SUMMER CAMP OPPORTUNITIES PROMOTE EDUCATION, INC.

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2023 AND 2022

Summer Camp Opportunities Promote Education, Inc.

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Years Ended September 30, 2023 and 2022

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Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of Summer Camp Opportunities Promote Education, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Emphasis of Matter

As discussed in Note 2, the Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, as amended (Topic 842) ("ASC 842"), which supersedes accounting standards that previously existed for the accounting and disclosure for leases. ASC 842 requires a lessee to generally account for both finance leases and operating leases by recognizing a right-of-use ("ROU") asset and a lease liability on the balance sheet, as well as changes to operations. It also requires organizations to disclose additional information regarding its leases and to re-evaluate lessee and lessor relationships for implied or express terms and underlying economic lives of the ROU asset. The Organization adopted ASC 842 on October 1, 2022, using the optional transition method under which the new standard is applied only to the most current period presented. Under this adoption method, reporting periods beginning after October 1, 2022, are presented under the new standard, while prior period amounts are not adjusted. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of the Organization as of September 30, 2022, were audited by other auditors whose report, dated May 24, 2023, expressed an unmodified opinion on those financial statements.

Responsibilities of Management 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, 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the Organization'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 the Organization's ability to continue as a going concern for a reasonable period of time.

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

Citrin Cooperman & Company, LLP

Woodbury, New York
July 3, 2024

Summer Camp Opportunities Promote Education, Inc.
Statements of Financial Position
September 30, 2023 and 2022

	Without Donor Restrictions 2023	Without Donor Restrictions 2022
Assets		
Assets		
Cash and cash equivalents	$ 1,868,219	$ 1,643,547
Cash and cash equivalents (board-designated endowment assets)	8,245	5,310
Unconditional promises to give	-	18,700
IRS employee retention credits receivable	15,834	47,668
Security deposits	18,000	-
Prepaid expenses	4,309	-
Investments (board-designated endowment assets)	511,401	396,313
Investments	43,387	444,142
Operating lease right-of-use asset	153,193	-
Total assets	$ 2,622,588	$ 2,555,680
Liabilities and Net Assets		
Liabilities		
Accrued expenses	$ 4,092	$ 3,192
Program camp tuitions payable	-	816,100
Operating lease obligation	156,972	-
Total liabilities	161,064	819,292
Net assets		
Without donor restrictions:		
Undesignated	1,941,878	1,334,765
Designated for endowment	519,646	401,623
Total net assets	2,461,524	1,736,388
Total liabilities and net assets	$ 2,622,588	$ 2,555,680

Summer Camp Opportunities Promote Education, Inc.
Statements of Activities
Years Ended September 30, 2023 and 2022

	2023	2022
Revenue and support		
Contributions	$ 2,463,860	$ 1,856,798
Special events	274,009	160,812
Total revenue and support	2,737,869	2,017,610
Functional expenses		
Camperships and college scholarships	1,582,875	1,261,044
Administrative and general	143,739	131,216
Fundraising	238,805	205,750
Cost of direct benefit to donors	223,387	134,324
Total expenses	2,188,806	1,732,334
Other income (expense)		
Net investment income (expense)	171,090	(149,583)
IRS employee retention credit	-	47,668
Loan forgiveness - U.S. SBA Paycheck Protection Program	-	41,665
Interest income	4,983	530
Total other income (expense)	176,073	(59,720)
Change in net assets	725,136	225,556
Net assets - beginning of year	1,736,388	1,510,832
Net assets - end of year	$ 2,461,524	$ 1,736,388

Summer Camp Opportunities Promote Education, Inc.
Statements of Cash Flows
Years Ended September 30, 2023 and 2022

	Without Donor Restrictions 2023	Without Donor Restrictions 2022
Cash flows from operating activities		
Increase in net assets	$ 725,136	$ 225,556
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization	-	4,565
Amortization - right-of-use asset	3,779	-
Net unrealized and realized loss (gain)	(158,002)	162,451
Loan forgiveness - U.S. SBA Paycheck Protection Program	-	(41,665)
Changes in assets and liabilities:		
Unconditional promises to give	18,700	800
IRS employee retention credit receivable	31,834	(47,668)
Prepaid expenses	(4,309)	54,911
Accrued expenses	900	(37,723)
Program camp tuitions payable	(816,100)	231,100
Total adjustments	(923,198)	326,771
Net cash (used in) provided by operating activities	(198,062)	552,327
Cash flows from investing activities		
(Purchases) of investments	(380,686)	(646,265)
Proceeds from sale of investments	806,355	157,931
Net cash provided by (used in) investing activities	425,669	(488,334)
Net increase in cash and cash equivalents	227,607	63,993
Cash and cash equivalents - beginning of year	1,648,857	1,584,864
Cash and cash equivalents - end of year	$ 1,876,464	$ 1,648,857

