SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Summer Camp Opportunities Promote Education, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2021 and 2020, 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 financial 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.

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

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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, 2021 and 2020, 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.

Prior Period Financial Statements

The financial statements as of September 30, 2020, were audited by Wagner & Zwerman LLP, who merged with Gettry Marcus CPA, P.C. as of January 1, 2021, and whose report dated May 26, 2021, expressed an unmodified opinion on those statements.

Gettry Marcus CPA, P.C.

Gettry Marcus CPA, P.C.
Melville, New York
February 16, 2022

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

	Without Donor Restrictions 2021	Without Donor Restrictions 2020
ASSETS		
ASSETS		
Cash and cash equivalents	$ 1,584,864	$ 663,816
Unconditional promises to give	19,500	200,000
Prepaid expenses	54,911	58,418
Investments (board-designated endowment assets)	514,572	433,695
Website costs - net	4,565	9,545
Other assets	-	5,000
TOTAL ASSETS	$ 2,178,412	$ 1,370,474
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued expenses	$ 40,915	$ 5,724
Program camp tuitions payable	585,000	-
U.S. SBA - Paycheck Protection Program Loan	41,665	43,490
Total liabilities	667,580	49,214
NET ASSETS		
Without donor restrictions:		
Undesignated	996,260	887,565
Designated for endowment	514,572	433,695
Total net assets	1,510,832	1,321,260
TOTAL LIABILITIES AND NET ASSETS	$ 2,178,412	$ 1,370,474

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

	Without Donor Restrictions 2021	Without Donor Restrictions 2020
REVENUE AND SUPPORT		
Contributions	$ 1,048,853	$ 383,693
Special events	83,358	210,041
Net investment income	80,877	90,569
Total revenue and support	1,213,088	684,303
FUNCTIONAL EXPENSES		
Camperships and scholarships	803,541	227,123
Administrative and general	107,089	111,542
Fundraising	122,156	71,219
Costs of direct benefit to donors	34,619	16,666
Total expenses	1,067,405	426,550
OTHER INCOME		
Loan forgiveness - U.S. SBA Paycheck Protection Program	43,490	-
Interest income	399	258
Total other income	43,889	258
CHANGE IN NET ASSETS	189,572	258,011
Net assets - beginning of year	1,321,260	1,063,249
Net assets - end of year	$ 1,510,832	$ 1,321,260

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

	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
Increase in net assets	$ 189,572	$ 258,011
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Amortization	4,980	4,980
Net unrealized and realized (gains)	(71,033)	(84,570)
Loan forgiveness - U.S. SBA Paycheck Protection Program	(43,490)	-
Changes in assets and liabilities		
Unconditional promises to give	180,500	82,300
Prepaid expenses	3,507	19,032
Other assets	5,000	-
Accrued expenses	35,191	(1,163)
Program camp tuitions and workshops payable	585,000	(97,072)
Other accounts payable	-	(16,666)
Net cash provided by operating activities	889,227	164,852
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchases) of investments	(219,135)	(66,249)
Proceeds from sale of investments	202,222	66,249
Net cash (used) in investing activities	(16,913)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from U.S. SBA Paycheck Protection Program Loan	41,665	43,490
Net cash provided by financing activities	41,665	43,490
Net change in cash and cash equivalents	913,979	208,342
Cash and cash equivalents, including cash and cash equivalents within investments - beginning of year	679,735	471,393
Cash and cash equivalents, including cash and cash equivalents within investments - end of year	$ 1,593,714	$ 679,735

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	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	28,710	10,317	5,832	-	44,859
Payroll taxes	10,495	3,771	2,132	-	16,398
Consultants	5,873	14,153	6,827	-	26,853
Professional fees	-	13,283	-	-	13,283
Office and general expense	5,086	11,295	3,224	-	19,605
Facility costs	-	-	41,669	32,838	74,507
Children's camp tuitions	585,000	-	-	-	585,000
Scholarships	32,500	-	-	-	32,500
Silent auction items	-	-	-	1,781	1,781
Camp site visits	3,169	-	-	-	3,169
Occupancy	4,708	1,692	956	-	7,356
Promotion	-	-	10,061	-	10,061
Investment fees	-	275	-	-	275
Credit card fees	-	-	22,965	-	22,965
Amortization	-	2,490	2,490	-	4,980
Insurance	-	3,813	-	-	3,813
Total expenses	$ 803,541	$ 107,089	$ 122,156	$ 34,619	$ 1,067,405

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 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	8,707	1,257	-	15,223
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	-	2,490	2,490	-	4,980
Insurance	-	3,737	-	-	3,737
Total expenses	$ 227,123	$ 111,542	$ 71,219	$ 16,666	$ 426,550

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

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 ("U.S. GAAP").

