The Woods Project

Financial Statements

For the Years Ended September 30, 2021 and 2020

THE WOODS PROJECT
(A TEXAS NONPROFIT ORGANIZATION)
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

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SPRT
Spain Price Reader & Thompson, P.C.
Accountants & Business Consultants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees of
The Woods Project

We have reviewed the accompanying financial statements of The Woods Project (a nonprofit organization), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Woods Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Spain, Price, Reader & Thompson P.C.

Houston, Texas
July 29, 2022

THE WOODS PROJECT
STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	$ 204,456	$ 480,726
Investments	360,121	161,674
Accounts receivable	21,807	9,523
Pledge receivable	135,000	50,000
Prepaid expenses	15,840	50,097
Total current assets	737,224	752,020
Other assets		
Pledge receivable	-	50,000
Total assets	$ 737,224	$ 802,020
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 4,823	$ 4,083
Deferred revenue	58,661	66,381
Total current liabilities	63,484	70,464
Long term liabilities		
SBA paycheck protection program loan	72,610	72,609
Net assets		
Without donor restrictions	531,130	558,947
With donor restrictions	70,000	100,000
Total net assets	601,130	658,947
Total liabilities and net assets	$ 737,224	$ 802,020

See accompanying notes and independent accountants' review report.

THE WOODS PROJECT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	$ 379,636	$ 30,000	$ 409,636
Direct cost reimbursement - non-forest service activities	55,919	-	55,919
Investment income	2,295	-	2,295
Change in realized and unrealized gains and losses	21,472	-	21,472
SBA paycheck protection program loan forgiveness	72,609	-	72,609
In-kind support	49,144	-	49,144
Net assets released from restrictions	60,000	(60,000)	-
Total support and revenues	641,075	(30,000)	611,075
Expenses			
School year	50,481	-	50,481
Summer	364,129	-	364,129
Fundraising costs	98,157	-	98,157
Management and general administrative	156,125	-	156,125
Total expenses	668,892	-	668,892
Change in net assets	(27,817)	(30,000)	(57,817)
Net assets, beginning of year	558,947	100,000	658,947
Net assets, end of year	$ 531,130	$ 70,000	$ 601,130

See accompanying notes and independent accountants' review report.

THE WOODS PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Program Services		Support Services		
	School Year	Summer	Fundraising	Management and General Administrative	Total
Salaries and related expenses					
Salaries and related expenses	$ 47,316	$ 136,699	$ 91,557	$ 99,618	$ 375,190
Operating expenses					
Airfare	-	4,690	-	-	4,690
Bus transportation	-	10,203	-	-	10,203
Other transportation	4	1,238	-	-	1,242
Direct camp costs	-	72,192	-	-	72,192
Direct camp costs - donated	-	15,073	-	-	15,073
Backpack costs	-	32,121	-	-	32,121
Miscellaneous camp costs	1,718	16,232	-	-	17,950
Equipment purchases	87	5,254	-	-	5,341
Equipment and supplies - donated	162	9,772	-	-	9,934
Leader costs	827	-	-	-	827
Leader costs - donated	-	38,500	-	-	38,500
Leader training and recruiting	164	9,880	-	-	10,044
Promotional	-	-	-	6,686	6,686
Credit card fees	-	-	-	6,211	6,211
Legal and professional fees	-	-	-	5,579	5,579
Legal and professional fees - donated	-	-	-	710	710
Insurance	-	-	-	6,313	6,313
Technology	-	-	-	12,361	12,361
Office expenses	-	-	-	3,529	3,529
Meals, travel & entertainment	100	6,010	-	4,487	10,597
Rent	45	2,705	-	10,674	13,424
Other expenses	58	3,560	6,600	(43)	10,175
	3,165	227,430	6,600	56,507	293,702
Total operating expenses and salaries	$ 50,481	$ 364,129	$ 98,157	$ 156,125	$ 668,892

See accompanying notes and independent accountants' review report.

