

**GIRLS INC. OF GREATER PHILADELPHIA
AND SOUTHERN NEW JERSEY**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018



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**GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
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YEARS ENDED JUNE 30, 2019 AND 2018**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Girls Inc. of Greater Philadelphia and Southern New Jersey
Philadelphia, Pennsylvania

We have audited the accompanying financial statements of Girls Inc. of Greater Philadelphia and Southern New Jersey (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors' 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.

Board of Directors
Girls Inc. of Greater Philadelphia and Southern New Jersey

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girls Inc. of Greater Philadelphia and Southern New Jersey as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter Regarding a Change in Accounting Principle

As discussed in Note 1 to the financial statements, Girls Inc. of Greater Philadelphia and Southern New Jersey adopted a provision of Financial Accounting Standards Board Accounting Standards Updates 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. The new accounting standard changes the presentation of various classifications and disclosures within the financial statements. Our opinion is not modified with respect to that matter.



CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
October 30, 2019

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

ASSETS	2019	2018
CURRENT ASSETS		
Cash	\$ 489,411	\$ 296,839
Contracts Receivable	800	15,541
Contribution and Grants Receivable	166,221	110,628
Prepaid Expenses	9,833	9,426
Total Current Assets	666,265	432,434
EQUIPMENT AND SOFTWARE, NET	5,846	9,114
INVESTMENTS	411,220	250,066
OTHER ASSETS		
Contribution and Grants Receivable, Net of Current Portion	33,474	-
Deposits	1,945	1,945
Total Assets	\$ 1,118,750	\$ 693,559
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 4,122	\$ 6,244
Deferred Income	2,820	8,228
Total Liabilities	6,942	14,472
NET ASSETS		
Without Donor Restrictions	829,307	491,968
With Donor Restrictions	282,501	187,119
Total Net Assets	1,111,808	679,087
Total Liabilities and Net Assets	\$ 1,118,750	\$ 693,559

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT			
Government Grants and Contracts	\$ 60,000	\$ -	\$ 60,000
Other Grants and Contracts	64,024	567,762	631,786
Fee-for-Service Contracts	21,478	-	21,478
Corporations	172,311	-	172,311
Foundations	14,459	-	14,459
Individuals	79,348	-	79,348
Donated Materials and Services	105,604	-	105,604
Special Events (Net of Costs of Direct Benefit to Donors Amounting to \$28,713)	91,968	-	91,968
Other Revenue	15,886	-	15,886
Total Revenue, Gains, and Other Support	<u>625,078</u>	<u>567,762</u>	<u>1,192,840</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Release of Restrictions	<u>472,380</u>	<u>(472,380)</u>	<u>-</u>
Total Revenue, Gains, and Other Support	1,097,458	95,382	1,192,840
EXPENSES			
Program Services	593,496	-	593,496
Management and General	80,503	-	80,503
Development and Fundraising	86,120	-	86,120
Total Expenses	<u>760,119</u>	<u>-</u>	<u>760,119</u>
CHANGE IN NET ASSETS	337,339	95,382	432,721
Net Assets - Beginning of Year	<u>491,968</u>	<u>187,119</u>	<u>679,087</u>
NET ASSETS - END OF YEAR	<u>\$ 829,307</u>	<u>\$ 282,501</u>	<u>\$ 1,111,808</u>

