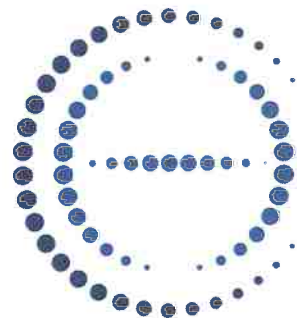


GIRLS INCORPORATED OF COLUMBUS AND

PHENIX-RUSSELL

AUDITED FINANCIAL STATEMENTS

Years Ended June 30, 2021 and 2020



CEDAR HILL
CPAs AND ADVISORS

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
AUDITED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

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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, 2021 and 2020, 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, 2021 and 2020, 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 25, 2022

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2021 AND 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 216,184	\$ 278,032
Unconditional promises to give, less allowance for uncollectible	82,465	176,531
Other current assets	6,000	6,000
Total current assets	304,649	460,563
Contributions receivable	155,000	-
Grants receivable	1,665	-
Investments, at fair value	10,577,146	9,029,716
Land, building & equipment, net of accumulated depreciation	2,102,584	2,217,330
Total assets	\$ 13,141,044	\$ 11,707,609
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 8,716	\$ 8,571
Accrued liabilities	28,784	30,882
Total current liabilities	37,500	39,453
Net assets:		
Without donor restrictions	2,523,778	2,608,071
With donor restrictions	10,579,766	9,060,085
Total net assets	13,103,544	11,668,156
Total liabilities and net assets	\$ 13,141,044	\$ 11,707,609

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, 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
PUBLIC SUPPORT & REVENUE			
Contributions	\$ 164,324	\$ 101,100	\$ 265,424
Special events	70,629	-	70,629
Program income	2,195	-	2,195
Memberships	52,984	-	52,984
Investment income	-	2,280,099	2,280,099
Grant income	379,600	172,000	551,600
Net assets reclassified/released from restriction	1,033,518	(1,033,518)	-
Total public support & revenue	<u>1,703,250</u>	<u>1,519,681</u>	<u>3,222,931</u>
EXPENSES			
Program services	1,579,464	-	1,579,464
Management and general	208,079	-	208,079
Total expenses	<u>1,787,543</u>	<u>-</u>	<u>1,787,543</u>
Increase (decrease) in net assets	(84,293)	1,519,681	1,435,388
NET ASSETS, beginning of period	<u>2,608,071</u>	<u>9,060,085</u>	<u>11,668,156</u>
NET ASSETS, end of period	<u>\$ 2,523,778</u>	<u>\$ 10,579,766</u>	<u>\$ 13,103,544</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	1,579,464	-	1,579,464
Management and general	208,079	-	208,079
Total expenses	<u>1,787,543</u>	<u>-</u>	<u>1,787,543</u>
Increase (decrease) in net assets	(1,098,963)	831,719	(267,244)
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>\$ 2,782,467</u>	<u>\$ 9,060,085</u>	<u>\$ 11,842,552</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, 2021 AND 2020

	Program Services	Management & General	Total Expenses 2021	Program Services	Management & General	Total Expenses 2020
Salaries and benefits	\$ 1,010,982	\$ 110,854	\$ 1,121,836	\$ 1,148,320	\$ 153,055	\$ 1,301,375
Program supplies	16,469	-	16,469	34,711	-	34,711
Travel	-	-	-	15,183	-	15,183
Taxes - payroll	71,207	7,808	79,015	84,289	11,234	95,523
Registration fees	1,155	-	1,155	5,217	-	5,217
Utilities	49,496	3,317	52,813	50,812	3,405	54,217
Telephone and internet	7,182	481	7,663	6,092	408	6,500
Insurance	56,707	3,800	60,507	55,161	3,696	58,857
Building and grounds maintenance	58,841	3,943	62,784	45,768	3,067	48,835
Investment custodial fees	52,244	-	52,244	49,571	-	49,571
Professional fees	-	67,383	67,383	-	73,118	73,118
Office supplies and expense	12,972	2,082	15,054	11,265	1,808	13,073
Dues	723	-	723	1,861	-	1,861
Affiliate dues	7,200	4,800	12,000	7,200	4,800	12,000
Scholarships	34,692	-	34,692	18,787	-	18,787
Computer maintenance	18,869	3,029	21,898	12,889	2,069	14,958
Depreciation	114,746	-	114,746	115,530	-	115,530
Van expenses	17,464	-	17,464	16,558	-	16,558
Special event costs	23,603	-	23,603	4,858	-	4,858
Security	3,259	219	3,478	1,995	134	2,129
Postage and printing	2,265	363	2,628	2,171	348	2,519
Other expenses	19,388	-	19,388	16,560	-	16,560
Total Functional Expenses	\$ 1,579,464	\$ 208,079	\$ 1,787,543	\$ 1,704,798	\$ 257,142	\$ 1,961,940

