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, 2022 AND 2021

PROJECT C.A.M.P., INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
DECEMBER 31, 2022 AND 2021

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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

Opinion

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, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years 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 Center as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 9 to the financial statements, the Center adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* in 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

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 Center'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 generally accepted auditing standards 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Center'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 Center'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.

Blue & Co., LLC

Lexington, Kentucky
April 12, 2023

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

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

	Without donor restrictions	With donor restrictions	Total
ASSETS			
Cash and cash equivalents	$ 760,714	$ 2,184,228	$ 2,944,942
Pledges receivable, net	0	151,845	151,845
Employee retention tax credit receivable	122,797	0	122,797
Prepaid expenses	13,243	0	13,243
Inventory	37,495	0	37,495
Other assets	9,539	0	9,539
Certificates of deposit	0	1,003,522	1,003,522
Property and equipment, net	14,946,395	0	14,946,395
Total assets	$ 15,890,183	$ 3,339,595	$ 19,229,778
LIABILITIES AND NET ASSETS			
Accounts payable	$ 37,168	$ 0	$ 37,168
Accrued expenses	30,577	0	30,577
Total liabilities	67,745	0	67,745
Net assets:			
Without donor restrictions:			
Undesignated	15,822,438	0	15,822,438
With donor restrictions:			
Courage and Commitment campaign, capital and programs	0	2,153,853	2,153,853
Programs:			
Adventure for All	0	520,000	520,000
Future camps and family retreats	0	178,468	178,468
Tree house	0	130,000	130,000
Specific area campers	0	46,800	46,800
Testing kits	0	33,852	33,852
Cardiac	0	30,000	30,000
Diabetes	0	30,000	30,000
Other programs	0	64,777	64,777
To be received in future years	0	151,845	151,845
	0	3,339,595	3,339,595
Total net assets	15,822,438	3,339,595	19,162,033
Total liabilities and net assets	$ 15,890,183	$ 3,339,595	$ 19,229,778

See accompanying notes to financial statements.

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

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

	Without donor restrictions	With donor restrictions	Total
ASSETS			
Cash and cash equivalents	$ 1,048,857	$ 1,654,675	$ 2,703,532
Pledges receivable, net	0	65,407	65,407
Prepaid expenses	22,105	0	22,105
Inventory	52,367	0	52,367
Other assets	12,824	0	12,824
Certificates of deposit	0	1,000,000	1,000,000
Property and equipment, net	14,499,705	0	14,499,705
Total assets	$ 15,635,858	$ 2,720,082	$ 18,355,940
LIABILITIES AND NET ASSETS			
Accounts payable	$ 29,014	$ 0	$ 29,014
Accrued expenses	14,800	0	14,800
Total liabilities	43,814	0	43,814
Net assets:			
Without donor restrictions:			
Undesignated	15,592,044	0	15,592,044
With donor restrictions:			
Courage and Commitment campaign, capital and programs	0	1,990,388	1,990,388
Programs:			
Adventure for All	0	295,000	295,000
Future camps and family retreats	0	161,500	161,500
Cardiac	0	75,000	75,000
Specific area campers	0	36,800	36,800
Other programs	0	95,987	95,987
To be received in future years	0	65,407	65,407
	0	2,720,082	2,720,082
Total net assets	15,592,044	2,720,082	18,312,126
Total liabilities and net assets	$ 15,635,858	$ 2,720,082	$ 18,355,940

See accompanying notes to financial statements.

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

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

	Without donor restrictions	With donor restrictions	Total
Revenues and support:			
Contributions of cash and other financial assets	$ 1,763,434	$ 2,344,834	$ 4,108,268
Contributions of nonfinancial assets	103,304	0	103,304
Special events, net of donor benefits	296,579	53,127	349,706
Employee retention tax credit	274,250	0	274,250
Investment income	12,671	0	12,671
Merchandise sales, net of costs of $36,538	(6,214)	0	(6,214)
Other income	11,350	0	11,350
Net assets released from restrictions:			
Satisfaction of program restrictions	1,590,394	(1,590,394)	0
Satisfaction of time restrictions	188,054	(188,054)	0
Total revenues and support	4,233,822	619,513	4,853,335
Expenses:			
Program services:			
Camp services	2,726,089	0	2,726,089
Supporting services:			
Management and general	968,009	0	968,009
Fundraising	300,490	0	300,490
Total expenses	3,994,588	0	3,994,588
Other changes in net assets:			
Gains on disposals of property and equipment	(8,840)	0	(8,840)
Change in net assets	230,394	619,513	849,907
Net assets at beginning of year	15,592,044	2,720,082	18,312,126
Net assets at end of year	$ 15,822,438	$ 3,339,595	$ 19,162,033

See accompanying notes to financial statements.