Basis of Presentation
The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") 958-205 regarding Financial Statements of Not-for-Profit Organizations. Under the provisions of 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 (the "Board"). As of September 30, 2021 and 2020, board designated funds amounted to $514,572 and $433,695, respectively (see Note 8).

- *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, 2021 and 2020, the Organization's net assets contained no donor restrictions.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements
In June 2018, FASB issued Accounting Standards Update ("ASU") 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made.* ASU 2018-08 assists entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958 or as exchange (reciprocal transactions) subject to other guidance and in determining whether a contribution is conditional. ASU 2018-08 was adopted by the Organization effective October 1, 2019 and did not have a significant impact on the Organization's financial statements.

In November 2016, FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash* to reduce diversity in practice by providing guidance on presentation of restricted cash within the cash flow statement. The ASU requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or cash equivalents (collectively, restricted cash). The update also amend Topic 230 to require disclosures about the nature of restricted cash and provide reconciliation of cash, cash equivalents and restricted cash between the statement of financial position and the statement of cash flows. ASU 2016-18 was adopted retrospectively during the fiscal year ended September 30, 2020.

The following table summarizes cash and cash equivalents reported on the statements of cash flows as of September 30, 2021 and 2020.

	2021	2020
Cash and cash equivalents	$ 1,584,864	$ 663,816
Cash and cash equivalents held in endowment	8,850	15,919
	$ 1,593,714	$ 679,735

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606).* The objective of the new guidance is to establish principles to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue from contracts with customers. The Organization adopted this new guidance effective September 1, 2020. The adoption of the new guidance did not have a material impact on the financial position and results of operations of the Organization.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)
In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, as amended. Under the new provision, all lessees will report on the statement of financial position a right-of-use asset and a liability for the obligation to make payments with the exception of those leases with a term of 12 months of less. The new provision will be effective for the Organization in fiscal year 2023. Early adoption is permitted. The Organization is evaluating the expected impact of this standard on its financial statements.

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The intention of this ASU is to increase transparency about nonfinancial gifts in kind, including how they are used and how they are valued. The ASU requires a separate line-item presentation of contributed nonfinancial assets in the statement of activities, apart from the contributions of cash or other financial assets. The ASU requires disclosure of the disaggregation of the amount of nonfinancial gifts in-kind received by category and the organization, and for each category, disclosure of: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period; (ii) the not-for-profit's policy about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any related donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure. The ASU is effective for annual reporting periods beginning after June 15, 2021, to be applied on a retrospective basis, and earlier application is permitted. Management has not assessed the impact, if any, this ASU will have on its financial statements.

Use of Estimates
Management uses estimates and assumptions in preparing the financial statements in accordance with U.S. GAAP. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the revenue and expenses recognized during the reporting period. Actual results could vary from the estimates that management uses.

Cash and Cash Equivalents
The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except any such securities held by external investment managers are classified with investments, and generally not used for current operations.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2021 and 2020, no allowance has been recognized based on management's determination.

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 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.

Fair Value Measurements
The provisions included in U.S. 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.

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 Note 7).

Revenue and Support Recognition
Contributions, which include unconditional promise to give (pledges), are recognized as revenues in the period received or promised. Contributions are considered to be without donor restrictions unless specifically restricted by the donor for a particular program, time, or other purpose, in which case the contribution revenue is reported in the donor restricted net asset class. As donor restrictions are met, the net assets are released from restriction in the statement of activities. Donor-restricted contributions are initially reported in the with donor restriction net asset class, even if it is anticipated such restrictions will be met in the current reporting period.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services
Donated services are recognized as contributions in accordance with U.S. 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 U.S. 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 of donation 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 statements of activities. Expenses that can be identified with a specific program or supporting service are recorded directly to such specific program or supporting service. Certain shared costs have been allocated among the programs and supporting services benefited. The allocations are based on serval factors. Compensation, benefit, and payroll tax expense 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.

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 was included in these financial statements. The Organization did not have net income derived from unrelated business activities for years ended September 30, 2021 and 2020.

