HENRY J. & WILLEMINA B. KUHN DAY CAMP
D/B/A SUMMER CAMPS AT COLLEGE SETTLEMENT

FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

HENRY J. & WILLEMINA B. KUHN DAY CAMP
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The College Settlement of Philadelphia
d/b/a College Settlement

Opinion

We have audited the accompanying financial statements of Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and change in net assets, 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 Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement 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.

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.

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 Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement'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 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 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 Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement'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 Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement'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.

Brinker Simpson & Company, LLC
Springfield, Pennsylvania
Date

HENRY J. & WILLEMINA B. KUHN DAY CAMP
D/B/A SUMMER CAMPS AT COLLEGE SETTLEMENT
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	$ 103,817	$ 135,492
Due from College Settlement of Philadelphia	-	9,934
Investments	1,608,771	1,462,983
Prepaid expenses	8,942	5,975
Total Current Assets	1,721,530	1,614,384
Property and Equipment, net	1,062,312	1,097,898
Other Assets		
Beneficial interest in irrevocable trust	4,598,619	4,261,930
Total Assets	$ 7,382,461	$ 6,974,212
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of mortgage payable	$ 25,342	$ 24,545
Accounts payable and accrued expenses	11,548	9,429
Due to College Settlement of Philadelphia	135,928	-
Deferred revenue	-	15,691
Total Current Liabilities	172,818	49,665
Long Term Liabilities		
Mortgage payable, net of current portion	688,251	713,593
Total Liabilities	861,069	763,258
Net Assets		
Without donor restrictions:		
Undesignated - available for general activities	1,807,797	1,851,295
Board designated capital reserve	41,795	41,795
Total Without Donor Restrictions	1,849,592	1,893,090
With donor restrictions	4,671,800	4,317,864
Total Net Assets	6,521,392	6,210,954
Total Liabilities and Net Assets	$ 7,382,461	$ 6,974,212

See accompanying notes.

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HENRY J. & WILLEMINA B. KUHN DAY CAMP
D/B/A SUMMER CAMPS AT COLLEGE SETTLEMENT
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue						
Camp fees	**$ 141,800**	**$ -**	**$ 141,800**	$ -	$ -	$ -
Summer feeding programs	**60,526**	**-**	**60,526**	-	-	-
Contributions	**17,555**	**-**	**17,555**	7,480	-	7,480
Special events	**250**	**-**	**250**	2,200	-	2,200
Rental income	**45,000**	**-**	**45,000**	45,000	-	45,000
Tower rental income	**43,080**	**-**	**43,080**	40,594	-	40,594
Foundation grant	**144,123**	**-**	**144,123**	143,015	-	143,015
Net investment income	**45,896**	**-**	**45,896**	26,107	-	26,107
Realized and unrealized gains on investments	**90,648**	**-**	**90,648**	170,356	-	170,356
Change in beneficial interest in irrevocable trust	**-**	**336,689**	**336,689**	-	314,963	314,963
Total Public Support and Revenue	**588,878**	**336,689**	**925,567**	434,752	314,963	749,715
Net Assets Released From Restrictions:						
Payments of camp scholarships	**13,009**	**(13,009)**	**-**	-	-	-
Total Public Support, Revenue and Net Assets Released from Restrictions	**601,887**	**323,680**	**925,567**	434,752	314,963	749,715
Expenses						
Program services:						
Camping	**837,288**	**-**	**837,288**	459,736	-	459,736
Support services:						
Management and general	**27,148**	**-**	**27,148**	21,240	-	21,240
Fundraising	**58,320**	**-**	**58,320**	47,423	-	47,423
Total Expenses	**922,756**	**-**	**922,756**	528,399	-	528,399
Change in Net Assets Before Gift from College Settlement of Philadelphia	**(320,869)**	**323,680**	**2,811**	(93,647)	314,963	221,316
Gift from College Settlement of Philadelphia	**277,371**	**30,256**	**307,627**	340,666	35,725	376,391
Change in Net Assets	**(43,498)**	**353,936**	**310,438**	247,019	350,688	597,707
Net Assets - Beginning	**1,893,090**	**4,317,864**	**6,210,954**	1,646,071	3,967,176	5,613,247
Net Assets - Ending	**$ 1,849,592**	**$ 4,671,800**	**$ 6,521,392**	$ 1,893,090	$ 4,317,864	$ 6,210,954

See accompanying notes.

