrictions placed on many businesses, including those in the camp industry, as well as general uncertainties in the economy, the outbreak had negative effects on the Organization in 2020. The Organization mitigated the impact by obtaining loans under the United States Small Business Administration Paycheck Protection Program. At this point, the extent to which COVID-19 may impact the Organization’s financial position or statement of activities in 2021 is uncertain. The extent of the impact of COVID-19 on the Organization’s mission will depend on certain developments, including the duration and spread of the outbreak and the impact on the Organization’s donors, all of which are uncertain and cannot be predicted.