

GIRLS INC. OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
Financial Statements
June 30, 2024
With Independent Auditor's Report

Girls Inc. of Greater Philadelphia and Southern New Jersey
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June 30, 2024 with Summarized Comparative Totals for June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of Girls Inc. of Greater Philadelphia and Southern New Jersey (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Girls Inc. of Greater Philadelphia and Southern New Jersey as of June 30, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Girls Inc. of Greater Philadelphia and Southern New Jersey and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Girls Inc. of Greater Philadelphia and Southern New Jersey's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Girls Inc. of Greater Philadelphia and Southern New Jersey's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Girls Inc. of Greater Philadelphia and Southern New Jersey's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

Girls Inc. of Greater Philadelphia and Southern New Jersey's 2023 financial statements were previously audited by BBD, LLP, who joined with WithumSmith+Brown, PC on April 1, 2024, and expressed an unmodified audit opinion on those audited financial statements dated January 10, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



January 17, 2025

Girls Inc. of Greater Philadelphia and Southern New Jersey
Statement of Financial Position
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash	\$ 725,711	\$ 493,353
Contributions and grants receivable	481,013	607,161
Prepaid expenses and other assets	28,958	45,236
Right of use asset - operating leases	142,766	154,545
Investments	1,338,783	1,229,063
Property and equipment, net	<u>129,579</u>	<u>184,531</u>
Total assets	<u>\$ 2,846,810</u>	<u>\$ 2,713,889</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 38,024	\$ 30,806
Refundable advance	-	12,629
Operating lease liabilities	<u>229,457</u>	<u>284,581</u>
Total liabilities	<u>267,481</u>	<u>328,016</u>
Net assets		
Without donor restrictions	2,072,726	1,807,843
With donor restrictions	<u>506,603</u>	<u>578,030</u>
Total net assets	<u>2,579,329</u>	<u>2,385,873</u>
Total liabilities and net assets	<u>\$ 2,846,810</u>	<u>\$ 2,713,889</u>

The Notes to Financial Statements are an integral part of this statement.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Statement of Activities
Year Ended June 30, 2024 with Summarized Comparative Totals for the Year Ended
June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
Revenue and support				
Contributions and grants				
Government grants and contracts	\$ 927,310	\$ -	\$ 927,310	\$ 628,904
Other grants and contracts	119,058	235,000	354,058	456,237
Corporations	68,579	32,461	101,040	364,552
Foundations	53,503	201,800	255,303	219,686
Individuals	144,380	31,191	175,571	63,288
Contributed nonfinancial assets	151,559	-	151,559	222,601
Special events (net of special event costs of \$59,395 in 2024 and \$56,535 in 2023)	118,815	-	118,815	108,633
Net investment income	110,149	-	110,149	65,052
Net assets released from restrictions	<u>571,879</u>	<u>(571,879)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>2,265,232</u>	<u>(71,427)</u>	<u>2,193,805</u>	<u>2,128,953</u>
Expenses				
Program services	1,708,126	-	1,708,126	1,528,412
Supporting services				
Management and general	243,961	-	243,961	238,725
Development and fundraising	<u>48,262</u>	<u>-</u>	<u>48,262</u>	<u>83,688</u>
Total expenses	<u>2,000,349</u>	<u>-</u>	<u>2,000,349</u>	<u>1,850,825</u>
Change in net assets	264,883	(71,427)	193,456	278,128
Net assets				
Beginning of year	<u>1,807,843</u>	<u>578,030</u>	<u>2,385,873</u>	<u>2,107,745</u>
End of year	<u>\$ 2,072,726</u>	<u>\$ 506,603</u>	<u>\$ 2,579,329</u>	<u>\$ 2,385,873</u>

The Notes to Financial Statements are an integral part of this statement.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Statement of Functional Expenses
Year Ended June 30, 2024 with Summarized Comparative Totals for the Year Ended
June 30, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Development and Fundraising</u>	<u>Totals</u>	
				<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 1,158,781	\$ 163,593	\$ 40,897	\$ 1,363,271	\$ 1,213,332
Salaries and program facilitator fees - donated	151,559	-	-	151,559	222,601
Depreciation	59,350	8,379	2,095	69,824	69,443
Dues	12,071	1,704	426	14,201	13,428
Insurance	18,770	2,650	662	22,082	21,189
Marketing	-	1,960	1,315	3,275	9,237
Occupancy	58,181	8,214	2,053	68,448	53,189
Office expenses	11,591	1,636	410	13,637	10,831
Professional fees	11,470	37,320	404	49,194	50,550
Program supplies	203,643	-	-	203,643	164,657
Miscellaneous	22,710	18,505	-	41,215	22,368
Total expenses	<u>\$ 1,708,126</u>	<u>\$ 243,961</u>	<u>\$ 48,262</u>	<u>\$ 2,000,349</u>	<u>\$ 1,850,825</u>