HENRY J. & WILLEMINA B. KUHN DAY CAMP
D/B/A SUMMER CAMPS AT COLLEGE SETTLEMENT
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				2020			
		Supporting Services				Supporting Services		
	Program Services	**Management and General**	**Fundraising**	**Total**	Program Services	Management and General	Fundraising	Total
Wages	**$ 280,514**	**$ -**	**$ -**	**$ 280,514**	$ 525	$ -	$ -	$ 525
Payroll taxes	**28,756**	**-**	**-**	**28,756**	5,043	-	-	5,043
Bank service fees	**2,949**	**521**	**-**	**3,470**	1,782	315	-	2,097
Collaborative service fees	**285,253**	**21,362**	**56,010**	**362,625**	361,530	19,183	46,603	427,316
Depreciation	**35,586**	**-**	**-**	**35,586**	35,586	-	-	35,586
Equipment and auto rentals	**33,310**	**-**	**-**	**33,310**	-	-	-	-
Food purchases	**53,050**	**-**	**-**	**53,050**	355	-	-	355
Insurance	**22,892**	**1,205**	**-**	**24,097**	18,694	984	-	19,678
Interest expense	**23,262**	**-**	**-**	**23,262**	24,035	-	-	24,035
Licenses and registration	**493**	**87**	**-**	**580**	595	105	-	700
Professional fees	**10,778**	**634**	**1,268**	**12,680**	6,971	410	820	8,201
Website	**637**	**113**	**-**	**750**	-	-	-	-
Supplies	**48,457**	**2,605**	**1,042**	**52,104**	-	-	-	-
Travel	**186**	**33**	**-**	**219**	-	-	-	-
Utilities	**11,165**	**588**	**-**	**11,753**	4,620	243	-	4,863
Total Functional Expenses	**$ 837,288**	**$ 27,148**	**$ 58,320**	**$ 922,756**	$ 459,736	$ 21,240	$ 47,423	$ 528,399

See accompanying notes.

HENRY J. & WILLEMINA B. KUHN DAY CAMP
D/B/A SUMMER CAMPS AT COLLEGE SETTLEMENT
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities		
Change in net assets	$ 310,438	$ 597,707
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	35,586	35,586
Realized and unrealized gains on investments	(90,648)	(170,356)
Change in beneficial interest in irrevocable trust	(336,689)	(314,963)
Change in assets and liabilities:		
Increase in:		
Prepaid expenses	(2,967)	(4,758)
Accounts payable and accrued expenses	2,119	(3,067)
Deferred revenue	(15,691)	15,691
Net Cash Provided by (Used In) Operating Activities	(97,852)	155,840
Cash Flows from Investing Activities		
Proceeds from sale of investments	80,385	214,763
Purchase of investments	(135,525)	(261,575)
Net Cash Used in Investing Activities	(55,140)	(46,812)
Cash Flows from Financing Activities		
Repayments on mortgage payable	(24,545)	(23,773)
Change in due to/from College Settlement of Philadelphia	145,862	(7,337)
Net Cash Provided by (Used In) Financing Activities	121,317	(31,110)
Net Change in Cash and Cash Equivalents	(31,675)	77,918
Cash and Cash Equivalents, Beginning of Year	135,492	57,574
Cash and Cash Equivalents, End of Year	$ 103,817	$ 135,492
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 23,262	$ 24,035

See accompanying notes.

NOTE 1: DECRIPTION OF OPERATIONS

Nature of Operations

Henry J. & Willemina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement (SCCS) (“Organization”), a non-profit organization, delivers a unique summer camp experience to young people concentrated in the greater Philadelphia area, without regard to economic circumstances. The Organization’s programs foster personal growth and provide a safe, affordable, and nurturing place for young people to enjoy the outdoors while learning about themselves, others and the environment.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES (continued)

Concentrations of Credit Risk

The Organization's principal financial instruments subject to credit risk are its cash and cash equivalents, and investments. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is a least reasonably possible that changes in the value of investments in the near term would materially affect the amounts reported in the Statements of Financial Position and the Statements of Activities and Change in Net Assets.

The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash and cash equivalents are placed with high credit quality institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the Statements of Financial Position, and changes in fair value are reported as realized and unrealized gains on investments in the Statements of Activities and Change in Net Assets.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the Statements of Activities and Change in Net Assets in the period in which the securities are sold. Interest and dividends are recorded when earned and added to the investment accounts.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, investments, beneficial interests in irrevocable trust, accrued expenses, mortgage payable and accounts payable approximate fair value because of the terms or relative short maturity of the financial instruments. The carrying values, which are the fair values of investments, are based on quoted market values.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is received. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Change in Net Assets as net assets released from restrictions.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES (continued)

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Organization did not have any conditional promises to give as of December 31, 2021 and 2020. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

Exchange revenue

The Organization rents certain property under separate lease agreements. Rental income is recognized over the terms of the related leases. These revenues are not subject to ASC 606.

