# VICTORY JUNCTION GANG
# CAMP, INC.

## FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2025 AND 2024

**VICTORY JUNCTION GANG CAMP, INC.**
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**Independent Auditor's Report**

To the Board of Directors
Victory Junction Gang Camp, Inc.
Randleman, NC

***Opinion***

We have audited the financial statements of Victory Junction Gang Camp, Inc., which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and changes 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 accompanying financial statements present fairly, in all material respects, the financial position of Victory Junction Gang Camp, Inc. as of December 31, 2025 and 2024, 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Victory Junction Gang Camp, Inc. 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 Victory Junction Gang Camp, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Victory Junction Gang Camp, Inc'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 Victory Junction Gang Camp, Inc'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.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
May 28, 2026

**VICTORY JUNCTION GANG CAMP, INC.**
**Statements of Financial Position**
**December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **Assets** | | |
| Current Assets: | | |
| Cash and cash equivalents | **$ 7,826,868** | $ 4,053,313 |
| Contributions receivable, net | **784,700** | 193,462 |
| Other receivables | **51,779** | 27,658 |
| Inventory | **23,642** | 19,936 |
| Prepaid expenses | **395,443** | 303,981 |
| Total Current Assets | **9,082,432** | 4,598,350 |
| Property and equipment, net of accumulated depreciation | **28,509,590** | 29,219,340 |
| Contributions receivable, noncurrent, net | **384,830** | 49,228 |
| Investments - endowment | **10,227,422** | 8,231,527 |
| Total Assets | **$ 48,204,274** | $ 42,098,445 |
| **Liabilities and Net Assets** | | |
| Current Liabilities: | | |
| Accounts payable - trade | **$ 560,489** | $ 368,475 |
| Accrued expenses | **111,577** | 280,074 |
| Total Current Liabilities | **672,066** | 648,549 |
| Total Liabilities | **672,066** | 648,549 |
| Net Assets: | | |
| Without Donor Restrictions | **40,851,737** | 38,507,112 |
| With Donor Restrictions | **6,680,471** | 2,942,784 |
| Total Net Assets | **47,532,208** | 41,449,896 |
| Total Liabilities and Net Assets | **$ 48,204,274** | $ 42,098,445 |

**VICTORY JUNCTION GANG CAMP, INC.**
**Statements of Activities and Changes in Net Assets**
**Years Ended December 31, 2025 and 2024**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| Revenues, Gains and Other Support: | | | | | | |
| Contributions | **$ 5,699,127** | **$ 6,374,332** | **$ 12,073,459** | $ 3,939,035 | $ 1,994,357 | $ 5,933,392 |
| Grants | **1,004,058** | **-** | **1,004,058** | 347,181 | - | 347,181 |
| Special events | **9,455** | **-** | **9,455** | 66,570 | - | 66,570 |
| Camp Store | **16,606** | **-** | **16,606** | 21,294 | - | 21,294 |
| In-kind contributions | **517,024** | **-** | **517,024** | 373,044 | - | 373,044 |
| Land donation | **-** | **-** | **-** | 3,725,000 | - | 3,725,000 |
| Net investment return | **1,224,004** | **-** | **1,224,004** | 865,297 | - | 865,297 |
| Other interest income | **190,652** | **-** | **190,652** | 233,592 | - | 233,592 |
| Other income | **11,781** | **-** | **11,781** | 5,115 | - | 5,115 |
| Loss on disposal of property and equipment | **(149,157)** | **-** | **(149,157)** | (596,055) | - | (596,055) |
| Total Revenue, Gains and Other Support | **8,523,550** | **6,374,332** | **14,897,882** | 8,980,073 | 1,994,357 | 10,974,430 |
| Net Assets Released From Restrictions | **2,636,645** | **(2,636,645)** | **-** | 2,307,593 | (2,307,593) | - |
| Expenses: | | | | | | |
| Program services | | | | | | |
| Camp activities | **2,995,675** | **-** | **2,995,675** | 2,757,749 | - | 2,757,749 |
| Facilities maintenance | **2,889,421** | **-** | **2,889,421** | 2,616,601 | - | 2,616,601 |
| Medical | **362,747** | **-** | **362,747** | 272,815 | - | 272,815 |
| Total Program | **6,247,843** | - | **6,247,843** | 5,647,165 | - | 5,647,165 |
| Fundraising | **2,010,891** | **-** | **2,010,891** | 1,632,076 | - | 1,632,076 |
| General and administrative | **556,836** | **-** | **556,836** | 434,773 | - | 434,773 |
| Total Expenses | **8,815,570** | - | **8,815,570** | 7,714,014 | - | 7,714,014 |
| Change in Net Assets | **2,344,625** | **3,737,687** | **6,082,312** | 3,573,652 | (313,236) | 3,260,416 |
| Net assets - beginning of year | **38,507,112** | **2,942,784** | **41,449,896** | 34,933,460 | 3,256,020 | 38,189,480 |
| Net assets - end of year | **$ 40,851,737** | **$ 6,680,471** | **$ 47,532,208** | $ 38,507,112 | $ 2,942,784 | $ 41,449,896 |

