girls inc.

of Long Island

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

FOR THE YEARS ENDED AUGUST 31, 2024 AND 2023

CERINI & ASSOCIATES LLP

CERTIFIED PUBLIC ACCOUNTANTS

Connected to your business goals success

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT FOR THE YEARS ENDED AUGUST 31, 2024 AND 2023

TABLE OF CONTENTS

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 statements of financial position as of August 31, 2024 and 2023, 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 the Organization 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
November 19, 2024

STATEMENTS OF FINANCIAL POSITION
AUGUST 31,

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 457,295	$ 755,974
Investments, at fair value	104,994	-
Receivables	170,817	38,627
Prepaid expenses and other current assets	1,906	4,822
TOTAL CURRENT ASSETS	735,012	799,423
Property and equipment, net of accumulated depreciation	-	95
TOTAL ASSETS	$ 735,012	$ 799,518
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 8,320	$ 5,051
Accrued expenses	18,737	14,922
Deferred revenue	-	5,000
Other current liabilities	8,494	1,528
TOTAL LIABILITIES	35,551	26,501
Net Assets:		
Net assets without donor restrictions	483,793	715,975
Net assets with donor restrictions	216,193	57,567
TOTAL NET ASSETS	699,986	773,542
TOTAL LIABILITIES AND NET ASSETS	$ 735,537	$ 800,043

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Support:			
Grants	$ 9,300	$ 436,000	$ 445,300
Special events, net of direct expenses of $34,391	75,549	-	75,549
Contributions	81,938	-	81,938
In-kind contributions	11,196	-	11,196
Net assets released from restrictions	277,374	(277,374)	-
TOTAL SUPPORT	455,357	158,626	613,983
Revenue:			
Program services	231,410	-	231,410
Investment income, net of investment fees	10,123	-	10,123
Employee Retention Tax Credit income	-	-	-
TOTAL REVENUE	241,533	-	241,533
TOTAL SUPPORT AND REVENUE	696,890	158,626	855,516
EXPENSES			
Program services	570,500	-	570,500
Management and general	120,446	-	120,446
Fundraising	238,126	-	238,126
TOTAL EXPENSES	929,072	-	929,072
CHANGE IN NET ASSETS	(232,182)	158,626	(73,556)
Net assets, beginning of the year	715,975	57,567	773,542
Net assets, end of the year	$ 483,793	$ 216,193	$ 699,986

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 $19,652	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 services	214,171	-	214,171
Investment income, net of investment fees	294	-	294
Employee Retention Tax Credit income	125,455	-	125,455
TOTAL REVENUE	339,920	-	339,920
TOTAL SUPPORT AND REVENUE	1,056,631	(88,099)	968,532
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	182,962	(88,099)	94,863
Net assets, beginning of the year	533,013	145,666	678,679
Net assets, end of the year	$ 715,975	$ 57,567	$ 773,542

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2024

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	$ 325,605	$ 51,177	$ 133,802	$ 510,584
Payroll taxes and benefits	37,051	8,560	20,276	65,887
TOTAL SALARIES AND RELATED EXPENSES	362,656	59,737	154,078	576,471
Program expenses	161,057	2,382	2,378	165,817
Office expense	1,721	12,380	4,278	18,379
Insurance	9,460	2,604	4,272	16,336
Staff development	1,229	160	261	1,650
Travel and meetings	5,783	6,908	5,865	18,556
Technology	2,512	393	2,260	5,165
Marketing and advertising	2,218	4,033	2,164	8,415
Membership and subscriptions	5,097	1,371	3,156	9,624
Professional fees	5,600	27,917	34,200	67,717
Rent and utilities	13,072	2,109	5,903	21,084
Fundraising expenses	-	-	8,115	8,115
In-kind expense	-	-	11,196	11,196
Other expense	-	452	-	452
Depreciation expense	95	-	-	95
TOTAL EXPENSES	$ 570,500	$ 120,446	$ 238,126	$ 929,072

See accompanying notes and Independent Accountants' Review Report.

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 expenses	-	-	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

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31,

		2024		2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	$	(73,556)	$	94,863
Adjustment to reconcile change in net assets to net cash (used in)/provided by operating activities:				
Depreciation		95		1,363
Unrealized gain on investments		(4,950)		-
Change in operating assets and liabilities:				
Receivables		(132,190)		66,437
Prepaid expenses and other current assets		2,916		798
Accounts payable		3,269		5,051
Accrued expenses		3,815		3,136
Deferred revenue		(5,000)		5,000
Other current liabilities		6,966		(1,304)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES		(198,635)		175,344
CASH FLOWS USED IN INVESTING ACTIVITIES				
Purchases of investments		(100,044)		-
NET CHANGE IN CASH AND CASH EQUIVALENTS		(298,679)		175,344
Cash and cash equivalents, beginning of year		755,974		581,155
Cash and cash equivalents, end of year	$	457,295	$	756,499

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2024 AND 2023

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, 2024 and 2023.

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, 2024 and 2023.

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.