THE WOODS PROJECT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	$ 441,309	$ 54,831	$ 496,140
Direct cost reimbursement - non-forest service activities	6,994	-	6,994
Fundraising events	180,659	-	180,659
Less: direct benefit to donors	(11,617)	-	(11,617)
Investment income	2,125	-	2,125
Change in unrealized gains and losses	7,885	-	7,885
In-kind support	30,740	-	30,740
Net assets released from restrictions	105,449	(105,449)	-
Total support and revenues	763,544	(50,618)	712,926
Expenses			
School year	117,290	-	117,290
Summer	136,560	-	136,560
Fundraising costs	93,303	-	93,303
Management and general administrative	145,703	-	145,703
Total expenses	492,856	-	492,856
Change in net assets	270,688	(50,618)	220,070
Net assets, beginning of year	288,259	150,618	438,877
Net assets, end of year	$ 558,947	$ 100,000	$ 658,947

See accompanying notes and independent accountants' review report.

THE WOODS PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Program Services		Support Services		
	School Year	Summer	Fundraising	Management and General Administrative	Total
Salaries and related expenses					
Salaries and related expenses	$ 66,647	$ 117,035	$ 89,467	$ 94,449	$ 367,598
Operating expenses					
Other transportation	90	61	-	-	151
Backpack costs	-	1,926	-	-	1,926
Miscellaneous camp costs	7,960	7,943	-	-	15,903
Equipment purchases	842	567	-	-	1,409
Equipment and supplies - donated	1,371	924	-	-	2,295
Gear transportation	1,939	-	-	-	1,939
Leader costs	4,882	-	-	-	4,882
Leader costs - donated	25,250	2,500	-	-	27,750
Leader training and recruiting	2,029	1,368	-	-	3,397
Special events	-	-	1,902	-	1,902
Promotional	-	-	-	1,119	1,119
Credit card fees	-	-	-	6,625	6,625
Legal and professional fees	-	-	-	5,559	5,559
Legal and professional fees - donated	-	-	-	695	695
Insurance	-	-	-	10,754	10,754
Technology	-	-	-	9,579	9,579
Office expenses	-	-	-	3,640	3,640
Meals, travel and entertainment	116	79	-	3,506	3,701
Rent	1,643	1,108	-	9,764	12,515
Other expenses	4,521	3,049	1,934	13	9,517
	50,643	19,525	3,836	51,254	125,258
	$ 117,290	$ 136,560	$ 93,303	$ 145,703	$ 492,856

See accompanying notes and independent accountants' review report.

THE WOODS PROJECT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
Cash flows from operating activities		
Change in net assets	$ (57,817)	$ 220,070
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Forgiveness of SBA paycheck protection program loan	(72,609)	-
Change in realized and unrealized gains and losses	(21,472)	(7,885)
Contribution of donated security	-	(61,661)
Changes in operating assets and liabilities:		
Accounts receivable	(12,284)	3,584
Pledge receivable	(35,000)	50,000
Prepaid and other assets	34,257	(36,843)
Accounts payable	740	(20,322)
Deferred revenue	(7,720)	32,988
Net cash provided by (used in) operating activities	(171,905)	179,931
Cash flows from investing activities		
Proceeds from sale of investments	40,339	55,285
Purchase of investments	(217,314)	-
Net cash provided by (used in) investing activities	(176,975)	55,285
Cash flows from financing activities		
Proceeds from SBA paycheck protection program loan	72,610	72,609
Net cash provided by financing activities	72,610	72,609
Net change in cash and cash equivalents	(276,270)	307,825
Cash and cash equivalents, beginning of year	480,726	172,901
Cash and cash equivalents, end of year	$ 204,456	$ 480,726

See accompanying notes and independent accountants' review report.