Uncertain Tax Positions
Management has analyzed the tax positions taken by the Organization, and has concluded that as of September 30, 2021 and 2020, there were 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, however, there are currently no audits for any tax periods in progress. Based on the normal statutory periods subject to audit, notwithstanding any events or circumstances that may exist which could expand the open period, management believes that the Organization's tax returns for fiscal years 2018 through 2020 remain open for income tax examinations.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loan – U.S. SBA PAYCHECK PROTECTION PROGRAM

The Organization received two loans totaling to $85,155 under the United States Small Business Administration ("U.S. SBA"), Paycheck Protection Program ("PPP") for two separate loans (see Note 9). 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 under FASB ASC 470. The Organization intends to seek forgiveness of the PPP loan and is following the guidance under FASB ASC 405-20-40-1 in which the loan would remain a liability until either (1) partially or wholly forgiven and the debtor is legally released or (2) the debtor pay off the loan. The Organization subsequently applied and was granted forgiveness for these PPP loans (see Note 9), at which point the liability can be derecognized.

Advertising Expense

Advertising is expensed as incurred and amount to $10,061 and $9,399 for the years ended September 30, 2021 and 2020, respectively.

Reclassifications

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

Subsequent Events

The Organization has evaluated subsequent events through February 16, 2022, the date, which the financial statements were available to be issued, for possible recognition or disclosure.

NOTE 3: UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at September 30, 2021 and 2020 consist entirely of amounts due in less than one year. In addition, at September 30, 2020, the $200,000 balance was pledged by an entity related to a member of SCOPE's Board.

NOTE 4: 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.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 4: LIQUIDITY OF FINANCIAL ASSETS (Continued)

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

Cash and cash equivalents	$	1,584,864
Unconditional promises to give		19,500
Investments - at fair value		514,572
		2,118,936
Less - Board designated endowment assets		(514,572)
Less - Program camp tuitions and workshops payable		(585,000)
Less - Other liabilities due within one year		(40,915)
Net liquid assets available for general expenditure	$	978,449

NOTE 5: INVESTMENTS

Investments are classified as follows in the statements of financial position as of September 30:

	2021	2020
Mutual funds	$ 165,162	$ 103,903
Common stock	204,072	124,984
Exchange traded funds	136,488	188,889
Cash and cash equivalents	8,850	15,919
Investments - at fair value	$ 514,572	$ 433,695

These assets have been designated by the Board without donor restrictions as a quasi-endowment in the name of Sanford Lavitt (see Note 8).

The following are the components of net investment income for the years ended September 30, 2021 and 2020:

	2021	2020
Dividend and interest income	$ 9,844	$ 5,999
Realized and unrealized gains - net	73,369	87,690
Total investment income	83,213	93,689
Less - Investment expenses	(2,336)	(3,120)
Net investment income	$ 80,877	$ 90,569

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 6: FAIR VALUE MEASUREMENTS

FASB 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 hierarchy.

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

- *Level 1*. Unadjusted quoted prices in active markets for identical assets or liabilities that the Section 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;
    - 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.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Section's own judgments about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 6: FAIR VALUE MEASUREMENTS (Continued)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The Organization holds investments in various mutual funds, common stock and exchange traded funds. All of its investment holdings are in securities that are traded in an active market, and accordingly, the fair value is based upon the quoted price reported in the market in which the security trades. This is for all investments held as of and during the years ended September 30, 2021 and 2020.

The following table set forth by level, within the fair value hierarchy, the Section's assets at fair value as of September 30, 2021:

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Endowment:				
Mutual funds	$ 165,162	$ -	$ -	$ 165,162
Common stock	204,072	-	-	204,072
Exchange traded funds	136,488	-	-	136,488
Total	$ 505,722	$ -	$ -	505,722
Plus - Cash and cash equivalents held in endowment				8,850
Total investments				$ 514,572

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 6: FAIR VALUE MEASUREMENTS (Continued)

The following table set forth by level, within the fair value hierarchy, the Section's assets at fair value as of September 30, 2020:

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Endowment:				
Mutual funds	$ 103,903	$ -	$ -	$ 103,903
Common stock	124,984	-	-	124,984
Exchange traded funds	188,889	-	-	188,889
Total	$ 417,776	$ -	$ -	417,776
Plus - Cash and cash equivalents held in endowment				15,919
Total investments				$ 433,695

NOTE 7: 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 each of the years ended September 30, 2021 and 2020 was $4,980. The estimated aggregate amortization expense for the fiscal year ending 2022 is $4,565.