PROJECT CAMP, INC. D/B/A
THE CENTER FOR COURAGEOUS KIDS
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without donor restrictions	With donor restrictions	Total
Revenues and support:			
Contributions of cash and other financial assets	$ 1,884,349	$ 1,554,792	$ 3,439,141
Contributions of nonfinancial assets	69,787	0	69,787
Special events, net of donor benefits	239,954	42,810	282,764
Investment income	22,755	0	22,755
Merchandise sales, net of costs of $14,199	(6,776)	0	(6,776)
Other income	1,729	0	1,729
Net assets released from restrictions:			
Satisfaction of program restrictions	1,271,957	(1,271,957)	0
Satisfaction of time restrictions	184,005	(184,005)	0
Total revenues and support	3,667,760	141,640	3,809,400
Expenses:			
Program services:			
Camp services	2,111,825	0	2,111,825
Supporting services:			
Management and general	896,396	0	896,396
Fundraising	289,632	0	289,632
Total expenses	3,297,853	0	3,297,853
Other changes in net assets:			
Gains on disposals of property and equipment	24,696	0	24,696
Change in net assets	394,603	141,640	536,243
Net assets at beginning of year	15,197,441	2,578,442	17,775,883
Net assets at end of year	$ 15,592,044	$ 2,720,082	$ 18,312,126

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, 2022

	Program services - camps	Supporting services: Management and general	Supporting services: Fundraising	Total
Salaries and wages	$ 884,609	$ 453,942	$ 137,686	$ 1,476,237
Payroll taxes and employee benefits	228,340	124,114	38,042	390,496
Total personnel costs	1,112,949	578,056	175,728	1,866,733
Depreciation	818,173	10,285	11,923	840,381
Repairs and maintenance	184,753	70,354	10,762	265,869
Utilities	178,135	47,503	11,876	237,514
Supplies	336,463	22,230	3,477	362,170
Insurance	28,840	146,151	0	174,991
Special events, direct benefit cost	0	0	97,439	97,439
Cost of special events	0	0	57,353	57,353
Legal and professional fees	2,925	55,759	120	58,804
Provision for uncollectable pledges	0	0	0	0
Miscellaneous	5,778	14,691	3,953	24,422
Outside services	11,067	6,300	8,520	25,887
Dues and subscriptions	5,700	329	5,705	11,734
Cost of merchandise	36,538	0	0	36,538
Printing and publications	9,857	3,134	4,869	17,860
Telephone and communications	2,518	8,545	129	11,192
Travel	11,386	100	1,392	12,878
Marketing	9,112	24	2,345	11,481
Postage and delivery	308	2,348	1,636	4,292
Training	6,835	0	642	7,477
Bank fees	1,290	2,200	60	3,550
Total expenses	2,762,627	968,009	397,929	4,128,565
Expenses included with revenues in the statement of activities	(36,538)		(97,439)	(133,977)
Expenses included in the expense section of the statement of activities	$ 2,726,089	$ 968,009	$ 300,490	$ 3,994,588

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, 2021

	Program services - camps	Supporting services: Management and general	Supporting services: Fundraising	Total
Salaries and wages	$ 677,355	$ 428,379	$ 136,910	$ 1,242,644
Payroll taxes and employee benefits	199,661	122,239	34,226	356,126
Total personnel costs	877,016	550,618	171,136	1,598,770
Depreciation	768,051	10,285	11,923	790,259
Repairs and maintenance	153,963	65,803	11,348	231,114
Utilities	111,261	29,670	7,417	148,348
Supplies	144,347	7,953	2,111	154,411
Insurance	21,447	130,304	0	151,751
Special events, direct benefit cost	0	0	71,112	71,112
Cost of special events	0	0	59,332	59,332
Legal and professional fees	1,265	44,019	93	45,377
Provision for uncollectable pledges		29,000	0	29,000
Miscellaneous	2,441	11,124	4,543	18,108
Outside services	8,547	94	6,861	15,502
Dues and subscriptions	5,731	3,870	5,492	15,093
Cost of merchandise	14,199	0	0	14,199
Printing and publications	6,174	1,552	4,631	12,357
Telephone and communications	710	8,420	63	9,193
Travel	5,135	0	207	5,342
Marketing	1,414	0	2,686	4,100
Postage and delivery	499	1,815	1,565	3,879
Training	3,196	0	224	3,420
Bank fees	628	1,869	0	2,497
Total expenses	2,126,024	896,396	360,744	3,383,164
Expenses included with revenues in the statement of activities	(14,199)	0	(71,112)	(85,311)
Expenses included in the expense section of the statement of activities	$ 2,111,825	$ 896,396	$ 289,632	$ 3,297,853