In accordance with ASC 606, revenue is recognized upon the transfer of control of promised products and/or services to customers in an amount that reflects the consideration the Organization expects to receive in exchange for those products and services. Revenue is recognized net of any taxes collected from customers and subsequently remitted to government authorities. The Organization determined that camp fees are subject to ASC 606.

The Organization may execute more than one contract or agreement with a single customer. The separate contracts or agreements may be viewed as one combined arrangement or separate arrangements for revenue recognition purposes. To reach appropriate conclusions regarding whether such arrangements should be combined, the Company evaluates whether the agreements were negotiated as a package with a single commercial objective, whether the amount of consideration to be paid in one agreement depends on the price and/or performance of another agreement, or whether the goods or services promised in the agreements represent a single performance obligation. The conclusions reached can impact the allocation of the transaction price to each performance obligation and the timing of revenue recognition related to those arrangements.

The Organization's camp fees are reported at the amount that reflects the consideration that the Organization expects to be entitled to in exchange for providing a camp experience. These amounts are due from camper families and include variable consideration for discounts and scholarships as well as implicit price concessions. Generally, the Organization bills camper families in advance of the services being provided. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. The Organization utilizes the portfolio approach for contracts with customers. Camper fees fall within two contract categories: overnight camp and day camp. Within these contract categories, the length of the session and associated curriculum may vary. Revenue for performance obligations for both contract categories are satisfied over time on the straight-line basis for the associated session length in accordance with the input method. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The performance obligations for overnight camp includes a camper's lodging, program activities, meals, and any transportation. The performance obligation for day camp includes the same deliverables except for lodging. For both types of contracts, these items are considered one combined performance obligation. The Organization measures the performance obligation from the start of the camp session to the point when it is no longer required to provide services to a camper, which is the time at which the camp session is complete.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES (continued)

Because all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(A) and, therefore, is not required to disclosure the aggregate amount of the transaction prices allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The Organization determines the transaction price based on standard charges for goods and services provided, reduced by any discounts available for free or reduced meals, scholarships, other miscellaneous discounts and/or implicit price concessions. The Organization determines its estimates of meal adjustments based on established eligibility criteria, its discount policies, its scholarship policies, and historical experience. The Organization determines its estimate of implicit price concessions based on historical collection experience with families.

The Organization estimates the transaction price for campers based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by eligibility for free or reduced meals, scholarships, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to camper fee revenue in the period of the change. For the year ended December 31, 2021, additional revenue recognized due to changes in its estimates of implicit price concessions was not significant. There were no camp revenues for the year ended December 31, 2020. Subsequent changes that are determined to be the resolve of an adverse change in the family's ability to pay are recorded as bad debt expense. There was no bad debt expense for the years ended December 31, 2021 and 2020.

In line with the Organization's mission, it has determined it has provided implicit price concessions as services will continue to be provided to camp families even if they are unable to pay. The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to families and the amounts the Organization expects to collect based on its historical collection with those families.

The following represents the breakout of revenue between the major contract categories:

	2021	2020
Overnight camper fees	**$ 80,122**	$ -
Day camper fees	**61,678**	-
	$ 141,800	$ -

All contracts with customers began and ended during the same calendar year. As a result, the Organization does not have any contract assets or liabilities as of December 31, 2021 and 2020.

Donated Services

Volunteers periodically donate their time to the Organization's program services and fundraising activities. An amount has not been recognized in the accompanying Statements of Activities and Change in Net Assets for these volunteer efforts because they did not meet the requirements for recognition.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES (continued)

Allocation of Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among certain functions. The expenses that are allocated include the following:

Expense	Allocation
Bank service fees	Time and costs
Collaborative service fees	Time and effort
Insurance	Time and costs
Licenses and registration	Time and costs
Professional fees	Time and costs
Supplies	Time and costs
Travel	Time and costs
Utilities	Time and costs
Website	Time and costs

Income Taxes

The Organization is exempt from income tax under IRC Section 501(c)(3), although it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is classified as a private foundation.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of $1,000. Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at the estimated fair value at date of receipt. Expenditures for maintenance and repairs are expensed as incurred. Renewals and betterments that materially extend the life of the assets are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNITING POLICIES (continued)

Long-Lived Assets

Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed. No impairments were noted during the years ended December 31, 2021 or 2020.