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Government Grants and Contracts	\$ 59,650	\$ -	\$ 59,650
Other Grants and Contracts	93,285	242,255	335,540
Fee for Service Contracts	22,599	-	22,599
Corporations	139,093	-	139,093
Foundations	13,006	-	13,006
Individuals	75,180	-	75,180
Donated Materials and Services	78,508	-	78,508
Special Events (Net of Costs of Direct Benefit to Donors Amounting to \$27,323)	88,959	-	88,959
Other Revenue	5,622	-	5,622
Total Revenue, Gains, and Other Support	575,902	242,255	818,157
NET ASSETS RELEASED FROM RESTRICTIONS			
Release of Restrictions	410,304	(410,304)	-
Total Revenue, Gains, and Other Support	986,206	(168,049)	818,157
EXPENSES			
Program Services	488,760	-	488,760
Management and General	74,036	-	74,036
Development and Fundraising	108,240	-	108,240
Total Expenses	671,036	-	671,036
CHANGE IN NET ASSETS	315,170	(168,049)	147,121
Net Assets - Beginning of Year	176,798	355,168	531,966
NET ASSETS - END OF YEAR	\$ 491,968	\$ 187,119	\$ 679,087

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	Program	Management and General	Development and Fundraising	Total
PROFESSIONAL SALARIES	\$ 262,075	\$ 54,940	\$ 64,659	\$ 381,674
PAYROLL TAXES	24,975	5,445	5,998	36,418
FRINGE BENEFITS	25,386	4,634	394	30,414
Total Salaries and Related Expenses	312,436	65,019	71,051	448,506
OTHER EXPENSES				
Bank and Finance Fees	-	718	7,712	8,430
Bad Debt	300	-	-	300
Depreciation	-	3,268	-	3,268
Dues	7,199	482	-	7,681
Equipment Rental and Repair	9,618	361	-	9,979
Insurance	13,500	610	239	14,349
Miscellaneous	950	20	1,003	1,973
Printing and Publications	48	-	6,089	6,137
Occupancy	35,401	1,229	2,130	38,760
Office Operations	795	398	32	1,225
Postage	141	20	231	392
Professional Fees	33,596	5,422	4,371	43,389
Program Facilitators (In-Kind)	105,604	-	-	105,604
Program Supplies	45,625	-	-	45,625
Event Rental	8,417	-	21,121	29,538
Staff Conference and Training	16,145	605	591	17,341
Staff Travel	703	2,070	-	2,773
Telephone and Internet	3,018	281	263	3,562
Total Other Expenses	281,060	15,484	43,782	340,326
COST OF SPECIAL EVENTS	-	-	(28,713)	(28,713)
Total Expenses Before Allocation	593,496	80,503	86,120	760,119
ALLOCATION OF MANAGEMENT AND GENERAL EXPENSES	67,450	(80,503)	13,053	-
Total Expenses	<u>\$ 660,946</u>	<u>\$ -</u>	<u>\$ 99,173</u>	<u>\$ 760,119</u>

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2018

	Program	Management and General	Development and Fundraising	Total
PROFESSIONAL SALARIES	\$ 225,863	\$ 40,912	\$ 83,394	\$ 350,169
PAYROLL TAXES	22,504	3,967	8,196	34,667
FRINGE BENEFITS	23,852	7,117	188	31,157
Total Salaries and Related Expenses	272,219	51,996	91,778	415,993
OTHER EXPENSES				
Bad Debt Expense	586	263	7,093	7,942
Bank and Finance Fees	1,470	85	135	1,690
Depreciation	55	5,655	-	5,710
Dues	628	395	58	1,081
Equipment Rental and Repair	9,901	943	910	11,754
Insurance	-	511	-	511
Interest	-	705	-	705
Miscellaneous	-	-	2,856	2,856
Occupancy	164	3	4,123	4,290
Office Operations	32,637	1,669	2,670	36,976
Postage	843	666	29	1,538
Professional Fees	28,029	6,311	7,224	41,564
Program Facilitators (In-Kind)	71,710	-	-	71,710
Program Supplies	48,282	362	8	48,652
Event Rental	-	-	17,980	17,980
Staff Conference and Training	17,388	2,167	-	19,555
Staff Travel	1,717	1,974	96	3,787
Telephone and Internet	3,090	273	284	3,647
Total Other Expenses	216,541	22,040	43,785	282,366
COST OF SPECIAL EVENTS	-	-	(27,323)	(27,323)
Total Expenses Before Allocation	488,760	74,036	108,240	671,036
ALLOCATION OF MANAGEMENT AND GENERAL EXPENSES	60,613	(74,036)	13,423	-
Total Expenses	<u>\$ 549,373</u>	<u>\$ -</u>	<u>\$ 121,663</u>	<u>\$ 671,036</u>

