

**girls
inc.**

of Long Island

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

FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

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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, 2023 and 2022, 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 9, 2024

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GIRLS INC. OF LONG ISLAND

STATEMENTS OF FINANCIAL POSITION
AUGUST 31,

2023 2022

ASSETS

Current Assets:

Cash and cash equivalents.....	\$	755,974	\$	581,155
Receivables.....		38,627		105,064
Prepaid expenses and other current assets.....		4,822		5,620

TOTAL CURRENT ASSETS		799,423		691,839
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Property and equipment, net of accumulated depreciation.....		95		1,458
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TOTAL ASSETS	\$	799,518	\$	693,297
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable.....	\$	5,051	\$	-
Accrued expenses.....		14,922		11,786
Deferred revenue.....		5,000		-
Other current liabilities.....		1,528		2,832

TOTAL CURRENT LIABILITIES		26,501		14,618
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Net Assets:

Net assets without donor restrictions		715,450		533,013
Net assets with donor restrictions.....		57,567		145,666

TOTAL NET ASSETS		773,017		678,679
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TOTAL LIABILITIES AND NET ASSETS	\$	799,518	\$	693,297
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GIRLS INC. OF LONG ISLAND

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Support:			
Grants	\$ 88,219	\$ 328,500	\$ 416,719
Special events, net of direct expenses of \$30,503.....	114,753	-	114,753
Contributions.....	80,969	-	80,969
In-kind contributions.....	16,171	-	16,171
Net assets released from restrictions.....	416,599	(416,599)	-
TOTAL SUPPORT	716,711	(88,099)	628,612
Revenue:			
Program income.....	213,646	-	213,646
Interest income.....	294	-	294
Paycheck Protection Program loan forgiveness income.....	-	-	-
Employee Retention Tax Credit income.....	125,455	-	125,455
TOTAL REVENUE	339,395	-	339,395
TOTAL SUPPORT AND REVENUE	1,056,106	(88,099)	968,007
EXPENSES			
Program services.....	567,717	-	567,717
Management and general.....	126,067	-	126,067
Fundraising.....	179,885	-	179,885
TOTAL EXPENSES	873,669	-	873,669
CHANGE IN NET ASSETS	182,437	(88,099)	94,338
Net assets, beginning of the year.....	533,013	145,666	678,679
Net assets, end of the year.....	\$ 715,450	\$ 57,567	\$ 773,017

GIRLS INC. OF LONG ISLAND

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

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
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
Interest income.....	-	-	-
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 FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2023**

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages.....	\$ 330,808	\$ 48,703	\$ 79,887	\$ 459,398
Payroll taxes and benefits.....	36,201	6,742	5,461	48,404
TOTAL SALARIES AND RELATED EXPENSES	367,009	55,445	85,348	507,802
Program expenses.....	162,534	131	333	162,998
Office expense.....	2,161	9,821	15,158	27,140
Insurance.....	8,633	2,953	3,899	15,485
Staff development.....	439	38	223	700
Travel and meetings.....	2,855	7,050	8,090	17,995
Technology.....	4,174	6,533	1,932	12,639
Marketing and advertising.....	3,609	1,191	1,564	6,364
Membership and subscriptions.....	4,702	13,489	2,593	20,784
Professional fees.....	-	27,337	37,050	64,387
Rent and utilities.....	10,224	1,650	4,617	16,491
Fundraising expense.....	-	-	2,907	2,907
In-kind expense.....	-	-	16,171	16,171
Other expense.....	14	429	-	443
Depreciation expense.....	1,363	-	-	1,363
TOTAL EXPENSES	\$ 567,717	\$ 126,067	\$ 179,885	\$ 873,669

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
In-kind expense.....	-	-	-	-
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

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

2023

2022

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets.....	\$	94,338	\$	149,683
 <u>Adjustment to reconcile change in net assets to net cash provided by operating activities:</u>				
Depreciation.....		1,363		1,516
Forgiveness of Paycheck Protection Program loan.....		-		(69,167)
 <u>Change in operating assets and liabilities:</u>				
Receivables.....		66,437		(29,637)
Prepaid expenses and other current assets.....		798		(1,775)
Accounts payable.....		5,051		(191)
Accrued expenses.....		3,136		2,369
Deferred revenue.....		5,000		(3,000)
Other current liabilities.....		(1,304)		2,155
NET CASH PROVIDED BY OPERATING ACTIVITIES		174,819		51,953
NET CHANGE IN CASH AND CASH EQUIVALENTS		174,819		51,953
Cash and cash equivalents, beginning of year.....		581,155		529,202
Cash and cash equivalents, end of year.....	\$	755,974	\$	581,155

See accompanying notes and Independent Accountants' Review Report.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

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 ("U.S. GAAP") 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, 2023 and 2022.