Advertising

Advertising expenses are expensed as incurred. There was no advertising expense for the years ended December 31, 2021 and 2020.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for non-public companies for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact that the pronouncement may have on the financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments- Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which affects all entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income. The ASU is effective for fiscal years beginning after December 15, 2022, with early adopted permitted. The Organization is evaluating the impact the pronouncement may have on the financial statements.

NOTE 3: AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2021 and 2020:

	2021	2020
Financial Assets at Year End:		
Cash and cash equivalents	$ 103,817	$ 135,492
Due from College Settlement of Philadelphia	-	9,934
Investments	1,608,771	1,462,983
Beneficial interest in irrevocable trust	4,598,619	4,261,930
Total Financial Assets	6,311,207	5,870,339
Less amounts not available to be used within one year:		
Beneficial interest in irrevocable trust	(4,598,619)	(4,261,930)
Board designated capital reserve	(41,795)	(41,795)
Restricted by donor with time or purpose restrictions	(73,181)	(55,934)
	(4,713,595)	(4,359,659)
Financial assets available to meet general expenditures over the next twelve months	$ 1,597,612	$ 1,510,680

As part of the Organization's management, it has a policy to structure its' financial assets to be available as its general expenditures, liabilities and other general obligations become due. The amounts of the assets listed above are adequate to meet the Organization's operational liquidity requirements for the next fiscal year.

NOTE 4: FAIR VALUE MEASUREMENTS AND INVESTMENTS

The Organization's investments are reported at fair value. Fair value is defined as the price that would be received for an asset or paid to transfer a liability in the Organization's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

The fair value measurement accounting literature established a fair value hierarchy which requires the Organization to maximize the use of observable inputs when measuring fair value. The accounting standard describes three levels of inputs that may be used to measure fair value:

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

NOTE 4: FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued)

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted market prices for identical or similar assets and 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: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following tables set forth by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2021 and 2020:

	December 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual Funds:				
Debt/Fixed Income	**$ 493,704**	**$ -**	**$ -**	**$ 493,704**
Equity	**1,115,067**	**-**	**-**	**1,115,067**
Beneficial interest in irrevocable trust	**-**	**-**	**4,598,619**	**4,598,619**
Total	**$ 1,608,771**	**$ -**	**$ 4,598,619**	**$ 6,207,390**

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Debt/Fixed Income	$ 420,294	$ -	$ -	$ 420,294
Equity	1,042,689	-	-	1,042,689
Beneficial interest in irrevocable trust	-	-	4,261,930	4,261,930
Total	$ 1,462,983	$ -	$ 4,261,930	$ 5,724,913

NOTE 4: FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued)

The following table represents the changes in fair value of the Organization's Level 3 assets for the years ended December 31, 2021 and 2020:

	2021	2020
Balance, Beginning of Year	$ 4,261,930	$ 3,946,967
Changes in value	336,689	314,963
Balance, End of Year	$ 4,598,619	$ 4,261,930

The following is breakout of net investment income recorded in the Statements of Activities and Change in Net Assets for the years ended December 31, 2020 and 2019:

	2021	2020
Dividends and interest	$ 55,863	$ 34,793
Investment management fees	(9,967)	(8,686)
Total Investment Income	$ 45,896	$ 26,107

NOTE 5: PROPERTY AND EQUIPMENT

A summary of property and equipment as of December 31, 2021 and 2020 is as follows:

	2021	2020
Land	$ 95,764	$ 95,764
Building and improvements	1,464,435	1,464,435
Equipment	194,545	194,545
	1,754,744	1,754,744
Less: Accumulated depreciation	(692,432)	(656,846)
	$ 1,062,312	$ 1,097,898

Depreciation expense was $35,586 for each of the years ended December 31, 2021 and 2020.

NOTE 6: RELATED PARTY TRANSACTIONS

The Organization has made advances to College Settlement of Philadelphia (CS), an organization in which they share common facilities and personnel. No interest is charged on the outstanding balance. The balance is due on demand. The amount due from CS at December 31, 2021 and 2020 was $0 and $9,934, respectively. In addition, the Organization has an amount due to CS in the amount of $135,928 at December 31, 2021.

The CS Board of Trustees authorizes an annual gift to the Organization. CS gifted $307,627 and $376,391 to the Organization for the years ended December 31, 2021 and 2020, respectively.

In May 2016, CS and the Organization entered into a Collaborative Services Agreement (Agreement). The Agreement was renewed January 1, 2021 and defines the shared services to be provided by CS and the related fee to be paid by the Organization. Management has charged $362,625 and $427,316 in collaborative service fees for the years ended December 31, 2021 and 2020, respectively. Management calculated the allocation based upon resources consumed. Wages, payroll taxes and benefits were allocated based upon the time spent; other support costs such as office supplies, facilities maintenance, advertising, postage, and other similar shared expenses were allocated based upon management estimates. The Agreement is renewed annually.