NOTE 1: Organization and summary of accounting policies

Organization

The Woods Project (the "Organization") is a nonprofit organization incorporated on July 11, 2008 and began operations in October 2008. The Organization's mission is to develop leadership capacity and life skills for low income youth through a series of outdoor education/environmental awareness programs at wilderness sites in the United States. The Organization fulfills this mission by providing programs that start in September of each year with selected high school students and continue through the school year. These programs include weekly after school outdoor/environmental clubs, weekend backpacking, camping and service projects in outdoor settings around the Houston area and culminate in intensive summer sessions of backpacking, camping and service projects in wilderness areas designed to promote wilderness education and exploration experiences that develop critical behaviors needed for disadvantaged students to achieve success in school and life. The Organization receives contributions from various foundations, corporations and individual donors.

Basis of accounting

The financial statements have been prepared in accordance with the accounting guidance for not-for-profit organizations and in accordance with accounting principles generally accepted in the United States of America (GAAP). Accordingly, these financial statements are prepared on the accrual basis of accounting and present the financial position, results of activities, and cash flows for the Organization.

Financial statement preparation

The Organization's funding sources may include donors who have placed specific restrictions on the use of donated assets. Net assets, revenues, expenses, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net asset classification

Contributions and the related net assets are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* include those net assets whose use is not restricted by donor-imposed stipulations, even though their use may be limited in other respects, such as by contract or board designation, including resources without donor restrictions obtained in connection with the Organization's educational projects and programs.

- *Net assets with donor restrictions* include contributions restricted by the donor for specific purposes or time periods. When a purpose restriction is accomplished or a time restriction ends, net assets with donor restrictions are released to net assets without donor restrictions. Include contributions that donors have restricted in perpetuity. The related investment income is available to provide program support for the Organization.

NOTE 1: Organization and summary of accounting policies (continued)

Pledges and program receivables

Unconditional promises to give that are expected to be collected within one year are recorded at their realizable value. Unconditional promises to give that are expected to be collected after one year or more are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the promise is received. Amortization of the discount is included as contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

The Organization records pledges and program receivables in the amount due to the Organization that have yet to be collected at year-end.

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor for future periods or a specific purpose are reported as increases in net assets with donor restrictions depending on the nature of the restriction. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as net assets without donor restrictions and then reclassified to net assets without donor restrictions upon expiration of the restriction.

The Organization reports gifts of property and equipment as without restriction support 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 long- lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization receives fees paid by various schools as reimbursements for the cost of their students' transportation to participate in summer trips. These fees are recorded as direct cost reimbursement- non- Forest Service activities in the statements of activities.

Deferred revenue

The Organization accounts for income collected in the current period but relating to future events as deferred revenue.

Cash equivalents

The Organization considers all highly liquid investments with maturities of three months or less to be cash equivalents, including money market funds and demand deposits. There is no restricted cash in fiscal years ended September 30, 2021 and 2020.

Investments

All investments and invested cash are measured at fair value in the statements of financial position. Investment income or loss (including realized and change in unrealized gains and losses on investments, interest, and dividends) is included in the statements of activities as increases or decreases in net assets without restrictions unless the income or loss is restricted by donor or law.

NOTE 1: Organization and summary of accounting policies (continued)

Uninsured cash balances

The Organization maintains cash and cash equivalent balances at financial institutions located in Houston, Texas. At times, the Organization has balances in financial institutions that exceed the federally insured limit. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. At September 30, 2021, there were no uninsured deposits held in financial institutions.

The Organization received approximately 57% and 54% of their support and revenue from various foundation and corporate donations and approximately 0% and 30% from special events for the fiscal years ended September 30, 2021 and 2020, respectively.

Property, equipment and depreciation

The Organization capitalizes property and equipment at cost or at estimated value at the date of gift, of donated. Depreciation is computed on a straight-line basis over the estimated useful life of the assets, which is three years. The Organization's policy is to expense items under $2,500 as incurred. All of the assets were fully depreciated in the year ending September 30, 2021.

Donated materials and services

The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. During the current year, there were no material services donated for various legal and financial matters.

Functional allocation of expenses

For the purposes of these financial statements, expenses are allocated to various functional categories based upon management estimates.