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 432,721	\$ 147,121
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	3,268	1,690
Unrealized and Realized Losses	17,679	1,961
Donated Equipment and Software	-	(4,308)
(Increase) Decrease in Assets:		
Contracts Receivable	14,741	6,194
Contribution and Grants Receivable	(89,067)	100,529
Prepaid Expenses and Deposits	(407)	(1,874)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(2,122)	2,685
Deferred Income	(5,408)	1,313
Net Cash Provided by Operating Activities	371,405	255,311
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(301,379)	(277,817)
Sale of Investments	122,546	25,790
Net Cash Used by Investing Activities	(178,833)	(252,027)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on Note Payable	-	(53,187)
 NET INCREASE (DECREASE) IN CASH	192,572	(49,903)
Cash - Beginning of Year	296,839	346,742
 CASH - END OF YEAR	\$ 489,411	\$ 296,839
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	\$ -	\$ 511

See accompanying Notes to Financial Statements.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

Girls Inc. of Greater Philadelphia and Southern New Jersey (Girls Inc. or the Organization) is a 501(c)(3) nonprofit organization founded in 1961. Girls Inc. focuses on the development of the whole girl. She learns to value herself, take risks, and discover and develop her inherent strengths. The combination of long-lasting mentoring relationships, a pro-girl environment, and research-based programming equips girls to navigate gender, economic, and social barriers, and grow up healthy, educated, and independent.

The Organization offers programs for girls ages 6 – 18. These programs focus on leadership and community action, science, technology, math, reading literacy, financial literacy, healthy decision making, and career exploration. Girls Inc. serves more than 3,000 girls in the greater Philadelphia region each year.

Girls Inc.'s programs include:

- **Girls Inc. Operation SMART** builds girls' skills and interest in science, technology, engineering, and mathematics.
- **Girls Inc. Economic Literacy** introduces girls to basic economic and financial concepts, including money management, investments, and global economics.
- **Girls Inc. Leadership and Community Action** builds leadership skills and creates lasting social change by partnering girls and women in community action projects chosen by girls.
- **Girls Inc. Sporting Chance** builds movement and athletic skills, cooperative and competitive spirit, health awareness, and interest in all sports as girls explore the benefits of an active lifestyle.
- **Girls Inc. Project BOLD** strengthens girls' abilities to lead safer lives by developing strategies for self-defense, seeking out caring adults to help with personal violence, and advocating on violence issues.
- **Girls Inc. Healthy Sexuality** helps girls acquire the knowledge and skills for taking charge of and making informed decisions about their sexual health. Exploring values, practicing responses in different situations, and thinking about their futures helps girls identify ways and reasons to avoid early pregnancy and prevent sexually transmitted infections including HIV.
- **Girls Inc. Friendly PEERsuasion** builds girls' skills for resisting pressure to use harmful substances such as alcohol, tobacco, household chemicals, and other drugs.
- **Girls Inc. Media Literacy** encourages girls to think critically about media messages and fosters their awareness of the power of the media and its effects on girls.
- **Girls Inc. Early Literacy** initiative is designed to help increase literacy rates, testing scores, and foster a lifelong love of reading for participants in grades K-3.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Organization and Operations (Continued)

The Organization subscribes to a policy of equal opportunity. Employment at the organization and admission to the program is open to all qualified persons without regard to race, color, religion, national origin, citizenship, gender, sexual orientation, pregnancy, gender identity, age, disability, genetic information, income, political belief, marital or veteran status, or any other category protected by applicable federal, state, or local law in the provision of or access to services, employment and activities.