*See Notes to Financial Statements*

**VICTORY JUNCTION GANG CAMP, INC.**
**Statements of Functional Expenses**
**Years Ended December 31, 2025 and 2024**

| | 2025 | | | | | | 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Camp Activities | Facilities Maintenance | Medical | Fundraising | General and Administrative | Total | Camp Activities | Facilities Maintenance | Medical | Fundraising | General and Administrative | Total |
| Expenditures: | | | | | | | | | | | | |
| Salaries | **$ 1,368,769** | **$ 507,216** | **$ 254,596** | **$ 1,122,976** | **$ 327,554** | **$ 3,581,111** | $ 1,221,892 | $ 435,525 | $ 198,000 | $ 930,093 | $ 277,785 | $ 3,063,295 |
| Payroll taxes and benefits | **341,309** | **130,502** | **42,276** | **259,225** | **57,476** | **830,788** | 294,713 | 104,231 | 34,067 | 209,200 | 53,808 | 696,019 |
| Retirement | **23,151** | **12,365** | **-** | **24,982** | **5,476** | **65,974** | 22,403 | 11,827 | - | 21,586 | 7,575 | 63,391 |
| Insurance | **9,195** | **191,869** | **6,759** | **7,465** | **20,564** | **235,852** | 7,243 | 164,506 | 6,662 | 5,970 | 19,800 | 204,181 |
| Outside services | **39,371** | **4,967** | **4,370** | **24,123** | **41,114** | **113,945** | 30,569 | 14,161 | 3,906 | 50,719 | 23,780 | 123,135 |
| Promotion & Events | **1,389** | **50** | **115** | **163,620** | **120** | **165,294** | 478 | 74 | 205 | 193,948 | 136 | 194,841 |
| Office supplies, postage, and rent | **13,840** | **4,248** | **3,296** | **20,243** | **20,630** | **62,257** | 25,648 | 9,870 | 3,385 | 26,828 | 12,794 | 78,525 |
| IT | **84,668** | **32,117** | **11,815** | **117,409** | **40,371** | **286,380** | 82,933 | 30,110 | 10,628 | 109,397 | 22,511 | 255,579 |
| Occupancy | **-** | **357,942** | **-** | **-** | **-** | **357,942** | - | 312,057 | - | - | - | 312,057 |
| Travel | **61,654** | **25,446** | **2,271** | **16,252** | **10,540** | **116,163** | 40,500 | 60,447 | 1,236 | 10,644 | 4,718 | 117,545 |
| Maintenance and utilities | **1,964** | **305,207** | **-** | **-** | **-** | **307,171** | - | 275,842 | - | - | - | 275,842 |
| Supplies | **90,622** | **-** | **18,317** | **-** | **-** | **108,939** | 106,782 | - | 13,290 | - | - | 120,072 |
| Food and supplies | **671,440** | **-** | **-** | **-** | **-** | **671,440** | 686,222 | - | - | - | - | 686,222 |
| Licenses & fees | **-** | **-** | **-** | **51,141** | **-** | **51,141** | - | - | - | 4,124 | - | 4,124 |
| In-kind | **238,741** | **42,879** | **17,775** | **114,834** | **2,794** | **417,023** | 200,871 | 74,773 | 975 | 29,908 | - | 306,527 |
| Depreciation | **18,237** | **1,271,932** | **-** | **18,307** | **2,328** | **1,310,804** | 11,794 | 1,120,219 | - | 4,347 | 194 | 1,136,554 |
| Miscellaneous | **31,325** | **2,681** | **1,157** | **70,314** | **27,869** | **133,346** | 25,701 | 2,959 | 461 | 35,312 | 11,672 | 76,105 |
| Total Expenditures | **$ 2,995,675** | **$ 2,889,421** | **$ 362,747** | **$ 2,010,891** | **$ 556,836** | **$ 8,815,570** | $ 2,757,749 | $ 2,616,601 | $ 272,815 | $ 1,632,076 | $ 434,773 | $ 7,714,014 |