The Notes to Financial Statements are an integral part of this statement.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Statement of Cash Flows
Year Ended June 30, 2024 with Summarized Comparative Totals for the Year Ended
June 30, 2023

	<u>2024</u>	<u>2023</u>
Operating activities		
Change in net assets	\$ 193,456	\$ 278,128
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	69,824	69,443
Amortization of right of use asset - operating leases	36,088	217,322
Net realized and unrealized gain on investments	(74,058)	(48,223)
Changes in operating assets		
Contributions and grants receivable	126,148	(104,558)
Prepaid expenses and other assets	16,278	(7,691)
Changes in operating liabilities		
Accounts payable and accrued expenses	7,218	(2,862)
Refundable advance	(12,629)	12,629
Operating lease liabilities	(79,433)	(87,286)
Deferred lease incentive	-	(173,382)
Net cash provided by operating activities	<u>282,892</u>	<u>153,520</u>
Investing activities		
Purchase of investments	(317,752)	(761,409)
Sale of investments	282,090	199,138
Purchases of property and equipment	(14,872)	-
Net cash used in investing activities	<u>(50,534)</u>	<u>(562,271)</u>
Change in cash	232,358	(408,751)
Cash		
Beginning of year	<u>493,353</u>	<u>902,104</u>
End of year	<u>\$ 725,711</u>	<u>\$ 493,353</u>
Noncash cash flow information		
Right of use assets obtained in exchange for operating lease liability	<u>\$ 24,309</u>	<u>\$ 371,867</u>

The Notes to Financial Statements are an integral part of this statement.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

1. NATURE OF 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. Our mission is to inspire all girls to be strong, smart and bold through direct service and advocacy. In partnership with schools and at our Girls Inc. center, we focus 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.

Girls Inc.'s programs include:

STRONG

- 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. Healthy Sexuality assists girls in understanding and embracing sexuality with a positive, empowered approach that is built on a foundation of accurate information, cultural sensitivity and values of inclusiveness and respect.
- 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. 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.

SMART

- 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. Economic Literacy introduces girls to basic economic and financial concepts, including money management, investments and global economics.
- Girls Inc. Operation SMART builds girls' skills and interest in science, technology, engineering and mathematics.
- All Girls Inc. SMART programs are Pennsylvania Educational Improvement Tax Credit ("EITC") qualified.

BOLD

- 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. 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. Career Exploration introduces girls to a board range of career options and professionals in those careers.

Girls Inc. subscribes to a policy of equal opportunity. Employment at Girls Inc. and admission to the programs 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.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). As a result, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to the following classes of net assets:

Without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

With donor restrictions: Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of the Organization and/or the passage of time. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restrictions.

Fair Value Measurements of Assets and Liabilities

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these assets and liabilities does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable, that is, inputs that reflect the Organization's own assumptions.

Accounting Estimates

In preparing financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk are cash and contributions and grants receivable. The Organization maintains cash deposits at a high-quality bank. At times, such deposits may exceed federally-insured limits. Contributions and grants receivable are due primarily from government agencies and foundation (see Note 3).

Contributions and Grants Receivable

The Organization records unconditional contributions receivable that are expected to be collected within one year at net realizable value. Contributions receivable with expected collection past one year are recorded at net present value using risk-free rates applicable to the years in which the promises are received. The Organization monitors the collectability of these receivables and an allowance for uncollectable promises to give is recorded based on historical experience, an assessment of economic conditions, and a review of subsequent collections. The Organization had no allowance for uncollectible accounts at June 30, 2024 and 2023.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the statement of activities. Dividend and interest income is recorded as earned. Donated investments are recorded at fair value at the date of receipt. Certificates of deposits, included in investments, are reported at fair value, with interest included in the statements of activities. The Organization's certificates of deposits expire within the next 12 months.