Basis of Presentation

Girls Inc. reports information regarding its financial positions and activities according to these classes of net assets: without donor restrictions and with donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. Some net assets are subject to donor-imposed stipulations that are required to be maintained permanently by the Organization. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, 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. Net assets with donor restrictions totaled \$282,501 and \$187,119 as of June 30, 2019 and 2018, respectively.

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

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.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received. All donor-restricted contributions are reported as increases in net assets with donor restrictions depending upon the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contracts, Contribution, and Grants Receivable

Funding is received primarily from contracts and corporate grants. Revenue and accounts receivable have been recognized only to the extent allowed under the agreements. Any excess funding is considered as deferred income until reconciliation occurs with the funding source.

The Organization provides an allowance for uncollectible accounts based on the allowance method using management's judgment based on historical experience. No collateral is provided for services rendered. Past due receivables are individually analyzed for collectability. When all collection efforts have been exhausted, the accounts are written off against the related allowance. At June 30, 2019 and 2018, an allowance for uncollectible accounts was not warranted.

Equipment and Software

The Organization capitalizes all expenditures for equipment and software in excess of \$1,000 and a useful life exceeding one year. Equipment and Software are recorded at cost or fair market value at the date of contribution (if donated). Depreciation is provided using straight-line method over the estimated useful lives of the assets.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is not subject to state or federal income taxes.

The Organization follows the provisions of the income tax standard for uncertain tax positions. This standard prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The application of this standard has had no impact on the Organization's financial statements.

Fair Value of Financial Instruments

Financial assets recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are carried at fair market value as determined by quoted market prices in the statements of financial position.

Donated Goods and Services

The Organization recognizes donated services that create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Organization also recognizes donated materials that would need to be purchased if not provided by donation. At June 30, 2019 and 2018, donated services amounted to \$105,604 and \$71,710, respectively. There was no donated goods as of June 30, 2019. As of June 30, 2018, donated goods amounted to \$6,798 of which \$4,308 was capitalized.

Functional Expenses

Directly identifiable expenses are charged to the individual programs and supporting services. Indirect functional expenses are allocated to programs and supporting services using an allocation methodology which calculates the percentage of building space used for program, management and fundraising activities. Salaries are allocated based on each employee's time spent in program and supporting services. Management and general expenses include those expenses that are not related to a specific program and provide for the overall support and direction of the organization.

New Accounting Pronouncements — ASU 2016-14

During the year ended June 30, 2019, the Organization adopted a provision of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities*. This new accounting standard results in a reduction of three classes of net assets (unrestricted, temporarily restricted, and permanently restricted) to two (net assets with donor restrictions and net assets without donor restrictions). Additional disclosures were added regarding liquidity and availability of resources and disclosures related to the functional allocation of expenses were expanded. The changes resulting from the adoption of ASU 2016-14 were applied retrospectively to ensure comparability with the prior year presented. The adoption of this accounting standard did not have an impact on the Organization's financial position or changes in its net assets.

Reclassifications

Certain prior year financial statement amounts have been reclassified to conform to the current year presentation.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 30, 2019, the date the financial statements were available to be issued.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 LIQUIDITY

Financial assets available for general expenditure within one year of the balance sheet date of June 30, 2019 and 2018, consist of the following:

	2019	2018
Financial Assets at Year End:		
Cash	\$ 489,411	\$ 296,839
Contracts Receivable	800	15,541
Contribution and Grants Receivable	166,221	110,628
Investments	411,220	250,066
Total Financial Assets	\$ 1,067,652	\$ 673,074

The Organization has certain investments which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the information above. The Organization has other assets limited to use for donor-restricted purposes. These assets limited to use, which are more fully described in Note 6, may not be available for general expenditure within the next year.

