



of Long Island

***FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT***

FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
Girls Inc. of Long Island
Deer Park, New York

We have reviewed the accompanying financial statements of Girls Inc. of Long Island (hereinafter, the "Organization," a nonprofit corporation) which comprise the statements of financial position as of August 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's 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 engagements 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 Girls Inc. of Long Island 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 were not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Cerini & Associates LLP

Bohemia, New York
January 10, 2023

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GIRLS INC. OF LONG ISLAND

STATEMENTS OF FINANCIAL POSITION
AUGUST 31,

2022 2021

ASSETS

Current Assets:

Cash and cash equivalents.....	\$	581,155	\$	529,202
Receivables.....		105,064		75,427
Prepaid expenses and other current assets.....		5,620		3,845

TOTAL CURRENT ASSETS		691,839		608,474
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Property and equipment, net.....		1,458		2,974
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TOTAL ASSETS	\$	693,297	\$	611,448
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable.....	\$	-	\$	191
Accrued expenses.....		11,786		9,417
Deferred revenue.....		-		3,000
Other current liabilities.....		2,832		677

TOTAL CURRENT LIABILITIES		14,618		13,285
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Paycheck Protection Program loan payable.....		-		69,167
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TOTAL LIABILITIES		14,618		82,452
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Net Assets:

Net assets without donor restrictions		533,013		335,899
Net assets with donor restrictions.....		145,666		193,097

TOTAL NET ASSETS		678,679		528,996
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TOTAL LIABILITIES AND NET ASSETS	\$	693,297	\$	611,448
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GIRLS INC. OF LONG ISLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022**

SUPPORT AND REVENUE	Without Donor Restrictions	With Donor Restrictions	Total
Support:			
Grants	\$ 229,050	\$ 223,000	\$ 452,050
Special events, net of direct expenses of \$19,652.....	81,672	-	81,672
Contributions.....	75,034	-	75,034
In-kind contributions.....	-	-	-
Net assets released from restrictions.....	270,431	(270,431)	-
TOTAL SUPPORT	656,187	(47,431)	608,756
Revenue:			
Program income.....	163,156	-	163,156
Paycheck Protection Program loan forgiveness income.....	69,588	-	69,588
Employee Retention Tax Credit income.....	20,648	-	20,648
TOTAL REVENUE	253,392	-	253,392
TOTAL SUPPORT AND REVENUE	909,579	(47,431)	862,148
EXPENSES			
Program services.....	420,113	-	420,113
Management and general.....	94,028	-	94,028
Fundraising.....	198,324	-	198,324
TOTAL EXPENSES	712,465	-	712,465
CHANGE IN NET ASSETS	197,114	(47,431)	149,683
Net assets, beginning of the year.....	335,899	193,097	528,996
Net assets, end of the year.....	\$ 533,013	\$ 145,666	\$ 678,679

GIRLS INC. OF LONG ISLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Support:			
Grants	\$ 62,772	\$ 264,120	\$ 326,892
Special events, net of direct expenses of \$13,226.....	62,218	-	62,218
Contributions.....	63,429	-	63,429
In-kind contributions.....	5,220	-	5,220
Net assets released from restrictions.....	238,900	(238,900)	-
TOTAL SUPPORT	432,539	25,220	457,759
Revenue:			
Program income.....	41,242	-	41,242
Paycheck Protection Program loan forgiveness income.....	62,546	-	62,546
Employee Retention Tax Credit income.....	-	-	-
TOTAL REVENUE	103,788	-	103,788
TOTAL SUPPORT AND REVENUE	536,327	25,220	561,547
EXPENSES			
Program services.....	230,119	-	230,119
Management and general.....	88,148	-	88,148
Fundraising.....	144,163	-	144,163
TOTAL EXPENSES	462,430	-	462,430
CHANGE IN NET ASSETS	73,897	25,220	99,117
Net assets, beginning of the year.....	262,002	167,877	429,879
Net assets, end of the year.....	\$ 335,899	\$ 193,097	\$ 528,996

GIRLS INC. OF LONG ISLAND

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2022**

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages.....	\$ 203,384	\$ 44,390	\$ 126,186	\$ 373,960
Payroll taxes and benefits.....	28,228	16,557	13,898	58,683
TOTAL SALARIES AND RELATED EXPENSES	231,612	60,947	140,084	432,643
Program expenses.....	128,415	107	367	128,889
Office expense.....	4,003	6,177	5,695	15,875
Insurance.....	7,301	2,832	3,297	13,430
Staff development.....	610	63	229	902
Travel and meetings.....	5,149	829	3,659	9,637
Technology.....	25,802	118	632	26,552
Marketing and advertising.....	2,063	194	1,277	3,534
Membership and subscriptions.....	5,783	1,050	3,844	10,677
Professional fees.....	-	19,464	34,200	53,664
Rent and utilities.....	7,859	1,268	3,549	12,676
Fundraising expense.....	-	-	1,491	1,491
Other expense.....	-	979	-	979
Depreciation expense.....	1,516	-	-	1,516
TOTAL EXPENSES	\$ 420,113	\$ 94,028	\$ 198,324	\$ 712,465