The Organization invests in a professionally-managed portfolio that contains various types of securities (see Note 4). Such investments are exposed to market and credit risks. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Property and equipment is carried at the lesser of cost or fair value if purchased and at fair value at the date of donation if contributed. Depreciation is computed using the straight-line method over the estimated lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the remaining terms of the leases. The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no impairment charge was required for the years presented in these financial statements. Useful lives range from three to five years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Leases

Effective with the implementation of Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842) and subsequent amendments to the initial guidance (collectively, Topic 842) on July 1, 2022, operating leases are recorded in right-of-use-assets and lease liabilities in the statement of financial position. Leases with a term of twelve months or less are considered short term leases and are accounted for as an expense in the statement of activities as rental payments are incurred.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

Operating lease assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when readily determinable. When the lease does not provide an implicit rate, the Organization used the U.S. Treasury rate based on the information available at commencement date in determining the present value of lease payments.

The Organization's lease terms may include options to extend if the option is considered reasonably certain to be exercised. Operating lease expense for lease payments are recognized on a straight-line basis over the lease term.

Contributions and Grants

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return or release – are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Contributions received are recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Unconditional contributions are recognized as revenue when the related promise to give is received. Conditional contributions are recognized as revenue when the conditions are satisfied.

A portion of the Organization's revenue is derived from cost-reimbursement grants which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are included in refundable advances in the statement of financial position.

Special Event Revenue

Special event revenue comprises an exchange element, based on the benefits received, and a contribution element for the difference. The contribution portion is recognized as revenue with or without donor restrictions when received. Revenue from the exchange portion is recognized at a point in time, when the event is held.

Contributed Nonfinancial Assets

The Organization records donated services that create or enhance nonfinancial assets and that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization records the value of donated supplies when there is an objective basis available to measure their value. Donated services and supplies are included as support in the accompanying statement of activities at their estimated values at the time received.

Functional Allocation of Expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the statements of activities and functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and benefits, depreciation and occupancy which are allocated based on estimates of time and effort.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization had no unrecognized benefits at June 30, 2024 and 2023 and has incurred no interest or penalties related to income taxes for the periods presented in the financial statements.

Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Reclassifications

Certain amounts in the 2023 summarized comparative totals have been reclassified in order to conform to the 2024 presentation. The reclassifications had no impact on previously reported net assets.

3. CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable are as follows as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Less than one year	\$ 481,013	\$ 544,514
More than one year	<u>-</u>	<u>66,500</u>
	481,013	611,014
Less: Discount (4.87% in 2023)	<u>-</u>	<u>(3,853)</u>
	<u>\$ 481,013</u>	<u>\$ 607,161</u>

4. INVESTMENTS

Investments at June 30, 2024 and 2023, consisted of the following:

	<u>2024</u>	<u>2023</u>
Money market funds	\$ 256,901	\$ 230,691
Certificates of deposit	210,110	202,009
Exchange traded funds		
Equity	473,883	402,750
Fixed income	<u>397,889</u>	<u>393,613</u>
	<u>\$ 1,338,783</u>	<u>\$ 1,229,063</u>

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

Net investment income was comprised of the following for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 44,004	\$ 22,320
Net realized and unrealized gain	74,058	48,223
Less: Investment management fees	<u>(7,913)</u>	<u>(5,491)</u>
	<u>\$ 110,149</u>	<u>\$ 65,052</u>

The following is a summary of assets measured at fair value on a recurring basis and the valuation inputs used to value them at June 30, 2024 and 2023:

	<u>Balance</u> <u>June 30, 2024</u>	<u>Quoted Prices</u> <u>in Active</u> <u>Markets</u> <u>(Level 1)</u>	<u>Significant</u> <u>Other</u> <u>Observable</u> <u>Inputs</u> <u>(Level 2)</u>	<u>Significant</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u>
Assets				
Money market funds	\$ 256,901	\$ 256,901	\$ -	\$ -
Certificates of deposit	210,110	-	210,110	-
Exchange traded funds				
Equity	473,883	473,883	-	-
Fixed income	<u>397,889</u>	<u>397,889</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,338,783</u>	<u>\$ 1,128,673</u>	<u>\$ 210,110</u>	<u>\$ -</u>

	<u>Balance</u> <u>June 30, 2023</u>	<u>Quoted Prices</u> <u>in Active</u> <u>Markets</u> <u>(Level 1)</u>	<u>Significant</u> <u>Other</u> <u>Observable</u> <u>Inputs</u> <u>(Level 2)</u>	<u>Significant</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u>
Assets				
Money market funds	\$ 230,691	\$ 230,691	\$ -	\$ -
Certificates of deposit	202,009	-	202,009	-
Exchange traded funds				
Equity	402,750	402,750	-	-
Fixed income	<u>393,613</u>	<u>393,613</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,229,063</u>	<u>\$ 1,027,054</u>	<u>\$ 202,009</u>	<u>\$ -</u>