Federal income tax

The Organization is exempt from federal income taxes under §501(c)(3) of the Internal Revenue Code and classified as a public charity.

Concentration of credit and market risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at high-quality financial institutions and credit exposure is limited to any one institution. The Organization's investments do not represent significant concentrations of market risk in as much as the Organization's investment portfolio is adequately diversified among issuers and industries.

NOTE 1: Organization and summary of accounting policies (continued)

Recent Accounting Standards

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU No. 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled to those goods or services. ASU No. 2014-09 defines a five-step process to achieve this core principle and, in doing so, more judgment and estimates may be required under existing U.S. GAAP. The standard is effective for annual periods beginning after December 15, 2017, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU No. 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). The date of application of this standard was extended to be effective for annual periods beginning after December 15, 2021. Management does not anticipate that the standard will have a material impact on the financial statements as there are no contracts that would be affected, other than enhanced disclosures.

Basis of presentations and use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

NOTE 2: Fair value measurements

The Organization maintains investment accounts with financial services companies. Assets and liabilities that are measured at fair value use valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization’s assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the transparency of inputs as follows:

Level 1 – Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability. Pricing models are utilized to estimate fair value for financial assets and liabilities categorized in Level 2.

NOTE 2: Fair value measurements (continued)

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and are unobservable. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

The level in the fair value hierarchy with which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

The following table summarizes assets and liabilities measured at fair value on a recurring basis at September 30, 2021:

	Investments at Fair Value			
Assets	Level 1	Level 2	Level 3	Total
Exchange traded funds (ETFs) – fixed income	$ 360,121	$ -	$ -	$ 360,121
Cash and cash equivalents	59,496	-	-	59,496
	$ 419,617	$ -	$ -	$ 419,617

The following table summarizes assets and liabilities measured at fair value on a recurring basis at September 30, 2020:

	Investments at Fair Value			
Assets	Level 1	Level 2	Level 3	Total
Exchange traded funds (ETFs) – fixed income	$ 140,726	$ -	$ -	$ 140,726
Mutual funds – fixed income	20,948	-	-	20,948
Cash and cash equivalents	59,185			59,185
	$ 220,859	$ -	$ -	$ 220,859

Fair values for cash equivalents, equities-stocks, exchange traded funds (ETFs)-fixed income, mutual funds-fixed income, and fixed income bonds have Level 1 quoted prices in active markets.

Valuation methods used for assets measured at fair value are as follows:

- *Exchange traded funds and mutual funds* are valued daily at the net asset value of the underlying securities
- *Equities-stocks* are valued at the closing price reported on the active market in which the individual securities are traded.
- *Fixed Income-bonds* are valued at the closing price reported on the active market in which the individual bonds are traded.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

NOTE 2: Fair value measurements (continued)

Investment return consists of the following at September 30:

	2021	2020
Investment income	$ 3,154	$ 2,125
Net realized and unrealized gain (loss) on investments	21,472	7,885
Total investment return	$ 24,626	$ 10,010

Investments are exposed to various risks such as interest rate, market, and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

NOTE 3: Pledge receivable

Pledge receivable as of September 30, 2021 consist of the following:

	2021	2020
Amounts due in less than one year	$ 135,000	$ 50,000
Amounts due in one to five years	-	-
Pledge receivable	$ 135,000	$ 50,000

Management believes that all receivables are collectible; therefore, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to activities when that determination is made. Management has also not discounted the pledges because the amount was considered immaterial.

NOTE 4: Liquidity and availability of financial resources

The following reflects the Organization's financial assets as of September 30, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the financial position date. Amounts not available include amounts restricted for a donor specified purpose.

	2021	2020
Financial assets, at year-end	$ 737,224	$ 802,020
Less those unavailable for general expenditure within one year, due to contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	70,000	100,000
Financial assets available to meet cash needs for general expenditures within one year	$ 667,224	$ 702,020

NOTE 4: Liquidity and availability of financial resources (continued)

The Organization is substantially supported by individual contributors in the form of one-time donations and fundraising events held at various times throughout the year. Other revenue sources include in-kind contributions from sponsor companies and other restricted contributions from major donors.

