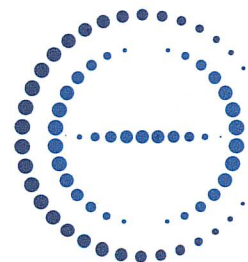


**GIRLS INCORPORATED OF COLUMBUS
AND PHENIX-RUSSELL**

AUDITED FINANCIAL STATEMENTS

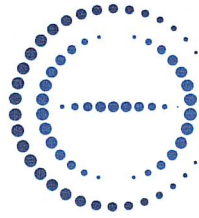
Years Ended June 30, 2020 and 2019



CEDAR HILL
CPAS AND ADVISORS

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CEDAR HILL

CPAS AND ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Girls Incorporated of Columbus and Phenix-Russell
Columbus, Georgia

We have audited the accompanying financial statements of Girls Incorporated of Columbus and Phenix-Russell (a nonprofit organization) which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girls Incorporated of Columbus and Phenix-Russell as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Cedar Hill CPAs and Advisors

Cataula, Georgia
February 23, 2021

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
Current assets:		
Cash and cash equivalents	\$ 278,032	\$ 319,539
Unconditional promises to give, less allowance for uncollectible	176,531	185,682
Other current assets	6,000	-
	<hr/>	<hr/>
Total current assets	460,563	505,221
Long-term unconditional promises to give	-	223,316
Contributions receivable under Charitable Remainder Unitrust	-	642,778
Investments, at fair value	9,029,716	8,543,664
Land, building & equipment, net of accumulated depreciation	2,217,330	2,230,030
	<hr/>	<hr/>
Total assets	<u>\$ 11,707,609</u>	<u>\$ 12,145,009</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
Current liabilities:		
Accounts payable	\$ 8,571	\$ 6,190
Accrued liabilities	30,882	17,740
Pension plan payable	-	11,283
	<hr/>	<hr/>
Total current liabilities	39,453	35,213
Net assets:		
Without donor restrictions	2,608,071	3,881,430
With donor restrictions	9,060,085	8,228,366
	<hr/>	<hr/>
Total net assets	11,668,156	12,109,796
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 11,707,609</u>	<u>\$ 12,145,009</u>

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
PUBLIC SUPPORT & REVENUE			
Contributions	\$ 104,983	\$ 154,098	\$ 259,081
Special events	40,500	-	40,500
Program income	8,399	-	8,399
Memberships	93,721	-	93,721
Investment income	16,848	404,357	421,205
Grant income	435,601	261,433	697,034
Change in value of split-interest agreements	-	359	359
Other income	-	-	-
Gain/(loss) on sale of assets	-	-	-
Transfer to restricted investments	(980,264)	980,264	-
Net assets reclassified/released from restriction	968,792	(968,792)	-
Total public support & revenue	<u>688,580</u>	<u>831,719</u>	<u>1,520,299</u>
EXPENSES			
Program services	1,704,797	-	1,704,797
Management and general	257,142	-	257,142
Total expenses	<u>1,961,939</u>	<u>-</u>	<u>1,961,939</u>
Increase (decrease) in net assets	(1,273,359)	831,719	(441,640)
NET ASSETS, beginning of period	<u>3,881,430</u>	<u>8,228,366</u>	<u>12,109,796</u>
NET ASSETS, end of period	<u>\$ 2,608,071</u>	<u>\$ 9,060,085</u>	<u>\$ 11,668,156</u>

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
PUBLIC SUPPORT & REVENUE			
Contributions	\$ 80,281	\$ 8,913	\$ 89,194
Special events	127,274		127,274
Program income	53,032		53,032
Memberships	138,260		138,260
Investment income	117,878	502,207	620,085
Grant income	505,581	303,723	809,304
Change in value of split-interest agreements	-	(7,662)	(7,662)
Other income	-		-
Net assets reclassified/released from restriction	490,078	(490,078)	-
Total public support & revenue	<u>1,512,384</u>	<u>317,103</u>	<u>1,829,487</u>
EXPENSES			
Program services	1,516,131		1,516,131
Management and general	223,107		223,107
Total expenses	<u>1,739,238</u>	<u>-</u>	<u>1,739,238</u>
Increase (decrease) in net assets	(226,854)	317,103	90,249
NET ASSETS, beginning of period	<u>4,108,284</u>	<u>7,911,263</u>	<u>12,019,547</u>
NET ASSETS, end of period	<u>\$ 3,881,430</u>	<u>\$ 8,228,366</u>	<u>\$ 12,109,796</u>