NOTE 3 EQUIPMENT AND SOFTWARE

Equipment and software is summarized as follows as of June 30:

	2019	2018
Equipment	\$ 10,506	\$ 10,506
Software	2,250	2,250
Total	12,756	12,756
Less: Accumulated Depreciation	6,910	3,642
Total Equipment and Software	\$ 5,846	\$ 9,114

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 4 INVESTMENTS

The following table summarizes, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2019 and 2018:

	2019			
	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 154,879	\$ -	\$ -	\$ 154,879
Exchange Traded Funds	256,341	-	-	256,341
Total	\$ 411,220	\$ -	\$ -	\$ 411,220
	2018			
	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 3,644	\$ -	\$ -	\$ 3,644
Exchange Traded Funds	246,422	-	-	246,422
Total	\$ 250,066	\$ -	\$ -	\$ 250,066

The following table summarizes the investment return in the statements of activities for the years ended June 30:

	2019	2018
Investment Income	\$ 30,017	\$ 2,820
Unrealized and Realized Losses	17,679	1,961
Total	\$ 12,338	\$ 859

NOTE 5 CONTRIBUTION AND GRANTS RECEIVABLE

Contribution and grants receivable are as follows as of June 30:

	2019	2018
Less than One Year	\$ 166,221	\$ 110,628
More than One Year	35,000	-
Total	201,221	110,628
Less: Discounts to Net Present Value	1,526	-
Contribution and Grants Receivable	\$ 199,695	\$ 110,628

Contribution and grants receivable that are to be received in more than one year are discounted at a risk free rate of return for the expected term. The current rate used is 3.63%.

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

The Organization separately reports those contributions made with specific donor restrictions. The detail of net assets with donor restrictions as of June 30, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Subject to Release of Time:		
Contribution and Grants Receivable	\$ 54,890	\$ 74,668
Subject to Expenditure for Specific Purpose:		
Operation SMART	49,082	81,500
Literacy	83,735	13,269
Go Girl Go	-	2,600
Bold Futures Mentoring	4,766	9,162
Stepping Stones	2,500	-
Leadership	21,528	-
Camden Expansion	65,000	4,920
Total	<u>226,611</u>	<u>111,451</u>
Subject to be Held in Perpetuity	<u>1,000</u>	<u>1,000</u>
Total Net Assets with Donor Restrictions	<u>\$ 282,501</u>	<u>\$ 187,119</u>

NOTE 7 RELEASE OF RESTRICTIONS

Net assets released from donor restrictions for the years ended June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Subject to Release of Time:		
Contribution and Grants Receivable	\$ 137,560	\$ 30,332
Subject to Expenditure for Specific Purpose:		
Operation SMART	117,918	70,488
Literacy	107,449	213,038
Go Girl Go	2,600	-
Bold Futures Mentoring	44,396	38,612
Stepping Stones	1,500	-
Leadership	26,037	37,754
Camden Expansion	34,920	20,080
Total	<u>334,820</u>	<u>379,972</u>
Total Net Assets Released from Restrictions	<u>\$ 472,380</u>	<u>\$ 410,304</u>

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 8 OPERATING LEASES

In January 2016, the Organization entered into an operating lease for office space expiring June 30, 2018. The Organization renewed this option for three additional years as of June 30, 2018. Rent expense for the years ended June 30, 2019 and 2018 was \$35,949 and \$30,012, respectively.

Future minimum rentals for office space as of June 30, 2019 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 42,408
2021	43,680
Total	<u>\$ 86,088</u>

NOTE 9 RELATED PARTIES

Girls Incorporated

The Organization is an affiliate of Girls Incorporated (Girls Inc. National). As a part of the affiliate agreement, the organization is subject to annual dues to the national organization. Dues are assessed on a calendar year basis and are calculated based on the previous year's Form 990 results. At June 30, 2019 and 2018, the annual dues amounted to \$4,715 and \$5,265, respectively.

The Organization also receives grants from the national organization. At June 30, 2019 and 2018, the grants contributed amounted to \$231,332 and \$79,800, respectively. At June 30, 2019 and 2018, the amount due from the national organization for these grants amounted to \$101,288 and \$86,579, respectively.