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, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,435,388	\$ (441,640)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	114,746	115,530
Increase/(decrease) in discount on long-term pledges	(6,934)	-
Adjustment to value of CRUT	-	(349)
Contributions deposited directly into investment accounts	(101,000)	(326,047)
(Gain)/loss on investments, net	(1,890,024)	(421,205)
Changes in:		
Pledges receivable, less allowance for uncollectible	94,066	9,151
Long-term pledges receivable, less allowance for uncollectible	-	223,316
Contributions receivable	(155,000)	-
Grant receivable	(1,665)	-
Accounts payable and accrued expenses	(1,953)	4,240
Net cash provided by (used in) operating activities	(512,376)	(837,004)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Monthly distribution from endowment to operating funds	450,528	795,497
Net cash used in investing activities	450,528	795,497
Net increase (decrease) in cash and cash equivalents	(61,848)	(41,507)
Cash and cash equivalents, beginning	278,032	319,539
Cash and cash equivalents, ending	\$ 216,184	\$ 278,032

The accompanying notes are an integral part of these financial statements

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

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 entire deposits total was insured.

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 \$114,746 and \$115,530 for the years ended June 30, 2021 and 2020, 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:

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.)

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020
(continued)

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

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

Investment Expenses

Expenses relating to investment revenues, including custodial and accounting fees, amounted to \$52,244 and \$49,571 for the years ended June 30, 2021 and 2020, respectively.

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.

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, 2021 and 2020, 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, 2021 and 2020 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 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021 AND 2020
 (continued)

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 2020 financial statements have been reclassified in order to be in conformity with the 2021 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	\$ 216,184
Investments	<u>15,742</u>
	<u>\$ 231,926</u>

NOTE C - CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents is \$0 and \$0 for the years ended June 30, 2021 and 2020, respectively, which is restricted by the donors.

NOTE D - PROMISES TO GIVE

Unconditional promises to give consists of the following:

Unrestricted promises	\$ 82,465
Less: unamortized discount	<u>(-)</u>
Net unconditional promises to give	<u>\$ 82,465</u>
Amounts due in:	
Less than one year	\$ 82,465

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.

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020
(continued)

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2021	2020
Land	\$ 286,743	\$ 286,743
Buildings	4,164,461	4,164,461
Equipment	334,449	334,449
Vehicles	387,856	387,856
	5,173,509	5,173,509
Less: accumulated depreciation	(3,070,925)	(2,956,179)
Net property and equipment	\$ 2,102,584	\$ 2,217,330

Depreciation expense for the year was \$114,746 and \$115,530 for the years ended June 30, 2021 and 2020, respectively.

NOTE F - LONG-TERM INVESTMENTS

Unrestricted

The composition of the long-term investments without donor restrictions as of June 30, 2021 and 2020 is as follows:

	<u>June 30, 2021</u>	Cost	Fair Value	Unrealized Gains
Cash		\$ 940	\$ 940	
Equities		1,740	3,195	\$ 1,455
Fixed income funds		11,111	11,607	496
		\$ 13,791	\$ 15,742	\$ 1,951
Total		\$ 13,791	\$ 15,742	\$ 1,951
	<u>June 30, 2020</u>	Cost	Fair Value	Unrealized Gains
Cash		\$ 2,997	\$ 2,997	
Equities		24,179	32,127	\$ 7,948
Fixed income funds		112,567	117,675	5,108
		\$ 139,743	\$ 152,799	\$ 13,056
Total		\$ 139,743	\$ 152,799	\$ 13,056

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

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020
(continued)

Net assets with donor restrictions at June 30, 2021 and 2020 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, 2021 and 2020 is as follows:

<u>June 30, 2021</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 736,122	\$ 736,122	
Equities	4,078,758	6,637,109	\$ 2,558,351
Fixed income funds	<u>3,072,824</u>	<u>3,188,172</u>	<u>115,348</u>
Total	<u>\$ 7,887,704</u>	<u>\$10,561,403</u>	<u>\$ 2,673,699</u>
<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>

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, 2021 and 2020.

<u>June 30, 2021</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment income	\$ 79,968	\$ 740,251	\$ 820,219
Unrealized gains and losses	<u>(11,105)</u>	<u>1,470,985</u>	<u>1,459,880</u>
Total investment return	<u>\$ 68,863</u>	<u>\$ 2,211,236</u>	<u>\$2,280,099</u>

GIRLS INCORPORATED OF COLUMBUS AND PHENIX-RUSSELL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020
(continued)

<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	<u>(36,475)</u>	<u>181,665</u>	<u>145,190</u>
Total investment return	<u>\$ 16,848</u>	<u>\$ 404,357</u>	<u>\$ 421,205</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 2021 and 2020 amounted to \$22,125 and \$9,469, respectively.

NOTE H - EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 25, 2022, the date the financial statements were available to be issued.