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020 AND 2019

	2020		2019	
	Program Services	Management & General	Program Services	Management & General
Salaries and benefits	\$ 1,148,320	\$ 153,055	\$ 873,036	\$ 156,191
Program supplies	34,711	-	42,472	-
Travel	15,183	-	30,419	-
Taxes - payroll	84,289	11,234	66,787	11,949
Registration fees	5,217	-	16,965	-
Utilities	50,812	3,405	56,299	3,504
Telephone and internet	6,092	408	6,100	409
Insurance	55,161	3,696	44,776	3,000
Building and grounds maintenance	45,768	3,067	30,016	2,011
Investment custodial fees	49,571	-	44,014	-
Professional fees	-	73,118	-	37,109
Office supplies and expense	11,265	1,808	11,567	1,856
Dues	1,861	-	2,618	-
Affiliate dues	7,200	4,800	12,000	4,800
Scholarships	18,787	-	37,601	-
Computer maintenance	12,889	2,069	9,430	1,514
Depreciation	115,530	-	130,592	-
Van expenses	16,558	-	25,207	-
Special event costs	4,858	-	57,518	-
Security	1,995	134	7,923	531
Postage and printing	2,171	348	1,445	232
Other expenses	16,560	-	9,346	-
Total Functional Expenses	\$ 1,704,797	\$ 257,142	\$ 1,516,131	\$ 223,107
				\$ 1,739,238

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (441,640)	\$ 90,249
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	115,530	130,592
Increase/(decrease) in discount on long-term pledges	-	(13,516)
Adjustment to value of CRUT	(349)	7,662
Contributions deposited directly into investment accounts	(326,047)	(532,674)
(Gain)/loss on investments, net	(421,205)	(549,431)
Changes in:		
Pledges receivable, less allowance for uncollectible	9,151	281,179
Long-term pledges receivable, less allowance for uncollectible	223,316	250,684
Accounts payable and accrued expenses	4,240	2,467
	(837,004)	(332,788)
Net cash provided by (used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Monthly distribution from endowment to operating funds	795,497	324,380
Net cash used in investing activities	795,497	324,380
Net increase (decrease) in cash and cash equivalents	(41,507)	(8,408)
Cash and cash equivalents, beginning	319,539	327,947
Cash and cash equivalents, ending	\$ 278,032	\$ 319,539

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Girls Incorporated of Columbus and Phenix-Russell is a non-profit organization created to provide recreational, social, and educational programs for girls. The Organization is supported through donor contributions and United Way.

Cash and Cash Equivalents

Cash and cash equivalents are insured by FDIC up to \$250,000 at each financial institution. At June 30, 2020, the uninsured deposits total approximately \$30,000. At June 30, 2019, all of the Organization's cash and cash equivalents was within FDIC limits.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the direct write-off method to record bad debts. This method approximates generally accepted accounting principles.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met, either by passage of time or by use, in the reporting period in which the income and gains are recognized.

Property and Equipment

It is the Organization's policy to capitalize property and equipment purchased with a cost of over \$1,000. Lesser amounts are expensed. Depreciation is computed using the straight-line method. Depreciation expense was \$115,530 and \$130,592 for the years ended June 30, 2020 and 2019, respectively.

Fair Value Measurement

The Foundation uses a three-tier hierarchy established by FASB-ASC 820 to prioritize the assumptions referred to as inputs, used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Level 1: quoted prices in active markets for identical investments.

Level 2: other significant observable inputs (including quoted prices for similar investments in active markets, interest rates and yield curves, prepayment speeds, credit risk, etc.)

Level 3: significant unobservable inputs (including the Organization's own assumptions in determining the fair value measurement.)

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Expenses

Expenses relating to investment revenues, including custodial and accounting fees, amounted to \$49,571 and \$44,014 for the years ended June 30, 2020 and 2019, respectively.

Contribution Receivable - Charitable Remainder Unitrust

The Organization is a 1/5 beneficiary of a charitable remainder unitrust. A charitable remainder unitrust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term, usually the designated beneficiaries lifetime. At the end of the trust's term, the remaining assets are available for the beneficiaries use. The portion of the trust attributable to the present value of the future benefits to be received by the Organization is recorded in the Statement of Activities as a temporarily restricted contribution in the year the trust is established. This amount represented the present value of the estimated future payments. On an annual basis, the Organization revalues the contribution receivable based on the applicable mortality tables and current market conditions.

Subsequent to year end, the charitable remainder trust was distributed to all applicable beneficiaries. The amount listed on the Statement of Financial Position reflects the amount that was paid over to the Organization.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets 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.

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 the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets; net assets with donor restrictions and net assets without donor restriction.

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Contributions

Contributions received are recorded as net assets with donor restrictions or without donor restrictions depending on the existence or nature of any donor restrictions.