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

5. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 78,332	\$ 63,460
Software	2,250	2,250
Leasehold improvements	<u>270,382</u>	<u>270,382</u>
	350,964	336,092
Less: Accumulated depreciation	<u>(221,385)</u>	<u>(151,561)</u>
	<u>\$ 129,579</u>	<u>\$ 184,531</u>

6. LEASES

The Organization entered into a new operating lease July 1, 2021, which expires June 30, 2026. Monthly payments are \$7,520 for the initial year of the lease and could potentially increase 3% annually. Rent expense for the years ended June 30, 2024 and 2023, was \$97,780 and \$90,240, respectively.

In February 1, 2024, the Organization entered into a new lease agreement for additional space which expires April 30, 2026. Monthly payments totaled \$4,500 in 2024 and are included in rent expense for the year ended June 30, 2024.

The maturities of the operating lease liability as of June 30, 2024, were as follows:

Years Ending June 30

2025	\$ 110,100
2026	<u>121,979</u>
	232,079
Less: Interest	<u>(2,622)</u>
Present value of operating leases liability	<u>\$ 229,457</u>

The weighted average remaining lease term of the operating leases were 2.15 and 2 years and the weighted average discount rates were 1.07% and 3% as of June 30, 2024 and 2023, respectively.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following purposes and periods:

	Balance June 30, 2023	Additions	Releases	Balance June 30, 2024
Net assets spendable for specific purposes or future periods				
For future periods	\$ 64,277	\$ 12,188	\$ (50,364)	\$ 26,101
Operation SMART	204,781	117,363	(158,195)	163,949
Project accelerate	124,429	-	(124,429)	-
Literacy	60,171	81,800	(60,171)	81,800
Leadership	63,127	30,000	(63,127)	30,000
Other	61,245	215,000	(71,492)	204,753
	<u>\$ 578,030</u>	<u>\$ 456,351</u>	<u>\$ (527,778)</u>	<u>\$ 506,603</u>

8. CONTRIBUTED NONFINANCIAL ASSETS

Donated services recognized are comprised mainly of program facilitator fees related to mentors which are critical to managing Girls Inc.'s programs. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar program facilitator services. Donated salaries and program facilitator fees totaled \$151,559 and \$222,601 for the years ended June 30, 2024 and 2023, respectively, and are reported on the statements of activities as contributions and functional expenses as program services expenses.

No donated services or supplies were monetized during the years ended June 30, 2024 and 2023, nor were they donor restricted.

9. RETIREMENT PLAN

The Organization has a defined contribution 403(b) plan. Employees are eligible to participate in the plan from their first day of employment. The Organization matches employee contributions to the plan for each eligible participant at its discretion after six months of employment. The Organization's contributions to the plan for the years ended June 30, 2024 and 2023 were \$25,000 and \$27,000, respectively.

10. RELATED PARTY – GIRLS INCORPORATED

The Organization is an affiliate of Girls Incorporated. 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. For the years ended June 30, 2024 and 2023, the annual dues amounted to \$12,000.

The Organization also receives grants from the national organization. For the years ended June 30, 2024 and 2023, the grants contributed amounted to \$288,312 and \$181,426, respectively and are included in contributions and grants on the statement of activities. At June 30, 2024 and 2023, the amount due from the national organization for these grants amounted to \$134,635 and \$151,366, respectively.

Girls Inc. of Greater Philadelphia and Southern New Jersey
Notes to Financial Statements
June 30, 2024 with Summarized Comparative Totals for June 30, 2023

11. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the statement of financial position date, which have been reduced by financial assets not available within one year.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 725,711	\$ 493,353
Contributions and grants receivable	481,013	607,161
Investments	<u>1,338,783</u>	<u>1,229,063</u>
Total financial assets	2,545,507	2,329,577
Less: Financial assets not available for general operations within one year		
Restricted by donor for specific purposes or periods	<u>(480,502)</u>	<u>(513,753)</u>
Total financial assets available within one year	<u>\$ 2,065,005</u>	<u>\$ 1,815,824</u>

Liquidity Management

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically money market funds.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 17, 2025, the date on which the financial statements were available to be issued. No material subsequent events have occurred since June 30, 2024, that would require recognition or disclosure in the financial statements.