**VICTORY JUNCTION GANG CAMP, INC.**
**Statements of Cash Flows**
**Years Ended December 31, 2025 and 2024**

| | **2025** | 2024 |
|---|---|---|
| Cash flows from operating activities: | | |
| Changes in net assets | **$ 6,082,312** | $ 3,260,416 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Depreciation | **1,310,804** | 1,136,554 |
| Change in allowance for uncollectible pledges | **(305)** | 9,395 |
| Investment earnings reinvested | **(282,187)** | (207,440) |
| (Gain) loss on sale of investments | **(159,397)** | 69,033 |
| Unrealized gain on investments, net | **(782,420)** | (726,890) |
| Loss on disposal of property and equipment | **149,157** | 596,055 |
| Donated property and equipment | **-** | (3,740,700) |
| (Increase) decrease in: | | |
| Contributions receivable | **(926,840)** | 165,295 |
| Other receivables | **(23,816)** | 68,517 |
| Inventory | **(3,706)** | 3,729 |
| Prepaid expenses | **(91,462)** | (55,781) |
| Increase (decrease) in: | | |
| Accounts payable | **192,014** | 118,768 |
| Accrued expenses | **(168,497)** | 41,198 |
| Net cash provided by operating activities | **5,295,657** | 738,149 |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | **(750,211)** | (2,277,410) |
| Purchase of investments | **(835,925)** | (48,664) |
| Proceeds from sales of investments | **64,034** | - |
| Proceeds from certificates of deposit maturities | **-** | 3,750,000 |
| Net cash provided by (used in) investing activities | **(1,522,102)** | 1,423,926 |
| Net increase in cash and cash equivalents | **3,773,555** | 2,162,075 |
| Cash and cash equivalents beginning | **4,053,313** | 1,891,238 |
| Cash and cash equivalents ending | **$ 7,826,868** | $ 4,053,313 |

NOTE 1 - NATURE OF ORGANIZATION

Victory Junction Gang Camp, Inc. (the "Camp") was incorporated in North Carolina on April 17, 2000. The Camp's mission is to enrich the lives of children with chronic medical conditions or serious illnesses by providing life-changing camping experiences that are exciting, fun, and empowering, in a safe and medically-sound environment. The Camp is located in the Greensboro, North Carolina area and is comprised of 58 buildings including a medical center, 16 camper cabins, a dining hall, staff housing, an arts and crafts center, a pool, a performing arts center, stables, a boat house, a gym, and administrative and maintenance facilities. The Camp is supported primarily by donor contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Camp considers all highly-liquid debt instruments purchased with an initial maturity of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash equivalents.

**Investments**

Investments in marketable equity securities with readily determinable fair values are measured at fair value in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses. Investment income is not restricted.

**Inventory**

Inventory consists primarily of apparel and accessories purchased for resale. Inventory is valued using the first-in, first-out (FIFO) method.

**Contributions and Contributions Receivable**

The camp derives its revenues primarily from contributions and grants. Contributions and grants are recognized as revenue when the donor makes an unconditional promise to give to the Camp. All contributions and grants are available for unrestricted use unless the donor or grantor specifically restricts its use. Restricted contributions are reported as increases in donor restricted net assets depending on the nature of the restrictions. When a restriction expires, donor restricted net assets are reclassified to without donor restricted net assets. The Camp records multi-year pledges at their discounted present value using a risk-free rate of return.

The Camp estimates its allowance for uncollectible pledges based on a combination of factors, including the Camp's knowledge of the current composition of receivables, historical losses, existing economic conditions and reasonable and supportable forecasts about the future ability to collect on the receivables. Contributions receivable that management believes to be ultimately not collectible are written off upon such determination.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Property and Equipment**

Property and equipment are stated at cost, or if donated, at estimated fair market value at the date of donation. The Camp capitalizes all significant expenditures for property and equipment over $2,500. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method.