Investments: Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Unrealized gains are included in investment income in the statements of activities.

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, 2024 and 2023.

Fair Value Measurement: Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable inputs to be used when available. The fair value hierarchy is categorized into three levels (see Note 2).

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.

Grants and Contributions Revenue: The Organization recognizes grants and contributions when donors make promises to give to the Organization that are, in substance, unconditional. Grants and contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the grants and contributions are recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional grants and contributions are accounted for as liabilities or are not recognized as grants and contributions initially, until the barriers to entitlement are overcome, at which point grants and contributions are recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions.

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

Program Services: The Organization follows the revenue recognition standards set forth by Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*. Revenue from program services 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 when performance obligations are satisfied, which is generally at the points in time in which the events take place. Costs incurred for which donors receive a direct benefit are considered exchange transactions and are offset against the revenue earned. Other costs related to the event for which donors do not receive a direct benefit are classified as fundraising costs in the accompanying statements of functional expenses.

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 years ended August 31, 2024 and 2023, the Organization received donated gifts valued at $11,196 and $16,171, respectively, 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 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. 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 adopted 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 statements of activities and provides additional disclosures about contributions of nonfinancial assets.

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

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.

Effective for the year ended August 31, 2024, the Organization adopted Accounting Standards Codification ("ASC") 326, Measurement of Credit Losses on Financial Instruments, for all assets held at amortized cost basis, including receivables. Under this accounting standard, the pronouncement requires organizations to record an estimate of all expected future credit losses. The allowance for credit losses will be a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. The adoption of ASC 326 had no significant impact to the financial statements.

Events Occurring After Report Date**:** The Organization has evaluated events and transactions that occurred between September 1, 2024 and November 19, 2024, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 – INVESTMENTS

The Organization presents investments in the statements of financial position at fair value. A fair value hierarchy has been established based on the observability of inputs to the evaluation of an asset or liability as of the measurement date. The three-level valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value levels (Level 1, 2, and 3):

- Level 1: Level 1 instruments are valued using observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date. Level 1 assets include highly-liquid U.S. Treasury securities and exchange-traded equity securities.
- Level 2: Level 2 instruments are valued using observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities. Most debt securities and some preferred stocks are model-priced by vendors using observable inputs and are classified within Level 2. Also included in the Level 2 category are derivative instruments that are priced using models with observable market inputs, including interest rates, foreign currency, and certain credit swap contracts.
- Level 3: Level 3 instruments are valued using valuations that are derived from techniques in which one or more of the significant inputs are unobservable. Level 3 fair values represent the Organization's best estimate of an amount that could be realized in a current market exchange absent actual market exchanges.

All of the investments held by the Organization are considered Level 1 investments because they are regularly traded and have quoted prices in active markets.

NOTE 2 – INVESTMENTS (*continued*)

The fair and historic values of the Organization's investments by major security type are as follows at August 31, 2024:

	Fair Value	Historical Cost
Cash and cash equivalents	$ 995	$ 995
Exchange traded funds	103,999	98,976
Total	$ 104,944	$ 99,971

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances, and the amounts reported in the accompanying statements of financial position.

NOTE 3 – 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 in July. Monthly lease payments during the years ended August 31, 2024 and 2023 were $1,779 and $1,415, respectively. On July 1, 2024, the Organization renewed its lease for an additional year for $1,868 per month. Future minimum payments for the year ending August 31, 2025 are $22,418. 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 4 – NET ASSETS WITH DONOR RESTRICTIONS

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

	2024	2023
Scholarship funding	$ 7,000	$ 7,000
STEM programming	38,715	35,567
Social justice programming	-	15,000
School program funding	170,478	-
	$ 216,193	$ 57,567

NOTE 5 – 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, 2024 and 2023.

NOTE 6 – CONCENTRATIONS OF RISK

The Organization maintains its cash and investments in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") and Securities Investor Protection Corporation ("SIPC"). The Organization has not incurred any losses in such accounts to date.

During the year ended August 31, 2024, the Organization received 32% of its total support and revenue from two donors. During the year ended August 31, 2023, the Organization received 30% of its total support and revenue from two donors.

NOTE 7 – LIQUIDITY

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

	2024	2023
Cash and cash equivalents	$ 457,295	$ 755,974
Investments, at fair value	104,994	-
Accounts receivable	170,817	38,627
Total financial assets	733,106	794,601
Less amounts not available to be used for general operations:		
Net assets with donor restrictions	(216,193)	(57,567)
Financial assets available to meet general expenditures over the next twelve months	$ 513,913	$ 737,034

The Organization's goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately $226,000). As part of its liquidity plan, excess cash is invested in a short-term money market account. As of August 31, 2024 and 2023, the Organization had sufficient funds to meet over ninety days of operating expenses.

NOTE 8 – THE FINANCIAL IMPACTS RELATED TO THE COVID-19 PANDEMIC

During the year ended August 31, 2023, 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 of ERTC tax credits within the accompanying statements of activities for the year ended August 31, 2023.