GIRLS INC. OF LONG ISLAND

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2021**

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages.....	\$ 150,881	\$ 45,034	\$ 98,624	\$ 294,539
Payroll taxes and benefits.....	22,713	7,809	12,107	42,629
TOTAL SALARIES AND RELATED EXPENSES	173,594	52,843	110,731	337,168
Program expenses.....	25,054	-	-	25,054
Office expense.....	3,187	3,272	2,548	9,007
Insurance.....	5,378	2,151	2,429	9,958
Staff development.....	3,291	980	2,790	7,061
Travel and meetings.....	561	452	145	1,158
Technology.....	3,760	640	1,242	5,642
Marketing and advertising.....	1,177	117	326	1,620
Membership and subscriptions.....	4,618	860	3,109	8,587
Professional fees.....	-	22,551	16,028	38,579
Rent and utilities.....	7,547	1,218	3,408	12,173
Fundraising expense.....	-	-	1,407	1,407
Other expense.....	40	3,064	-	3,104
Depreciation expense.....	1,912	-	-	1,912
TOTAL EXPENSES	\$ 230,119	\$ 88,148	\$ 144,163	\$ 462,430

GIRLS INC. OF LONG ISLAND

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31,**

2022 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets.....	\$ 149,683	\$ 99,117
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Adjustment to reconcile change in net assets to net cash
provided by operating activities:

Depreciation.....	1,516	1,912
Forgiveness of Paycheck Protection Program loan.....	(69,167)	(62,077)

Change in operating assets and liabilities:

Receivables.....	(29,637)	78,056
Prepaid expenses and other current assets.....	(1,775)	(1,105)
Accounts payable.....	(191)	(776)
Accrued expenses.....	2,369	(257)
Deferred revenue.....	(3,000)	(2,045)
Other current liabilities.....	2,155	(1,757)

NET CASH PROVIDED BY OPERATING ACTIVITIES	51,953	111,068
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CASH FLOWS USED IN INVESTING ACTIVITIES

Purchases of property and equipment.....	-	(2,800)
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CASH FLOWS PROVIDED BY FINANCING ACTIVITIES

Proceeds from Paycheck Protection Program loan.....	-	69,167
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NET CHANGE IN CASH AND CASH EQUIVALENTS	51,953	177,435
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Cash and cash equivalents, beginning of year.....	529,202	351,767
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Cash and cash equivalents, end of year.....	\$ 581,155	\$ 529,202
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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Girls Inc. of Long Island (the "Organization") is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization

The Organization was founded in 2005 as an affiliate of the nationally recognized Girls Incorporated, a non-profit organization serving only girls, with roots dating back to 1864. The purpose of the Organization is to inspire all girls to be strong, smart, and bold. The Organization responds to the changing needs of girls and their communities through implementation of research-based programs and advocacy that empowers girls to reach their full potential and to understand, value, and assert their rights.

Income Tax Status

The Organization qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and is publicly supported, as described in section 509(a). The Organization is also exempt from state and local taxes. The Organization evaluated for uncertain tax positions and has determined that there were no uncertain tax positions outstanding for the years ended August 31, 2022 and 2021.

The Organization files an IRS Form 990 and respective state and local tax returns. These tax returns are subject to review and examination by federal, state, and local taxing authorities. The Organization has determined that it has registered in all states where it is required to be registered.

Basis of Accounting

These financial statements are presented on the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when incurred.

Basis of Presentation

The Organization is required 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 stipulations.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations or other stipulations that may or will be met, either by action of the Organization and/or the passage of time. When a restriction expires, these net assets are reclassified annually to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. The Organization had no net assets to be held in perpetuity as of August 31, 2022 and 2021.

Cash and Cash Equivalents

All short-term investments with original maturities of three months or less are accounted for as cash equivalents and include checking, savings, and money market accounts.

Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. The Organization considers receivables past due or delinquent when payments have not been received in a timely manner, and receivables are written off when management deems the possibility of collecting amounts due as completely unlikely. The Organization closely monitors outstanding balances for all receivables and adheres to a standard set of protocols for collection activities to be undertaken at certain times based upon delinquency status. Management determined no allowance was deemed necessary as of both August 31, 2022 and 2021.

Property and Equipment

Property and equipment are stated at original cost or estimated fair value, if donated. Maintenance and repairs are charged to expense and major renewals and betterments are capitalized. Depreciation on the Organization's equipment is computed using the straight-line method over each asset's estimated useful life for a period of three years.