NOTE 5: SBA paycheck protection program loan

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) a pandemic, resulting in economic uncertainties affecting the Organization's risks. The Organization has contributions and pledges receivables that might be impacted by this global pandemic. The effect on the Organization's financial results in the future cannot be reasonably estimated at this time.

On April 17, 2020, The Organization was granted a loan from a bank in the amount of $72,609, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan, which was in the form of a note dated April 17, 2020 issued by the Organization, matures on October 17, 2020 and bears interest at a rate of 1.00% per annum, payable monthly commencing on June 16, 2020. The note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations.

On June 5, 2020, the Paycheck Protection Program Flexibility Act of 2020 (PPPFA) was signed into law. The PPPFA amended the PPP loan and the Coronavirus Aid, Relief, and Economic Security Act, as originally made. Under the new law, the borrowers may choose to apply for forgiveness of qualifying expenses incurred during a 24-week "covered period" after their loan was disbursed. This loan was forgiven June 23, 2021.

On March 27, 2021, The Organization was granted a loan from a bank in the amount of $72,610, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan, which was in the form of a note dated March 27, 2021 issued by the Organization, matures on October 17, 2020 and bears interest at a rate of 1.00% per annum, payable monthly commencing on May 26, 2021. The note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations. The Organization intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

On June 5, 2020, the Paycheck Protection Program Flexibility Act of 2020 (PPPFA) was signed into law. The PPPFA amended the PPP loan and the Coronavirus Aid, Relief, and Economic Security Act, as originally made. Under the new law, the borrowers may choose to apply for forgiveness of qualifying expenses incurred during a 24-week "covered period" after their loan was disbursed. In addition, the deferral period, during which no payments of principal or interest are required, has been extended to the earlier of the bank receiving proceeds from forgiveness from the Small Business Administration or ten months after the end of the "covered period".

NOTE 6: Net assets with donor restrictions

At September 30, 2021 and 2020, net assets with donor restrictions are available for the following:

	2021	2020
Andrew Delaney Foundation	$ 50,000	$ 100,000
Herzstein Foundation	20,000	-
	$ 70,000	$ 100,000

For the year ended September 30, 2021 and 2020, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors as follows:

	2021	2020
HCDE	$ 10,000	$ 13,000
First Congregational Church	-	2,750
Andrew Delaney Foundation	50,000	50,000
TPWD	-	39,699
	$ 60,000	$ 105,449

NOTE 7: Project funding

The Organization receives the majority of their funding through pledges and grants solicited from various foundations, corporate entities and individuals.

NOTE 8: Permits

The Organization, at times, is required to obtain permits at certain locations in order to take their Program trips. Renewal of the permits is not guaranteed.

NOTE 9: Employee leasing

The organization leases its employees under an agreement with an employee leasing company. The employee leasing company manages the payroll, benefits, human resources issues and certain risk management for the Organization's employees. The Organization continues to have full and sole control of its operation, management and staff.

NOTE 10: Related party transactions

Contributions were made to the Organization by members of the Board of Directors during the current year. These contributions have been reflected as such in the statements of activities. At September 30, 2021 and 2020, contributions from these related parties amounted to $43,665 and $113,700, respectively.

NOTE 11: In-kind support

In-kind support is comprised of donated materials and services. Donated materials are recorded as contributions at fair value when an unconditional commitment is received from the donor. The related expense is recorded as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. At September 30, 2021 and 2020, in-kind support consisted of:

	2021	2020
Camp leaders	$ 38,500	$ 27,750
Professional services	710	695
Total services	39,210	28,445
Camp and equipment costs	9,934	2,295
Total donated costs	$ 49,144	$ 30,740

NOTE 12: Subsequent events

The Organization has evaluated subsequent events through the issuance of the financial statements, which occurred on July 29, 2022.