Summer Camp Opportunities Promote Education, Inc.
Statement of Functional Expenses
Year Ended September 30, 2023

	Camperships and College Scholarships	Administrative and General	Fundraising	Cost of Direct Benefit to Donors	Total
Staff compensation	$ 154,603	$ 55,560	$ 31,404	$ -	$ 241,567
Employee benefits	25,246	9,073	5,128	-	39,447
Payroll taxes	11,873	4,266	2,412	-	18,551
Consultants	14,886	35,756	32,552	-	83,194
Professional fees	-	22,450	-	-	22,450
Office and general expense	6,703	8,468	2,235	-	17,406
Facility costs	-	-	79,735	213,382	293,117
Children's camp tuitions	1,263,000	-	-	-	1,263,000
College scholarships	77,500	-	-	-	77,500
Silent auction items	-	-	-	10,005	10,005
Camp site visits	23,305	-	-	-	23,305
Lease costs	5,759	2,069	1,169	-	8,997
Promotion	-	-	31,063	-	31,063
Bank fees	-	2,293	-	-	2,293
Credit card fees	-	-	53,107	-	53,107
Insurance	-	3,804	-	-	3,804
Total operating expenses	$ 1,582,875	$ 143,739	$ 238,805	$ 223,387	$ 2,188,806

Summer Camp Opportunities Promote Education, Inc.
Statement of Functional Expenses
Year Ended September 30, 2022

	Camperships and College Scholarships	Administrative and General	Fundraising	Cost of Direct Benefit to Donors	Total
Staff compensation	$ 141,696	$ 50,922	$ 28,782	$ -	$ 221,400
Employee benefits	24,422	8,776	4,961	-	38,159
Payroll taxes	13,366	4,804	2,715	-	20,885
Consultants	20,821	36,408	44,434	-	101,663
Professional fees	-	14,175	-	-	14,175
Office and general expense	7,534	9,142	3,980	-	20,656
Facility costs	-	-	62,274	129,677	191,951
Children's camp tuitions	951,300	-	-	-	951,300
College scholarships	85,000	-	-	-	85,000
Silent auction items	-	-	-	4,647	4,647
Camp site visits	14,820	-	-	-	14,820
Rent	2,085	749	424	-	3,258
Promotion	-	-	24,474	-	24,474
Investment fees	-	376	-	-	376
Credit card fees	-	-	31,423	-	31,423
Amortization	-	2,282	2,283	-	4,565
Insurance	-	3,582	-	-	3,582
Total operating expenses	$ 1,261,044	$ 131,216	$ 205,750	$ 134,324	$ 1,732,334

Note 1 – Organization and Nature of Business

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

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, 2023 and 2022, board designated funds amounted to $ 511,401 and $401,623, 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, 2023 and 2022, the Organization's net assets contained no donor restrictions.

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.

Note 2 – Summary of Significant Accounting Policies (continued)

The Organization maintains cash balances at several banks in northeastern part of the United States of America. Cash accounts at the banks are insured by the Federal Deposit Insurance Corporation (“FDIC”), subject to certain limits. At times, such cash balances may be more than the insured limits. As of September 30, 2023, and 2022, the Organization had approximately $1,005,000 and $1,156,000, respectively, in excess of the FDIC limits. The Organization has not experienced any losses in such accounts.

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, 2023 and 2022, 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 stocks, exchange traded funds ("ETFs"), government bonds, and mutual funds. All gains, losses, and investment income arising from the investments in marketable securities are without donor restrictions.

Common stocks, ETFs, and government bonds 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", 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 website have been capitalized in accordance with ASC 350-50-25.

Revenue and Support Recognition
Contributions, which include unconditional promise to give (pledges), are recognized as revenues in the period received or promised. Contributions are 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 donor restriction net asset class, even if it is anticipated such restrictions will be met in the current reporting period.

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.

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 several 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, 2023 and 2022.

