



**PROJECT C.A.M.P., INC.
D/B/A THE CENTER
FOR COURAGEOUS KIDS**

SCOTTSVILLE, KENTUCKY

**FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT AUDITORS**

DECEMBER 31, 2020 AND 2019

**PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**
DECEMBER 31, 2020 AND 2019

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Project C.A.M.P., Inc. d/b/a
The Center for Courageous Kids
Scottsville, Kentucky

We have audited the accompanying financial statements of Project C.A.M.P., Inc. d/b/a The Center for Courageous Kids (a nonprofit organization, the Center), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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.

To the Board of Directors
Project C.A.M.P., Inc. d/b/a
The Center for Courageous Kids
Scottsville, Kentucky

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 the Center as of December 31, 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.

Blue & Co., LLC

Lexington, Kentucky
February 9, 2021

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2020

	Without donor restrictions	With donor restrictions	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,107,767	\$ 1,435,585	\$ 2,543,352
Pledges receivable, net		142,857	142,857
Prepaid expenses	102,618		102,618
Inventory	54,714		54,714
Other assets	14,330		14,330
Certificates of deposit		1,000,000	1,000,000
Property and equipment, net	13,990,418		13,990,418
Total assets	\$ 15,269,847	\$ 2,578,442	\$ 17,848,289
<u>LIABILITIES AND NET ASSETS</u>			
Accounts payable	\$ 36,172	\$	\$ 36,172
Accrued expenses	36,234		36,234
Total liabilities	72,406	0	72,406
Net assets:			
Without donor restrictions:			
Undesignated	15,197,441		15,197,441
With donor restrictions:			
Courage and Commitment campaign, capital and programs		2,027,213	2,027,213
Programs:			
Music therapy		117,098	117,098
Adventure for All		100,000	100,000
2020 camps and family retreats		74,500	74,500
Cardiac		49,225	49,225
Specific area campers		34,000	34,000
Other programs		33,549	33,549
To be received in future years		142,857	142,857
	0	2,578,442	2,578,442
Total net assets	15,197,441	2,578,442	17,775,883
Total liabilities and net assets	\$ 15,269,847	\$ 2,578,442	\$ 17,848,289

See accompanying notes
to financial statements.

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,024,537	\$ 1,981,764	\$ 3,006,301
Pledges receivable, net		162,200	162,200
Prepaid expenses	78,211		78,211
Inventory	36,043		36,043
Other assets	17,130	1,000	18,130
Certificates of deposit		1,000,000	1,000,000
Property and equipment, net	14,116,950		14,116,950
Total assets	<u>\$ 15,272,871</u>	<u>\$ 3,144,964</u>	<u>\$ 18,417,835</u>
<u>LIABILITIES AND NET ASSETS</u>			
Accounts payable	\$ 155,396	\$	\$ 155,396
Accrued expenses	27,500		27,500
Total liabilities	<u>182,896</u>	<u>0</u>	<u>182,896</u>
Net assets:			
Without donor restrictions:			
Undesignated	<u>15,089,975</u>		<u>15,089,975</u>
With donor restrictions:			
Courage and Commitment campaign, capital and programs		2,054,853	2,054,853
Programs			
Capital improvements		485,000	485,000
Miniature Golf		173,033	173,033
Music Therapy Program		117,098	117,098
2020 camps and family retreats		44,000	44,000
Other programs		108,780	108,780
To be received in future years		162,200	162,200
	<u>0</u>	<u>3,144,964</u>	<u>3,144,964</u>
Total net assets	<u>15,089,975</u>	<u>3,144,964</u>	<u>18,234,939</u>
Total liabilities and net assets	<u>\$ 15,272,871</u>	<u>\$ 3,144,964</u>	<u>\$ 18,417,835</u>

See accompanying notes
to financial statements.

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Without donor restrictions	With donor restrictions	Total
Revenues and support:			
Contributions	\$ 2,041,111	\$ 557,494	\$ 2,598,605
Special events, net of donor benefits	89,496	440	89,936
Investment income	29,553		29,553
Merchandise sales, net of costs of \$1,153	5,646		5,646
Other income	892		892
Net assets released from restrictions:			
Satisfaction of program restrictions	845,369	(845,369)	0
Satisfaction of time restrictions	279,087	(279,087)	0
Total revenues and support	3,291,154	(566,522)	2,724,632
Expenses:			
Program services:			
Camp services	2,566,639		2,566,639
Supporting services:			
Management and general	283,633		283,633
Fundraising	325,317		325,317
Total expenses	3,175,589	0	3,175,589
Other changes in net assets:			
Losses on disposals of property and equipment	(8,099)		(8,099)
Change in net assets	107,466	(566,522)	(459,056)
Net assets at beginning of year	15,089,975	3,144,964	18,234,939
Net assets at end of year	\$ 15,197,441	\$ 2,578,442	\$ 17,775,883

See accompanying notes
to financial statements.