Deposits Held in Financial Institution

During the year ended June 30, 2020 and 2019, there were instances when the Organization's demand deposits on hand in financial institutions exceeded the depositors' insurance provided by the Federal Deposit Insurance Corporation.

Advertising

Advertising costs are expensed when incurred. Advertising costs for the year ended June 30, 2020 and 2019 were included in special event costs.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain items in the 2019 financial statements have been reclassified in order to be in conformity with the 2020 statement presentation.

NOTE B - LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and cash equivalents	\$ 278,032
Investments	<u>152,800</u>
	<u>\$ 430,832</u>

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE C - CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents is \$0 and \$0 for the years ended June 30, 2020 and 2019, respectively, which is restricted by the donors.

NOTE D - PROMISES TO GIVE

Unconditional promises to give consists of the following:

Unrestricted promises	\$	183,465
Less: unamortized discount		<u>(6,934)</u>
Net unconditional promises to give	\$	<u>176,531</u>
Amounts due in:		
Less than one year	\$	176,531

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows by using a discount rate of 2.95%.

Although donor designations to the United Way, Inc. may vary, differences between the amounts allocated and collected from the United Way, Inc. have been historically insignificant.

The Organization's use of the direct write-off method to record bad debts approximates generally accepted accounting principles.

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2020	2019
Land	\$ 286,743	\$ 286,743
Buildings	4,164,461	4,067,225
Equipment	334,449	328,855
Vehicles	387,856	387,856
	<u>5,173,509</u>	<u>5,070,679</u>
Less: accumulated depreciation	(2,956,179)	(2,840,649)
Net property and equipment	<u>\$ 2,217,330</u>	<u>\$ 2,230,030</u>

Depreciation expense for the year was \$115,530 and \$130,592 for the years ended June 30, 2020 and 2019, respectively.

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020 AND 2019

NOTE F - LONG-TERM INVESTMENTS

Unrestricted

The composition of the long-term investments without donor restrictions as of June 30, 2020 and 2019 is as follows:

<u>June 30, 2020</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 2,997	\$ 2,997	
Equities	24,179	32,127	\$ 7,948
Fixed income funds	<u>112,567</u>	<u>117,675</u>	<u>5,108</u>
Total	<u>\$ 139,743</u>	<u>\$ 152,799</u>	<u>\$ 13,056</u>
<u>June 30, 2019</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 64,882	\$ 64,882	
Equities	217,923	290,950	\$ 73,027
Fixed income funds	<u>1,102,376</u>	<u>1,078,880</u>	<u>(23,496)</u>
Total	<u>\$ 1,385,181</u>	<u>\$ 1,434,712</u>	<u>\$ 49,531</u>

All equity securities are Level 1 and all debt securities are Level 2.

Net assets with donor restrictions at June 30, 2020 and 2019 consists of endowment fund investments to be held indefinitely, the income from which is expendable to support the Organization's program services.

The composition of those net assets at June 30, 2020 and 2019 is as follows:

<u>June 30, 2020</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 909,279	\$ 909,279	
Equities	4,081,295	5,129,081	\$ 1,047,786
Fixed income funds	<u>2,683,629</u>	<u>2,838,557</u>	<u>154,928</u>
Total	<u>\$ 7,674,203</u>	<u>\$ 8,876,917</u>	<u>\$ 1,202,714</u>

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

<u>June 30, 2019</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 372,908	\$ 372,908	
Equities	3,636,872	4,626,103	\$ 989,231
Fixed income funds	2,078,122	2,109,941	31,819
Total	<u>\$ 6,087,902</u>	<u>\$ 1,108,952</u>	<u>\$ 1,021,050</u>

All equity securities are Level 1 and all debt securities are Level 2.

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2020 and 2019.

<u>June 30, 2020</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment income	\$ 53,323	\$ 222,692	\$ 276,015
Unrealized gains and losses	(36,475)	181,665	145,190
Total investment return	<u>\$ 16,848</u>	<u>\$ 404,357</u>	<u>\$ 421,205</u>
<u>June 30, 2019</u>	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Investment income	\$ 88,377	\$ 519,660	\$ 608,037
Unrealized gains and losses	29,501	185,931	215,432
Total investment return	<u>\$ 117,878</u>	<u>\$ 705,591</u>	<u>\$ 823,469</u>

NOTE G - PENSION PLAN

The Organization maintains a defined contribution retirement plan which covers all employees who qualify with respect to age and length of service. The contribution for 2020 and 2019 amounted to \$9,469 and \$25,161, respectively.

NOTE H - EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 23, 2021, the date the financial statements were available to be issued.