Uncertain Tax Positions
Management has analyzed the tax positions taken by the Organization, and has concluded that as of September 30, 2023 and 2022, 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 2022 through 2023 remain open for income tax examinations.

Loan – U.S. SBA Paycheck Protection Program
In February 2021, the Organization received a $41,665 loan under the United States Small Business Administration ("U.S. SBA") Paycheck Protection Program ("PPP2"). The PPP2, was established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). The Organization accounted for the loan as financial liability under FASB ASC 470 whereby the loan would remain a liability until either (1) partially or wholly forgiven and the debtor is legally released or (2) the debtor pays off the loan. The Organization subsequently applied for and was granted forgiveness for $41,665 in November 2021. This PPP2 loan forgiveness was recognized as other income in the statement of activities in the year ended September 30, 2022.

Note 2 – Summary of Significant Accounting Policies (continued)

Advertising Expense
Advertising is expensed as incurred and amount to $31,063 and $24,474 for the years ended September 30, 2023 and 2022, respectively.

Operating Leases
On October 1, 2022, the Organization transitioned from legacy lease accounting to Accounting Standards Codification Topic 842 (or "ASC 842") for the accounting and disclosure of operating leases. Under ASC 842, the Organization determines whether an arrangement is or contains a lease at contract inception. For leases with a lease term greater than one year, the Organization recognizes a lease asset for its right to use the underlying leased asset ("ROU") and a lease liability (current and long-term) for the corresponding lease obligation, calculated at present value. In determining the present value of lease payments, the Organization uses a risk-free rate for a period comparable with that of the lease terms. Operating lease ROU assets and liabilities are adjusted to result in a single straight-line lease expense over the life of the lease. The Organization considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Organization is reasonably certain to exercise the option, (2) terminate the lease if the Organization is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor. Variable lease expenses are recorded when incurred. Under ASC 842, deferred rent obligations are no longer presented, and such balances were incorporated into the underlying calculations at adoption.

Subsequent Events
The Organization has evaluated subsequent events through July 3, 2024, the date which the financial statements were available to be issued, for possible recognition or disclosure.

Note 3 – 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'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	$ 1,868,219
Investments - at fair value	43,387
	$ 1,911,606

Note 4 – Investments

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

	September 30, 2023		
	Total Investments	Investments	Board-Designated Endowment Investments*
Common stocks	$ 212,079	$ -	$ 212,079
Mutual and exchange traded funds	161,575	43,387	118,188
US Treasury Bills	181,134	-	181,134
Investments - at fair value	$ 554,788	$ 43,387	$ 511,401

	September 30, 2022		
	Total Investments	Investments	Board-Designated Endowment Investments*
Common stocks	$ 309,004	$ 118,209	$ 190,795
Mutual and exchange traded funds	531,451	325,933	205,518
Investments - at fair value	$ 840,455	$ 444,142	$ 396,313

* 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 (loss) for the years ended September 30, 2023 and 2022:

	2023	2022
Dividend and interest income	$ 17,337	$ 16,522
Realized and unrealized gains (losses) - net	158,002	(162,451)
Total investment income (loss)	175,339	(145,929)
Less - Investment expenses	(4,249)	(3,654)
Net investment income (loss)	$ 171,090	$ (149,583)

Note 5 – Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, 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 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;
    - 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 Organization'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.

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, exchange traded funds and United States Treasury bills. All 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, 2023 and 2022.

Note 5 – Fair Value Measurements (continued)

The following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2023:

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Common stocks	$ 212,079	$ -	$ -	$ 212,079
Mutual and exchange traded funds	161,575	-	-	161,575
US Treasury Bills	181,134	-	-	181,134
Total	$ 554,788	$ -	$ -	$ 554,788

The following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2022:

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Common stocks	$ 309,004	$ -	$ -	$ 309,004
Mutual and exchange traded funds	531,627	-	-	531,627
Total	$ 840,631	$ -	$ -	$ 840,631

Note 6 – Intangible Assets

During 2019, the Organization put into service a website designed by a third-party vendor. In compliance with ASC Topic 350, the Organization capitalized $14,940 in website development costs. The website had an estimated useful life of three years. The amortization expense for the year ended September 30, 2022, was $4,980.