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

	Without donor restrictions	With donor restrictions	Total
Revenues and support:			
Contributions	\$ 2,341,676	\$ 1,342,067	\$ 3,683,743
Special events, net of donor benefits	171,317	43,625	214,942
Investment income	43,741		43,741
Merchandise sales, net of costs of \$25,932	9,709		9,709
Other income	8,238		8,238
Net assets released from restrictions:			
Satisfaction of program restrictions	648,240	(648,240)	0
Satisfaction of time restrictions	140,600	(140,600)	0
Total revenues and support	3,363,521	596,852	3,960,373
Expenses:			
Program services:			
Camp services	3,412,600		3,412,600
Supporting services:			
Management and general	340,278		340,278
Fundraising	325,721		325,721
Total expenses	4,078,599	0	4,078,599
Other changes in net assets:			
Gains on disposals of property and equipment	5,170		5,170
Change in net assets	(709,908)	596,852	(113,056)
Net assets at beginning of year	15,799,883	2,548,112	18,347,995
Net assets at end of year	\$ 15,089,975	\$ 3,144,964	\$ 18,234,939

See accompanying notes
to financial statements.

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	Program services - camps	Supporting services		Total
		Management and general	Fundraising	
Salaries and wages	\$ 989,514	\$ 133,662	\$ 201,593	\$ 1,324,769
Payroll taxes and employee benefits	310,669	42,304	41,574	394,547
Total personnel costs	<u>1,300,183</u>	<u>175,966</u>	<u>243,167</u>	<u>1,719,316</u>
Depreciation	702,463	9,385	11,023	722,871
Repairs and maintenance	136,585	29,223	12,271	178,079
Utilities	151,239	2,725	3,195	157,159
Insurance	140,194	2,133	2,417	144,744
Supplies	65,548	2,103	1,709	69,360
Legal and professional fees	3,485	54,482	72	58,039
Cost of special events			28,262	28,262
Outside services	9,370		8,285	17,655
Printing and publications	12,800	1,862	2,659	17,321
Dues and subscriptions	6,807	957	5,799	13,563
Training	10,380			10,380
Telephone and communications	9,013	492	317	9,822
Travel	8,361	29	108	8,498
Marketing	4,405	225	3,526	8,156
Miscellaneous	4,528	1,162	1,325	7,015
Postage and delivery	739	1,381	1,182	3,302
Bank fees	539	1,508		2,047
Special events, direct benefit cost			1,488	1,488
Cost of merchandise	<u>1,153</u>			<u>1,153</u>
Total expenses	2,567,792	283,633	326,805	3,178,230
Expenses included with revenues in the statement of activities	<u>(1,153)</u>		<u>(1,488)</u>	<u>(2,641)</u>
Expenses included in the expense section of the statement of activities	<u>\$ 2,566,639</u>	<u>\$ 283,633</u>	<u>\$ 325,317</u>	<u>\$ 3,175,589</u>

See accompanying notes
to financial statements.

**PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program services - camps	Supporting services		Total
		Management and general	Fundraising	
Salaries and wages	\$ 1,325,269	\$ 216,165	\$ 191,478	\$ 1,732,912
Payroll taxes and employee benefits	324,809	56,587	35,363	416,759
Total personnel costs	1,650,078	272,752	226,841	2,149,671
Depreciation	683,829	9,136	10,731	703,696
Supplies	474,868	2,671	2,576	480,115
Utilities	199,308	3,563	4,358	207,229
Repairs and maintenance	174,452	9,819	12,531	196,802
Insurance	113,098	1,673	1,947	116,718
Special events, direct benefit cost			66,271	66,271
Legal and professional fees	7,819	31,032	63	38,914
Outside services	29,617		6,750	36,367
Cost of special events			36,248	36,248
Cost of merchandise	25,932			25,932
Printing and publications	13,204	1,949	4,957	20,110
Marketing	11,291	18	5,189	16,498
Training	13,167	1,878	1,450	16,495
Miscellaneous	11,315	1,053	2,798	15,166
Travel	12,373	210	538	13,121
Dues and subscriptions	5,754	504	6,117	12,375
Telephone and communications	9,766	315	321	10,402
Postage and delivery	1,315	1,444	2,306	5,065
Bank fees	1,346	2,261		3,607
Total expenses	3,438,532	340,278	391,992	4,170,802
Expenses included with revenues in the statement of activities	(25,932)		(66,271)	(92,203)
Expenses included in the expense section of the statement of activities	\$ 3,412,600	\$ 340,278	\$ 325,721	\$ 4,078,599

See accompanying notes
to financial statements.

PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ (459,056)	\$ (113,056)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	722,871	703,696
of property and equipment	8,099	(5,170)
Noncash contributions, restricted		(12,773)
Changes in operating assets and liabilities:		
Pledges receivable, net	19,343	(73,200)
Inventory	(18,671)	14,915
Other assets	3,800	(7,720)
Prepaid expenses	(24,407)	(45,185)
Accounts payable	(119,224)	119,782
Accrued expenses	8,734	18,361
Net cash flows from operating activities	<u>141,489</u>	<u>599,650</u>
 Cash flows from investing activities:		
Proceeds from maturities of certificates of deposit	1,000,000	1,000,000
Purchases of of certificates of deposit	(1,000,000)	(1,000,000)
Proceeds from sales of property and equipment		17,321
Purchases of property and equipment	(604,438)	(719,016)
Net cash flows from investing activities	<u>(604,438)</u>	<u>(701,695)</u>
 Cash flows from financing activities:		
Noncash contributions, restricted	<u>0</u>	<u>12,773</u>
 Change in cash and cash equivalents	(462,949)	(89,272)
 Cash and cash equivalents at beginning of year	<u>3,006,301</u>	<u>3,095,573</u>
 Cash and cash equivalents at end of year	<u>\$ 2,543,352</u>	<u>\$ 3,006,301</u>

See accompanying notes
to financial statements.

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Project C.A.M.P., Inc. d/b/a The Center for Courageous Kids (the Center) is presented to assist in understanding the Center's financial statements. The financial statements and notes are representations of the Center's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements.

Nature of Activities:

The Center for Courageous Kids is a non-profit organization founded by the late Elizabeth Turner Campbell (the Founder). The Center's mission is instilling inspiration and empowerment, while enhancing the lives of children with serious illnesses. The Center is located in Scottsville, KY and provides a free camping experience to the children. Revenues consist primarily of contributions from individuals, civic groups, and foundations.

Basis of Accounting:

The financial statements of the Center have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Basis of Presentation:

The accompanying financial statements have been prepared on the accrual basis, and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.

Net assets with donor restrictions: Net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes.

Use of Estimates:

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported revenues and expenses. Actual results could differ from those estimates.

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Expenses:

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. Direct costs are allocated by department. Certain expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, utilities and insurance, which are allocated on a square footage basis, as well as salaries and wages, benefits, and payroll taxes, which are allocated on the basis of estimates of time and effort. Although the methods used were appropriate, alternative methods may have provided different results.

Cash and Cash Equivalents:

The Center considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Certificate of Deposit:

The certificate of deposit is carried at cost plus accrued interest.

Contributions and Pledges Receivable:

Unconditional promises to give are initially recorded at their fair value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of the amounts expected to be collected. The present value discount is calculated using a risk-adjusted rate of 5% at the time of contribution. No amount for 2020 or 2019 due to immateriality. The carrying value of pledges receivable approximates their fair value based on the relatively short-term maturity of these receivables.

Receivables are considered past due based on contractual terms. The Center provides an allowance based on historical collection experience and a review of the current status of existing receivables. The allowance represents an amount, which, in management's judgment, will be adequate to absorb future losses on existing accounts receivable that may become uncollectible.

Inventory:

Inventory consists of clothing and other items sold during camps and is stated at the lower of average cost or market value determined by the first-in, first-out method.

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment:

The Center capitalizes property and equipment above \$1,000. Property and equipment is recorded at cost as of the date of acquisition or fair value as of the date of receipt in the case of donations. Depreciation is recorded using the straight-line method over estimated useful lives of five to forty years. The cost of repairs and maintenance is expensed as incurred.

Contributions:

Contributions are recorded when received as with or without donor restrictions. When a donor restriction is met, net assets are reclassified and reported in the statement of activities as satisfaction of program or time restrictions.

The Center receives donated services from volunteers who assist with various activities of the camp, as well as materials and equipment. For the years ended December 31, 2020 and 2019, contributed services that required specialized skills and would otherwise be purchased were \$0 and \$12,000, respectively. These were for medical services and the corresponding amounts are included in contributions and outside services expense in the accompanying financial statements. Noncash contributions of materials amounted to approximately \$28,000 and \$203,000, respectively, for the years ended December 31, 2020 and 2019. Of these amounts, no amounts were capitalized for the years ended December 31, 2020 and 2019.

The Center reports gifts of property, goods, and equipment as contributions without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those donated long-lived assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service as instructed by the donor.

In 2020 and 2019, the Center received gifts of publicly traded stock totaling approximately \$0 and \$13,000, respectively. The gifts were immediately liquidated via a third-party broker and are included in special events revenue and contributions revenue in the accompanying statements of activities. Proceeds from gifts without donor restriction are included in the operating section of the statement of cash flows as part of change in net assets. Proceeds from restricted gifts are included in the financing section of the statement of cash flows.