NOTE 8: 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". 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 years ended September 30, 2021 and 2020, thirteen campers and two campers, respectively, each received $2,500 scholarships. The total of $32,500 ($27,500 and $5,000 for the years ended September 30, 2021 and 2020, respectively) were funded from operating cash and are included as part of camperships and scholarship expenses presented in the statement of activities.

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.

SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE 8: BOARD DESIGNATED FUNDS AND SCHOLARSHIPS (Continued)

The Organization has adopted investment and spending policies for long term capital appreciation with acceptable levels of risk. Board designated quasi-endowment funds are invested in a well-diversified asset mix, which includes equity mutual funds with various investment objectives, that is intended to result in consistent appreciation of the endowment assets. The Organization's spending policy does not permit spending of the total net endowment assets or any investment earnings thereon. Accordingly, all earnings on endowment assets are recorded as increases to Board-designated endowment assets.

The following table represents changes in the market value of fund:

Balance at October 1, 2019	$	343,126
Investment income, net of fees		90,569
Balance at September 30, 2020		433,695
Investment income, net of fees		80,877
Balance at September 30, 2021	$	514,572

NOTE 9: U.S. SMALL BUSINESS ADMINISTRATION – PAYCHECK PROTECTION PROGRAM LOANS

In April 2020, the Organization received $43,490 under the U.S. SBA's PPP as part of the CARES Act. This loan was forgivable, in whole or in part, as long as the proceeds were used for qualifying expenses and certain other criteria are met. If not forgiven, the loan would bear interest at a rate of 1.0% per year with the principal due two years after the loan date. PPP loans are not collateralized. The Organization subsequently applied and was granted forgiveness for $43,490 in April 2021. This loan forgiveness was recognized as other income in the statement of activities for the year ended September 30, 2021.

In February 2021, the Organization received a $41,665 Paycheck Protection Program Second Draw Loan ("PPP2") from the U.S. SBA. The PPP2 loan had a five year term. All other terms were identical to the original PPP loan. The Organization subsequently applied and was granted forgiveness for $41,665 in November 2021. This PPP2 loan was recognized as a liability in the statement of financial position as of September 30, 2021 and the loan forgiveness will be recognized as other income in the statement of activities in the year ended September 30, 2022.

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NOTE 10: LEASE COMMITMENTS

In December 2017, the Organization accepted its option to extend its office space lease (the “lease’) to January 1, 2020. The lease was extended on a “month to month” basis. The lease was terminated in August 2020. Lease payments for the year ended September 30, 2020 was $28,675.

NOTE 11: RELATED PARTY TRANSACTIONS

During the year ended September 30, 2021, twenty-two Board members or entities the Board members control contributed $205,472 to the Organization. During the year ended September 30, 2020, twenty-three Board members or entities the Board members control contributed $92,089 to the Organization.

NOTE 12: PROGRAM CAMP TUITIONS PAYABLE

In connection with the Organization’s mission, program camp tuitions and workshops payable represent the balance payable to American Camp Association Accredited resident camps which provided summer camp experience to campers. As of September 30, 2021 and 2020 the balance due amounted to $585,000 and $5,723, respectively.

NOTE 13: RETIREMENT PLAN

The Organization sponsors a 401(k) 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, 2021 and 2020.

NOTE 14: 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, 2021 were $1,084,864.

During the year ended September 30, 2021, the Organization had one unrelated party whose contributions accounted for 15% of total contributions. 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.

As of September 30, 2021 and 2020, two donors and one donor, respectively, accounted for all the unconditional promises to give.

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NOTE 14: RISKS AND UNCERTAINTIES (Continued)

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.

The coronavirus pandemic ("COVID-19") has adversely impacted the United States and many other parts of the world. Due to significant restrictions placed on businesses, as well as general uncertainties in the economy, the Organization experienced a material reduction in revenue during the fiscal year ended September 30, 2020. The Organization mitigated the impact of this revenue reduction by obtaining loans under the PPP program. Approval and dissemination of vaccines, an overall easing of the pandemic and the lifting of government restrictions on camp operations enabled the Organization to increase its revenue in 2021 and to otherwise return to more normal operations. The extent of future impacts of COVID-19 will depend on the nature of and emergence of additional variants and other pandemic-related developments, all of which are uncertain and cannot be predicted.