Revenue Recognition

Grants are considered contributions for financial statement purposes. Conditional contributions and grants are accounted for as liabilities or are not recognized as revenue initially, until the barriers to entitlement are overcome, at which point revenue is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions. Contributions and grants that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the years in which the contributions and grants are recognized. All other donor-restricted grants are reported as increases in net assets with donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Program income is recognized based on the nature of the underlying program, principally as applicable services are provided and performance obligations are satisfied at points in time.

Special Events

Revenue from these events is recorded at points in time, when the events take place. Costs incurred for which a donor receives a direct benefit, exchange transactions, have been offset against the revenue in the statements of activities. Other costs related to the events for which the donor does not receive a direct benefit are included within fundraising expenses in the statements of functional expenses.

Advertising

The Organization charges advertising costs to expense as incurred.

Functional Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. The direct costs of providing the programs have all been allocated to program services. Some indirect costs including salaries, payroll taxes and benefits, and rent and utilities are based on management's estimates of time and costs utilized within each of the functional categories. Costs allocated to management and general are not affiliated with program related initiatives.

Material costs are allocated as follows:

- Salaries - Time and effort
- Payroll taxes and benefits - Time and effort
- Professional fees - Time and purpose

Estimates

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Events Occurring After Report Date

The Organization has evaluated events and transactions that occurred between September 1, 2022 and January 10, 2023, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 - LEASE

During December 2016, the Organization entered into a lease agreement for office space that commenced on April 1, 2017. The lease renews on an annual basis and had rent payments of \$575 per month. The Organization renewed its lease in January 2020 for \$1,006 per month. On July 1, 2021, the Organization renewed its lease for an additional year for \$1,056 per month. Future minimum payments for the year ending August 31, 2023 are \$12,672.

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization had net assets with donor restrictions from the following funding sources as of August 31,:

<u>Restriction</u>	<u>2022</u>	<u>2021</u>
General programming	\$ 9,500	90,000
Summer Camp programming	5,000	7,125
Scholarship funding	8,000	3,000
STEM programming	49,166	71,365
Technology supplies	-	24,607
Luncheon	2,000	-
Investment Challenge	7,500	-
Leadership Summit	15,000	-
School program funding	49,500	-
	<u>\$ 145,666</u>	<u>\$ 193,097</u>

NOTE 4 - RETIREMENT PLAN

During the year ended December 31, 2018, the Organization adopted a 401(k) plan, for which employees become eligible to participate upon reaching age twenty-one and completed one year of service. The Organization can make discretionary matching contributions, as determined as of the end of the plan year. The Organization did not make contributions to the plan for the years ended August 31, 2022 and 2021.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021**

NOTE 5 - CONCENTRATIONS OF RISK

The Organization maintains cash in bank accounts with what it believes to be quality financial institutions that are insured by the Federal Deposit Insurance Corporation. The Organization has not incurred any losses in such accounts to date.

NOTE 6 - LIQUIDITY

The following represents the Organization’s financial assets at August 31,:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents.....	\$ 581,155	\$ 529,202
Accounts receivable	105,064	75,427
Financial assets available to meet general expenditures over the next twelve months	\$ 686,219	\$ 604,629

The Organization’s goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately \$175,000). As part of its liquidity plan, excess cash is invested in a short-term money market account. As of August 31, 2022 and 2021, the Organization had sufficient funds to meet over ninety days of operating expenses.

NOTE 7 - THE FINANCIAL IMPACTS RELATED TO THE COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, economic uncertainties have arisen, which may negatively impact operating results.

During the year ended August 31, 2020, the Organization received a loan for \$62,077 as part of the Paycheck Protection Program of the United States of America Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The loan was forgiven on January 25, 2021 in the amount of \$62,546, which includes \$469 in interest. On March 12, 2021, the Organization received a second phase loan for \$69,167. The loan was forgiven on October 26, 2021 in the amount of \$69,588, which includes \$421 in interest. PPP loan forgiveness income is recognized accordingly on the accompanying statements of activities for the years ended August 31, 2022 and 2021.

During the year ended August 31, 2022, the Organization also applied for Employee Retention Tax Credits (“ERTC”). The ERTC is a payroll tax credit (not an income tax credit) and is ultimately to be reported on IRS Form 941. Eligible employers can claim the ERTC by computing the ERTC amount for a pay period and decreasing the required payroll deposit by that amount. To be eligible, organizations must meet one of the following criteria: (1) the organization’s operations were either fully or partially suspended due to a COVID-19 government order; or (2) the organization suffered a significant reduction in gross receipts as compared with the same calendar quarter in the previous year. The Organization was eligible to apply and recognized \$20,648 of ERTC tax credits within the accompanying statement of activities for the year ended August 31, 2022.