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition:

On January 1, 2019, the Center adopted "Revenue from Contracts with Customers" using the retrospective method applied to all contracts. The Center recognizes merchandise sales at the point of sale. Returns are immaterial. Net sales are reflected in the accompanying statements of activities. The Center holds special events in which donated items are available for auction. The items are not guaranteed by the Center and amounts paid are not refundable. For the years ended December 31, 2020 and 2019, revenues from auction sales were approximately \$5,000 and \$38,000, respectively.

Subsequent Events:

The Center evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through February 9, 2021, which is the date the financial statements were issued.

Going Concern Evaluation:

Management evaluates whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern for a period one year from the date the financial statements are available to be issued.

NOTE 2 - PLEDGES RECEIVABLE

Following is a detail of pledges receivable activity for the year ended December 31:

	<u>2020</u>	<u>2019</u>
Beginning balance	\$ 162,200	\$ 89,000
Pledges	67,500	210,800
Collections	<u>(86,843)</u>	<u>(137,600)</u>
Ending balance	<u>\$ 142,857</u>	<u>\$ 162,200</u>

Following is a detail of amounts due as of December 31:

	<u>2020</u>	<u>2019</u>
Due in one year or less	\$ 126,857	\$ 106,600
Due in one to five years	<u>16,000</u>	<u>55,600</u>
	<u>\$ 142,857</u>	<u>\$ 162,200</u>

**PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following at December 31:

	<u>2020</u>	<u>2019</u>
Land	\$ 525,000	\$ 521,000
Buildings	15,508,727	15,352,485
Land improvements	2,422,650	2,288,219
Equipment and furniture	3,502,049	3,356,447
Vehicles	116,366	88,736
Livestock	16,500	16,500
Construction in progress	508,504	419,431
Total property and equipment	<u>22,599,796</u>	<u>22,042,818</u>
Less accumulated depreciation	<u>8,609,378</u>	<u>7,925,868</u>
Property and equipment, net	<u>\$ 13,990,418</u>	<u>\$ 14,116,950</u>

NOTE 4 - RETIREMENT PLAN

The Center has a 401(k) retirement plan covering substantially all full-time employees. Eligible employees must have attained age 21 and completed at least 250 hours in the first three months of service. Employees may elect to contribute each year, up to the amount allowable by law. The Center will make an employer matching contribution dollar-for-dollar up to six percent of each eligible employee's salary. Employer expenses for the years ended December 31, 2020 and 2019 were approximately \$72,000 and \$76,000, respectively. These amounts are included in employee benefits expense in the accompanying statements of functional expenses.

NOTE 5 - CONCENTRATIONS

The majority of the Center's support is derived from one charitable foundation. As the Center continues its operations, it is expected that alternative sources of support will be obtained in future years.

Financial instruments which potentially subject the Center to concentrations of credit risk include cash, certificates of deposit and contributions receivable. The Center maintains its cash accounts and certificates of deposit with federally insured banks in south central Kentucky. At December 31, 2020 and 2019, the bank balances in these accounts that exceeded the limit of the Federal Deposit Insurance Corporation (FDIC) were approximately \$3,041,000 and \$3,775,000, respectively.

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 6 - COMMITMENTS AND CONTINGENCIES

In November 2019, the Center entered into an agreement with one of its employees that is effective through December 31, 2022. The agreement stipulates that if the Center terminates the agreement for reasons other than cause, the employee will be entitled to 50% of aggregate annual salary, in addition to accrued salary and unpaid vacation time.

NOTE 7 - INCOME TAX STATUS

The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). However, income from certain activities not directly related to the Center's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Center has been determined by the Internal Revenue Service not to be a private foundation within the context of Section 509(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Center and recognize a tax liability if the Center has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Center and has concluded that as of December 31, 2020 and 2019 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements.

The Center has filed its federal income tax returns for periods through December 31, 2019. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions). The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS**
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 8 - AVAILABILITY OF FINANCIAL ASSETS

The Center is substantially supported by contributions and depends on contributions without donor restrictions to meet its ongoing obligations. As part of the Center's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Center invests cash in excess of daily requirements in short-term investments.

The following reflects the Center's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditure in the following year.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,107,767	\$ 1,024,537
Pledges receivable, within one year	126,857	106,600
Inventory	54,714	36,043
Other assets	<u>14,330</u>	<u>18,130</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,303,668</u>	<u>\$ 1,185,310</u>

NOTE 9 - UPCOMING PRONOUNCEMENTS

On February 25, 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842, updated through ASU 2019-01, March 2019). This new standard, which the Center is not required to adopt until its year ending December 31, 2022, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their balance sheet the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's balance sheet.

The Center is presently evaluating the effects that this ASU will have on its future financial statements, including related disclosures.