**Revenue Recognition**

The Camp has sources of revenue that are considered exchange transactions:

*Facility Rental:* Income from rental of the facility consists of employees renting on-site cottages on a monthly basis. Rent is collected through payroll deduction. Other facility rentals consist of groups that use the facility that meet the mission purpose of the Camp. Rent is collected from these rentals the first day of the rental period. Rent is recognized in the month it is earned.

*Camp Store Revenue:* Revenue received from the Camp store is recognized at the point of sale, when the goods are transferred to the customer.

**In-Kind Contributions**

Donated supplies, services, property and equipment, and investments are reflected as support and expense or capitalized in the accompanying financial statements at their estimated fair values on the date of the donation. For the years ended December 31, 2025 and 2024, the value of contributed services in the accompanying financial statements totaled $118,552 and $39,896, respectively. Donated supplies, inventory, property and equipment, and construction costs for the years ended December 31, 2025 and 2024 totaled $437,999 and $4,061,102, respectively. In addition, many volunteers perform a variety of tasks that are not recognized as support or related expenses since the services provided do not create or enhance non-financial assets or require specialized skills for which those possessing those skills would typically charge for their services.

**Beneficial Interest in Endowments**

In accordance with FASB ASC 958, *Transfers of Assets to a Not-for-profit Organization or Charitable Trust that Raises or Holds Contributions for Others,* the Camp recognizes its interest in assets held by High Point Community Foundation ("HPCF") for the sole benefit of the Camp. These assets consist of a donor restricted endowment and a beneficial interest in the assets held in the endowment.

**Net Assets**

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Camp and changes therein are classified and reported as follows:

*Net assets without donor restrictions:* Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve and a Board-designated endowment.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Net Assets (Continued)**

*Net assets with donor restrictions:* Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when stipulated purpose for which the resource was restricted has been fulfilled or both.

**Functional Expense Allocation**

The Camp allocates expenses on a functional basis. The directly identifiable expenses are charged to program services, fundraising or management and general services. Expenses that are attributed to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis. Expenses such as salaries, payroll taxes, professional services, office expenses, information technology, insurance and others are allocated based on the estimates of times and effort.

**Income Tax Status**

The Camp is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). Accordingly, no provision for income taxes is reflected in the accompanying financial statements. Qualifying contributions to the Camp are tax deductible.

It is the Camp's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a more-likely-than-not threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2025 or 2024.

**Estimates**

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

**Subsequent Events**

Management has evaluated events and transactions for potential recognition or disclosure through May 28, 2026, which is the date the financial statements were available to be issued.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

The Camp maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits. The Camp believes there is minimal risk to its cash investments.

## NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable amounts to be received in future periods are discounted to a present value using an interest rate of 4.76%. Contributions receivable are as follows:

| | **2025** | 2024 |
|---|---|---|
| Amounts receivable less than one year | **$ 797,864** | $ 206,320 |
| Amounts receivable in one to five years | **433,923** | 50,833 |
| Total unconditional promises to give | **1,231,787** | 257,153 |
| Less - discount to present value for future pledges | **(49,094)** | (1,605) |
| Less - allowance for uncollectible pledges | **(13,163)** | (12,858) |
| | **$ 1,169,530** | $ 242,690 |

## NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2025 and 2024, are as follows:

| | **2025** | 2024 |
|---|---|---|
| Land | **$ 7,982,077** | $ 5,893,359 |
| Buildings | **42,533,548** | 42,312,837 |
| Vehicles | **486,810** | 504,927 |
| Office equipment | **289,111** | 289,111 |
| Furniture and fixtures | **2,769,890** | 2,502,982 |
| Barn animals | **3,500** | - |
| Construction in progress | **-** | 2,088,717 |
| | **54,064,936** | 53,591,933 |
| Less accumulated depreciation | **25,555,346** | 24,372,593 |
| | **$ 28,509,590** | $ 29,219,340 |

## NOTE 6 - INVESTMENTS

The following is a summary of the Camp's investments at December 31:

| **2025** | Historical Cost | Fair Market Value | Unrealized Gain |
|---|---|---|---|
| Cash and cash equivalents | **$ 418,172** | **$ 418,172** | **$ -** |
| Domestic equities and mutual funds | **6,837,894** | **8,870,782** | **2,032,888** |
| Beneficial interest in Community Foundation | **608,519** | **938,468** | **329,949** |
| Total | **$ 7,864,585** | **$ 10,227,422** | **$ 2,362,837** |

| 2024 | Historical Cost | Fair Market Value | Unrealized Gain |
|---|---|---|---|
| Cash and cash equivalents | $ 201,519 | $ 201,519 | $ - |
| Domestic equities and mutual funds | 5,729,060 | 7,181,172 | 1,452,112 |
| Beneficial interest in Community Foundation | 608,519 | 848,836 | 240,317 |
| Total | $ 6,539,098 | $ 8,231,527 | $ 1,692,429 |