In addition, the two related organizations are parties to a lease agreement whereby CS leases its facilities to the Organization from June through August during the summer camp season. During the remainder of the year, the Organization leases its facilities, exclusive of a multi-purpose building, to CS for $1 per month. Each organization is responsible for water, sewer, trash removal, electricity, propane and heating oil during the months that they are the lessees. The Organization also leases a multi-purpose building to CS from January through May and September through December for $5,000 per month inclusive of all operating expenses. Rental income for the multi-purpose building was $45,000 for each of the years ended December 31, 2021 and 2020. The lease is renewable annually.

During September 2017, the Organization built a new multi-purpose building for camp programming. CS funded the project by executing a promissory note and mortgage to the Organization for $821,980. The mortgage is payable in monthly payments of principal and interest of $3,984 through July 1, 2042. The mortgage bears interest at an annual rate equal to the five-year Treasury Note rate plus one-and-one-half percent. The rate was locked in on September 1, 2017 and then resets on the fifth anniversary of the date the note was executed and every five-year anniversary thereafter until the note is satisfied. The interest rate in effect for 2021 and 2020 through the anniversary date is 3.20%. The mortgage payable to CS consists of the following at December 31, 2021 and 2020:

	2021	2020
Mortgage payable	**$ 713,593**	$ 738,138
Less: current portion	**(25,342)**	(24,545)
	$ 688,251	$ 713,593

NOTE 6: RELATED PARTY TRANSACTIONS (continued)

Schedule future minimum payments as of December 31, 2021 are as follows:

For the Years Ending December 31,	
2022	$ 25,342
2023	26,165
2024	27,015
2025	27,892
2026	28,798
Thereafter	578,381
	$ 713,593

Interest expense was $23,262 and $24,035 for the years ended December 31, 2021 and 2020, respectively.

NOTE 7: BENEFICAL INTEREST IN IRREVOCABLE TRUST

The Organization is an income beneficiary only to a portion of assets contained in an irrevocable trust being held by the Philadelphia Foundation. The provisions of the trust do not give ownership of any amount of principal to the Organization. The Organization receives only income distributions during each fiscal year. The Organization has adopted the accounting treatment for this trust in accordance with FASB ASC 958-30 Split Interest Agreements. Given the nature of the split-interest agreement, as well as the inability to compute the present value of the income stream of the trust, the Organization has recorded its proportionate share of the total fair market value of the principal upon which its income distributions are based as net assets with donor restrictions. The amount of funds distributed to the Organization for the years ended December 31, 2021 and 2020 were $144,123 and $143,015, respectively. The unrealized gain from the irrevocable trust of $336,689 and $314,963 for the years ended December 31, 2021 and 2020, respectively, have been recorded as net assets with donor restrictions.

NOTE 8: NET ASSETS WITH AND WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions were as follows at December 31, 2021 and 2020:

	2021	2020
Undesignated	**$ 1,807,797**	$ 1,851,295
Board designated capital reserve	**41,795**	41,795
	$ 1,849,592	$ 1,893,090

NOTE 8: NET ASSETS WITH AND WITHOUT DONOR RESTRICTIONS (continued)

Net assets with donor restrictions were as follows at December 31, 2021 and 2020:

	2021	2020
Specific Purpose		
Camperships	**$ 73,181**	$ 55,934
Beneficial interest in irrevocable trust	**4,598,619**	4,261,930
	$ 4,671,800	$ 4,317,864

Net assets were released from restrictions during the year by incurring expenses or satisfying the restricted purpose as follows:

	2021	2020
Satisfaction of Purpose Restrictions		
Camperships	**$ 13,009**	$ -
	$ 13,009	$ -

NOTE 9: BOARD-DESIGNATED CAPITAL RESERVE

The Board of Trustees established a capital reserve, included in net assets without donor restrictions, for future repairs to buildings and equipment. The capital reserve balance was $41,795 for each of the years ended December 31, 2021 and 2020.

NOTE 10: RISKS AND UNCERTAINTIES

The 2019 novel coronavirus (or “COVID-19”) has adversely affected, and may continue to adversely affect, economic activity globally, nationally and locally. These economic and market conditions and other effects of the COVID-19 outbreak may continue to cause volatility. The full extent of any adverse impact of the COVID-19 outbreak on the Organization’s financial statements cannot be predicted at this time.

NOTE 11: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through _________, 2022, the date on which the financial statements were available to be issued.