Note 7 – Lease Obligations

On October 1, 2022, the Organization adopted ASU No. 2016-02, *Leases (Topic 842)* using the optional transition method. Under this method, the net present value of future lease payments is recorded as right-of-use assets and liabilities. In addition, the Organization elected a package of practical expedients permitted under the transition guidance within this new standard, which among other things, allowed the Organization to carry forward the historical lease classification. The Organization also elected a short-term lease recognition exemption for all leases that qualify. This means, for those leases that qualify, the Organization did not recognize right-of-use assets or lease liabilities, including not recognizing right-of-use assets or lease liabilities for existing short-term leases of those assets in transition. However, the Organization did not elect to utilize the hindsight practical expedient to determine the lease term for existing leases.

Note 7 – Lease Obligations (continued)

The Organization leases office space in New York under a noncancelable lease that expires during November 2026. Adoption of ASC 842 resulted in the recording of an initial operating right-of-use asset of $156,972 and an operating lease liability of $156,972 on October 1, 2022. The adoption of ASC 842 did not have a material impact the Organization's net assets, change in net assets or cash flows. The Organization's lease of its office is included in the right-of-use asset and operating lease liability. Office space is recorded under operating leases of $156,972 with a contra-asset balance of $3,779. Amortization of this asset was $3,779 for the year ended September 30, 2023.

The following is a summary of the lease-related assets and liabilities recorded as of September 30, 2023.

Assets	
Operating lease right-of-use assets	$ 153,193
Liabilities	
Operating lease obligations	$ 156,972

The following is a summary of certain information related to the lease costs for operating leases for the year ended September 30, 2023:

Lease cost:	
Amortization expense - right-of-use lease asset	$ 3,779
Interest expense - operating lease liability	409
Month-to-month lease costs	4,809
Total lease costs	$ 8,997
Other information:	
Cash paid for amounts included in the measurement of lease liabilities	
Cash flows: principal	$ -
Cash flows: interest	409
Total operating cash flows	$ 409
Weighted-average remaining lease term	3.13 years
Weighted-average discount rate	4.12%

The future undiscounted minimum lease payments, as reconciled to the discounted minimum lease obligations indicated on the Organization's statement of financial position, under operating lease obligations as of September 30, 2023, were as follows:

Years Ended September 30,	
2024	$ 45,929
2025	55,461
2026	56,847
2027	9,690
Total minimum lease payments	167,927
Less amount representing interest	(10,955)
Present value of future lease payments	$ 156,972

Note 8 – Board Designated Funds and College 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, 2023 and 2022, college scholarships given out totaled $77,500 and $85,000, respectively. College scholarships are funded from operating cash and are included as part of camperships and college scholarship expenses presented in the statements of activities for the years ended September 30, 2023 and 2022, respectively.

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 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 board designated funds:

Balance at October 1, 2021	$ 505,722
Investment (loss), net of fees	(112,949)
Balance at September 30, 2022	392,773
Investment income, net of fees	126,873
Balance at September 30, 2023	$ 519,646

Note 9 – IRS Employee Retention Credit

IRS Employee Retention Credit

In response to the COVID-19 outbreak, the Organization was approved for assistance from the Internal Revenue Service Employee Retention Credit ("ERC") under the CARES Act. The ERC was expanded upon with the passing of the Consolidated Appropriations Act, 2021 on December 27, 2020, and was extended until June 30, 2021. The American Rescue Plan further extended the ERC for businesses until December 31, 2021. The ERC is a fully refundable tax credit for employers equal to specific percentages of qualified wages paid; the qualified wages, and related payroll (retention) tax credits, were capped per employee. To qualify for these credits, an enterprise must have had operations fully or partially suspended during any calendar quarter in 2020 or 2021 or experienced specific declines in quarterly gross receipts as compared to the same quarter in the prior year. During the year ended September 30, 2022, the Organization qualified for the credit, and the Organization recorded $47,668, as other income related to the ERC on the Organization's statements of activities.

Note 10 – Related Party Transactions

During the year ended September 30, 2023, eighteen Board members or entities the Board members control contributed $612,666 to the Organization. During the year ended September 30, 2022, twenty Board members or entities the Board members control contributed $99,374 to the Organization.

Note 11 – 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, 2023 and 2022 the balance due amounted to $-0- and $816,100, respectively.

Note 12 – 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, 2023 and 2022.

Note 13 – Risk and Uncertainties

During the year ended September 30, 2023, the Organization had one unrelated donor whose contributions accounted for 14% total contributions.

As of September 30, 2022, one donor accounted for all the unconditional promises to give.

SCOPE invests in investment securities (common stock, ETFs, 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.