NOTE 6 - INVESTMENTS (Continued)

The following schedule summarizes investment returns as of December 31:

| | **2025** | 2024 |
|---|---|---|
| Interest and dividends on investments | **$ 282,187** | $ 207,440 |
| Realized and unrealized gain | **993,381** | 705,326 |
| Fees | **(51,564)** | (47,469) |
| | **$ 1,224,004** | $ 865,297 |

Financial Accounting Standards Board provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

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

Level 2 Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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 any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2025 and 2024.

Investments consist of mutual funds that are valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Camp believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 6 - INVESTMENTS (Continued)

The fair value hierarchy of the Camp's investments at December 31, 2025 and 2024 is as follows:

| | **2025** | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash | **$ 418,172** | **$ -** | **$ -** | **$ 418,172** |
| Equities | **5,606,677** | **-** | **-** | **5,606,677** |
| Fixed Income | **3,264,105** | **-** | **-** | **3,264,105** |
| HPCF Endowment Fund | **938,468** | **-** | **-** | **938,468** |
| Total | **$10,227,422** | **$ -** | **$ -** | **$10,227,422** |

| | 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash | $ 201,519 | $ - | $ - | $ 201,519 |
| Equities | 4,496,164 | - | - | 4,496,164 |
| Fixed Income | 1,993,686 | - | - | 1,993,686 |
| Alternatives | 691,322 | - | - | 691,322 |
| HPCF Endowment Fund | 848,836 | - | - | 848,836 |
| Total | $ 8,231,527 | $ - | $ - | $ 8,231,527 |

NOTE 7 - ENDOWMENT

The Camp follows the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") as enacted by the State of North Carolina on March 19, 2009 and its own governing documents. The endowment fund is comprised of unrestricted gifts designated for priorities identified by Victory Junction, restricted gifts made for specific purposes, and quasi-endowment (board-designated) gifts. As of December 31, 2025, the endowment includes seven named donor-established funds, numerous unrestricted gifts supporting the growth of the Camp’s general endowment, and a board-designated fund managed as a quasi-endowment. Under defined circumstances, the Board may authorize the use of principal from the quasi-endowment if deemed necessary. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors. The Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Camp retains in perpetuity the original value of gifts donated to the endowment; the original value of subsequent gifts to the endowment; accumulations to the endowment made in accordance with the applicable donor gift instrument at the time the accumulation is added to the fund; and, the portion of investment return, if any, added to the endowment as directed by the donor.

Laws and regulations allow the governing board to appropriate so much of an endowment fund as is prudent considering the following relevant factors:

1) The duration and preservation of the endowment fund.
2) The purposes of the Camp and the endowment fund.
3) General economic conditions.
4) The possible effect of inflation or deflation.
5) The expected total return from income and the appreciation of investments.
6) The Camp's other resources and investment policy.

NOTE 7 - ENDOWMENT (Continued)

Endowment net assets composition by type of fund as of December 31, 2025 and 2024 are as follows:

| | **2025** | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Board-designated endowment funds | **$ 3,750,442** | **$ -** | **$ 3,750,442** |
| Donor-restricted endowment funds: | | | |
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor | **-** | **2,500,110** | **2,500,110** |
| Accumulated investment gains | **4,301,702** | **-** | **4,301,702** |
| Accumulated distributions | **(324,832)** | **-** | **(324,832)** |
| | **$ 7,727,312** | **$ 2,500,110** | **$ 10,227,422** |

| | 2024 | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Board-designated endowment funds | $ 2,973,114 | $ - | $ 2,973,114 |
| Donor-restricted endowment funds: | | | |
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor | - | 2,402,214 | 2,402,214 |
| Accumulated investment gains | 3,148,301 | - | 3,148,301 |
| Accumulated distributions | (292,102) | - | (292,102) |
| | $ 5,829,313 | $ 2,402,214 | $ 8,231,527 |