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, 2022 AND 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	$ 849,907	$ 536,243
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	840,381	790,259
of property and equipment	8,840	(24,696)
Noncash contributions, restricted		
Changes in operating assets and liabilities:		
Pledges receivable, net	(86,438)	77,450
Employee retention tax credit receivable	(122,797)	0
Inventory	14,872	2,348
Other assets	3,285	1,506
Prepaid expenses	8,862	80,513
Accounts payable	8,154	(7,158)
Accrued expenses	15,777	(21,435)
Net cash flows from operating activities	1,540,843	1,435,030
Cash flows from investing activities:		
Proceeds from maturities of certificates of deposit	0	1,000,000
Purchases of certificates of deposit	(3,522)	(1,000,000)
Proceeds from sales of property and equipment	1,875	29,914
Purchases of property and equipment	(1,297,786)	(1,304,764)
Net cash flows from investing activities	(1,299,433)	(1,274,850)
Change in cash and cash equivalents	241,410	160,180
Cash and cash equivalents at beginning of year	2,703,532	2,543,352
Cash and cash equivalents at end of year	$ 2,944,942	$ 2,703,532

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 Center 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.

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 was recorded for 2022 or 2021 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.

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, 2022, and 2021, there were no contributed services that required specialized skills and would otherwise be purchased. Noncash contributions of materials amounted to approximately $103,000 and $70,000, respectively, for the years ended December 31, 2022 and 2021. Of these amounts, no amounts were capitalized for the years ended December 31, 2022 and 2021.

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.

Revenue Recognition:

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, 2022 and 2021, revenues from auction sales were approximately $52,000 and $41,000, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 April 12, 2023, which is the date the financial statements were available to be 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 were available to be issued.

NOTE 2 - PLEDGES RECEIVABLE

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

	2022	2021
Beginning balance	$ 65,407	$ 142,857
Pledges	274,492	135,555
Provision for uncollectable amounts	0	(29,000)
Collections	(188,054)	(184,005)
Ending balance	$ 151,845	$ 65,407

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

	2022	2021
Due in one year or less	$ 6,000	$ 29,000
Due in one to five years	145,844.93	65,407
Pledges receivable, total	151,845	94,407
Allowance for uncollectable amounts	0	(29,000)
Pledges receivable, net	$ 151,845	$ 65,407

NOTE 3 - PROPERTY AND EQUIPMENT

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

	2022	2021
Land	$ 525,000	$ 525,000
Buildings	16,601,245	16,401,902
Land improvements	2,720,436	2,708,132
Equipment and furniture	4,264,987	3,932,660
Vehicles	116,366	116,366
Livestock	16,500	16,500
Construction in progress	767,240	83,667
Total property and equipment	25,011,774	23,784,227
Less accumulated depreciation	10,065,380	9,284,522
Property and equipment, net	$ 14,946,394	$ 14,499,705

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, 2022 and 2021 were approximately $69,000 and $66,000, 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, 2022 and 2021, the bank balances in these accounts that exceeded the limit of the Federal Deposit Insurance Corporation (FDIC) were approximately $3,207,000 and $3,203,000, respectively.

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, 2023. 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, 2022 and 2021 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, 2021. 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.

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.

	2022	2021
Cash and cash equivalents	$ 754,065	$ 1,076,857
Pledges receivable due within one year	151,845	65,407
Inventory	37,495	52,366
Other assets	9,540	12,824
Financial assets available to meet cash needs for general expenditure within one year	$ 952,945	$ 1,207,454

NOTE 9 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

The Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard is intended to increase transparency around contributed nonfinancial assets (also known as “gifts-in-kind” (GIK)) received by not-for-profit (NFP) organizations, including information on how those assets are used and how they are valued. The adoption of this new standard resulted in the Center presenting contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. In addition, the ASU expanded disclosure requirements for GIK as disclosed below for December 31, 2022 and 2021.

For the years ended December 31, contributed nonfinancial assets recognized within the statement of activities included:

	2022	2021
Equipment	$ 8,560	$ 0
Household goods	41,587	31,519
Food	976	0
Medical supplies	18,507	36,866
Livestock	450	0
Clothing	5,390	1,227
Vehicles	24,284	0
Gift cards	3,550	175
	$ 103,304	$ 69,787

Gifts in-kind valuation techniques: Building materials, appliances, and furniture are valued using estimated U.S wholesale prices (principal market) of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution. All GIKs are utilized in the Center’s operations. None are sold.

NOTE 10 - UPCOMING PRONOUNCEMENT

On June 17, 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments (Topic 326)*. This new standard, which the Center is not required to adopt until its year ending December 31, 2023, is intended to improve financial reporting about expected credit losses on financial assets by requiring entities to use the new current expected credit loss approach that will generally result in early recognition of allowances for credit losses. The standard also requires a formal process to estimate current expected credit losses and will require specific, supporting calculations of the allowance for doubtful accounts supported by the formal process. The Center is presently evaluating the effects that this ASU will have on its future financial statements, including related disclosures.