girls inc.

of Long Island

FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT

FOR THE YEAR ENDED AUGUST 31, 2021

CERINI & ASSOCIATES LLP
CERTIFIED PUBLIC ACCOUNTANTS

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CERINI & ASSOCIATES LLP
CERTIFIED PUBLIC ACCOUNTANTS

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 statement of financial position as of August 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 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.

Accountants' Conclusion

Based on our review, 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 31, 2022

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STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2021

ASSETS		
Current Assets:		
Cash and cash equivalents	$	529,202
Receivables		75,427
Prepaid expenses and other current assets		3,845
TOTAL CURRENT ASSETS		608,474
Property and equipment, net		2,974
TOTAL ASSETS	$	611,448
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$	191
Accrued expenses		9,417
Deferred revenue		3,000
Other current liabilities		677
TOTAL CURRENT LIABILITIES		13,285
Paycheck Protection Program loan payable		69,167
TOTAL LIABILITIES		82,452
Net Assets:		
Net assets without donor restrictions		335,899
Net assets with donor restrictions		193,097
TOTAL NET ASSETS		528,996
TOTAL LIABILITIES AND NET ASSETS	$	611,448

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	68,649	-	68,649
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
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

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	99,117
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		1,912
Forgiveness of Paycheck Protection Program loan		(62,077)
Change in operating assets and liabilities:		
Receivables		78,056
Prepaid expenses		(1,105)
Accounts payable		(776)
Accrued expenses		(257)
Deferred revenue		(2,045)
Other current liabilities		(1,757)
NET CASH PROVIDED BY OPERATING ACTIVITIES		111,068
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchases of property and equipment		(2,800)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Proceeds from Paycheck Protection Program loan		69,167
NET CHANGE IN CASH AND CASH EQUIVALENTS		177,435
Cash and cash equivalents, beginning of year		351,767
Cash and cash equivalents, end of year	$	529,202

See accompanying notes and Independent Accountants' Review Report.

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 1894. 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 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.

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 statement 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 at August 31, 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.

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

Contributions and grants received are recorded as either an increase in net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions. All contributions and grants are recognized as revenue when pledged. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Program income is recognized based on the nature of the underlying program, principally as applicable services are provided.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Special Events

Revenue from these events is recorded at the time the events take place. Costs incurred for which a donor receives a direct benefit, exchange transactions, have been offset against the revenue in the statement 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 statement of functional expenses.

Donated Services

During the year ended August 31, 2021, pro-bono legal services has been reflected in the financial statements for donated services in the amount of $420. 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 with enhancing its program activities. These donated services have not been recorded inasmuch as such services do not meet the criteria for recognition in the financial statements under accounting principles generally accepted in the United States of America, nor do they create or enhance non-financial assets.

Advertising

The Organization charges advertising cost 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
- Rent and utilities – Square footage utilized
- Insurance – Square footage utilized
- Professional fees – Time and purpose

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

Events Occurring After Report Date

The Organization has evaluated events and transactions that occurred between September 1, 2021 and January 31, 2022, 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, 2022 is $10,560.

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS

The Organization had net assets with donor restrictions from the following funding sources as of August 31, 2021:

Bank of America	$	50,000
Children Hope of India		24,607
Girls Inc. - National 2020-2022		21,365
Girls Inc. - GI Passthrough – Nat Grid		50,000
National Grid Camps 2018 - 2022		5,000
New York Life Aim High		15,000
NY Community Trust		20,000
NYSCA–Huntington Arts Council-2021		2,125
Suffolk County Omnibus 2021		5,000
Total	$	193,097

NOTE 4 – RETIREMENT PLAN

During the year ended December 31, 2018, the Organization adopted a 401(k) plan, where 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 year ended August 31, 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, 2021:

Cash and cash equivalents	$	529,299
Receivables		75,427
Financial assets available to meet general expenditures over the next twelve months	$	604,726

The Organization's goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately $114,000). As part of its liquidity plan, excess cash is invested in a short-term money market account. As of August 31, 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 may be forgiven entirely based on levels of qualified expenditures to be made by the Organization over a twenty-four week period subsequent to funding. Any amount not forgiven will be required to be repaid and amortized over a two-year term at an interest rate of one percent. Management expects that the loan amount will be forgiven in full.