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: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP. 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.

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 restrictions expire, 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 may be perpetual in nature, whereby donors stipulate that the funds be maintained in perpetuity. The Organization had no net assets to be held in perpetuity as of August 31, 2023 and 2022.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2023 and 2022.

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: The Organization earns the majority of its revenue from grants, contributions, program service income and special events income.

Contributions are recognized when donors make promises to give to the Organization that are, in substance, unconditional. 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. All donor-restricted grants and contributions 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.

Program service 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 special 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.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In-kind Goods: Contributed goods are recognized as gifts in-kind revenue at their estimated fair value if they create or enhance nonfinancial assets. During the year ended August 31, 2023, the Organization received donated gifts valued at \$16,171 for auction items to use at its annual fundraising event and are recorded as in-kind contributions on the statement of activities and as in-kind expenses allocated to fundraising within the statement of functional expenses. The Organization did not receive donated items for the year ended August 31, 2022.

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. Costs allocated to management and general are not affiliated with program related initiatives but provide overall support and direction of the Organization.

Material costs are allocated as follows:

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

Use of 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.

Recent Accounting Pronouncements: Effective for the year ended August 31, 2023, the Organization was required to adopt Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Under this accounting pronouncement, the Organization presents contributed nonfinancial assets as a separate line item in the accompanying consolidated statements of activities and provides additional disclosures about contributions of nonfinancial assets. These additional disclosures include qualitative information about whether contributed nonfinancial assets were either monetized or utilized during the reporting period, a description of any donor-imposed restrictions associated with the contributed nonfinancial assets, and a description of the valuation techniques and inputs used to arrive at a fair value measure at initial recognition.

Events Occurring After Report Date: The Organization has evaluated events and transactions that occurred between September 1, 2023 and January 9, 2024, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

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, 2022, the Organization renewed its lease for an additional year for \$1,415 per month. On July 1, 2023, the Organization renewed its lease for an additional year for \$1,779 per month. Future minimum payments for the year ending August 31, 2024 are \$21,348. As this lease does not exceed one year in duration, it is classified as a short-term lease that is not subject to the provisions of Accounting Standards Codification 842, *Leases*, requiring the recognition of right-of-use asset and lease liability.

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization had net assets with donor restrictions that were restricted for the following purposes as of August 31,:

	2023	2022
General programming	\$ -	\$ 9,500
Summer Camp programming	-	5,000
Scholarship funding	7,000	8,000
STEM programming	35,567	49,166
Social justice programming	15,000	-
Luncheon	-	2,000
Investment Challenge	-	7,500
Leadership Summit	-	15,000
School program funding	-	49,500
	\$ 57,567	\$ 145,666

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 completing 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, 2023 and 2022.

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.

During the year ended August 31, 2023, the Organization received 30% of its total support and revenue from two donors. During the year ended August 31, 2022, the Organization received 17% of its total support and revenue from one donor.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

NOTE 6 - LIQUIDITY

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

	2023	2022
Cash and cash equivalents.....	\$ 755,974	\$ 581,155
Receivables.....	38,627	105,064
Financial assets available to meet general expenditures over the next twelve months	\$ 794,601	\$ 686,219

The Organization’s goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately \$211,000). As part of its liquidity plan, excess cash is invested in a short-term money market account. As of August 31, 2023 and 2022, the Organization had sufficient funds to meet over ninety days of operating expenses.

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

During the year ended August 31, 2022, the Organization received a loan for \$69,197 as part of the Paycheck Protection Program (“PPP”) of the United States of America Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). 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 statement of activities for the year ended August 31, 2022.

During the years ended August 31, 2023 and 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 \$125,455 and \$20,648 of ERTC tax credits within the accompanying statements of activities for the years ended August 31, 2023 and 2022, respectively.