Changes in Endowment Net Assets and Composition by Type of Fund consist of the following as of December 31, 2025:

| | **2025** | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Endowment, beginning of the year | **$ 5,829,313** | **$ 2,402,214** | **$ 8,231,527** |
| Investment return, net income | **1,224,004** | **-** | **1,224,004** |
| Appropriation of endowment assets | **706,724** | **97,896** | **804,620** |
| Distribution pursuant to distribution policy | **(32,729)** | **-** | **(32,729)** |
| Endowment, end of year | **$ 7,727,312** | **$ 2,500,110** | **$ 10,227,422** |

NOTE 7 - ENDOWMENT (Continued)

Changes in Endowment Net Assets and Composition by Type of Fund consist of the following as of December 31, 2024:

| | 2024 | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Endowment, beginning of the year | $4,988,159 | $ 2,329,407 | $ 7,317,566 |
| Investment return, net income | 865,297 | - | 865,297 |
| Appropriation of endowment assets | 83,351 | 72,807 | 156,158 |
| Distribution pursuant to distribution policy | (107,494) | - | (107,494) |
| Endowment, end of year | $5,829,313 | $ 2,402,214 | $ 8,231,527 |

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes for the years ended December 31:

| | **2025** | 2024 |
|---|---|---|
| Subject to the passage of time | **$ 310,000** | $ 391,000 |
| Subject to expenditures for specified purpose: | | |
| Maintenance of facility | **102,842** | 9,125 |
| Program support | **1,668,329** | 9,911 |
| Event Sponsorship | **5,000** | - |
| Program development/enhancement | **2,056,138** | - |
| Operations support | **38,052** | 130,534 |
| | **3,870,361** | 149,570 |
| Endowments: | | |
| Subject to expenditures for specified purpose: | | |
| Restricted by donors for Camperships (general use) | **1,590,593** | 1,492,697 |
| Subject to Camp's spending policy and appropriation | | |
| Camperships (general use) | **175,000** | 175,000 |
| | **1,765,593** | 1,667,697 |
| Not subject to spending policy or appropriation: | | |
| Beneficial interest in assets held by Community Foundation | **734,517** | 734,517 |
| Total net assets with donor restrictions | **$ 6,680,471** | $ 2,942,784 |

NOTE 9 - LINE OF CREDIT

The Camp has a $1,000,000 line of credit with a bank, which matures August 2026. The line of credit bears interest at the one-month SOFR plus 1.65%, rounded to the nearest 0.125% (5.50% as of December 31, 2025). There was no balance due on the line of credit at December 31, 2025 or 2024.

NOTE 10 - ASSET LIQUIDITY

The following reflects the Camp's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

| | |
|---|---|
| Financial assets, at year end | $ 48,204,274 |
| Less those unavailable for general expenditures within one year: | |
| Contributions receivable, noncurrent, net | 384,830 |
| Prepaid expenses | 395,443 |
| Inventory | 23,642 |
| Investments - endowment | 10,227,422 |
| Property and equipment, net of accumulated depreciation | 28,509,590 |
| Financial assets available to meet cash needs for general expenditures within one year | $ 8,663,347 |

The Camp's endowment funds consist of donor-restricted endowments and funds designated by the Board as endowments. Income from donor-restricted endowments is unrestricted. The Camp's Board-designated endowment of $3,750,442 is not subject to an annual spending rate. Although, the Camp does not intend to spend from this Board-designated endowment, these amounts could be made available if necessary. As part of the Camp's liquidity management plan, the Camp invests cash in excess of daily requirements in a money market account.

NOTE 11 - RETIREMENT PLAN

The Camp sponsors a 401(k) profit sharing plan that covers all full-time employees with at least 90 days of service who are age 20½ or older. The Camp will match 100% of the participant's contribution up to 4% of their salary. Matching contributions totaled $65,974 and $63,391 for the years ended December 31, 2025 and 2024, respectively.

NOTE 12 - RELATED PARTY TRANSACTIONS

The Camp received donations from related parties totaling $721,709 and $4,440,865 for the years ended December 31, 2025 and 2024, respectively.

The donations in 2024 included a donation of two plots of land from related parties located in Randleman, NC around the vicinity of the Camp. Per appraisals performed, the two plots of land were recorded at $1,850,000 and $1,875,000. The Camp plans to use the additional land to expand camp facilities and camp programming.