

GIRLFORWARD

Financial Statements

December 31, 2018

GIRLFORWARD

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
GirlForward

We have audited the accompanying financial statements of GirlForward (an Illinois not-for-profit corporation) (the "Organization"), which comprise of the statement of financial position as of December 31, 2018, and the related statement of activities, functional expenses and cash flows for the year 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.

Auditor's 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 GirlForward as of December 31, 2018, and the results of its operations, cash flows and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Barnes, Givens & Barnes, Ltd.

Mount Prospect, Illinois
August 20, 2019

GIRLFOWARD
Statement of Financial Position
December 31, 2018

ASSETS

Current Assets	
Cash	\$ 233,505
Grants receivable	223,000
Prepaid expenses	<u>1,225</u>
Total Current Assets	457,730
Property and Equipment, net	1,981
Other Assets	
Deposits	<u>8,186</u>
Total Assets	<u><u>\$ 467,897</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 2,372
Accrued liabilities	<u>2,739</u>
Total Liabilities	5,111
Net Assets	
Net assets without donor restrictions	<u>462,786</u>
Total Liabilities and Net Assets	<u><u>\$ 467,897</u></u>

See Accompanying Notes to Financial Statements and
Independent Auditors' Report

GIRLFORWARD
Statement of Activities
For the Year Ended December 31, 2018

Support and Revenue	
Contributions	\$ 325,937
Grants	427,425
Special events	11,344
Special events expense	(3,445)
Other income	4
	<hr/>
Total Support and Revenue	761,265
	<hr/>
Expenses	
Programs	406,816
Management and general	59,566
Fundraising	134,209
	<hr/>
Total Expenses	600,591
	<hr/>
Change in Net Assets	160,674
Net Assets Without Donor Restrictions - Beginning of Year	302,112
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Net Assets Without Donor Restrictions - End of Year	\$ 462,786
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See Accompanying Notes to Financial Statements and
Independent Auditors' Report

GIRLFORWARD
Statement of Cash Flows
For the Year Ended December 31, 2018

Cash Flows From Operating Activities	
Change in net assets	\$ 160,674
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities-	
Depreciation	1,613
(Increase) decrease in assets-	
Grants receivable	(158,000)
Prepaid expense	(550)
Deposits	(5,599)
Increase (decrease) in liabilities-	
Accounts payable	(1,533)
Accrued liabilities	(9,530)
	(12,925)
Net Cash Provided by (Used in) Operating Activities	(12,925)
Net Increase (Decrease) in Cash	(12,925)
Cash - Beginning of Year	246,430
Cash - End of Year	\$ 233,505

* * * * *

Supplemental Disclosure of Cash Flow Information -

Cash paid during the year for:

Interest	\$ -
Income taxes	\$ -

See Accompanying Notes to Financial Statements and
Independent Auditors' Report

GIRLFORWARD

Statement of Functional Expenses For the Year Ended December 31, 2018

	Programs					Support			Organization Total
	Camp Girlforward	Mentoring	Safe Spaces	Program Management	Total	Management and General	Fundraising	Total	
Salaries and wages	\$ 42,780	\$ 86,264	\$ 34,966	\$ 86,412	\$ 250,422	\$ 32,828	\$ 73,373	\$ 106,201	\$ 356,623
Employee benefits	2,131	4,298	1,742	4,305	12,476	1,636	3,655	5,291	17,767
Payroll taxes	3,185	6,423	2,603	6,434	18,645	2,444	5,463	7,907	26,552
Contract expense	-	-	-	28,250	28,250	-	10,200	10,200	38,450
Depreciation	-	-	-	-	-	1,613	-	1,613	1,613
Fundraising	-	-	-	198	198	-	6,661	6,661	6,859
Communications	-	-	-	636	636	584	602	1,186	1,822
Insurance	328	328	65	13,427	14,148	675	-	675	14,823
Dues and subscriptions	-	-	-	309	309	14	275	289	598
Licenses and fees	90	125	-	1,167	1,382	304	4,707	5,011	6,393
Marketing	-	90	-	117	207	17	16,934	16,951	17,158
Miscellaneous	-	-	-	-	-	1,126	-	1,126	1,126
Office expense	282	1,294	289	2,573	4,438	3,782	1,783	5,565	10,003
Professional fees	-	-	-	-	-	6,585	-	6,585	6,585
Program expense	8,035	4,282	2,976	813	16,106	27	-	27	16,133
Professional development	-	-	-	860	860	24	48	72	932
Rent	5,548	11,187	4,535	11,206	32,476	4,258	9,515	13,773	46,249
Storage	438	439	410	140	1,427	-	-	-	1,427
Supplies	-	-	-	-	-	694	-	694	694
Travel	11,600	2,438	989	4,377	19,404	356	932	1,288	20,692
Utilities	1,782	1,656	1,735	66	5,239	2,599	-	2,599	7,838
Volunteer expense	159	16	18	-	193	-	61	61	254
Total Functional Expenses	\$ 76,358	\$ 118,840	\$ 50,328	\$ 161,290	\$ 406,816	\$ 59,566	\$ 134,209	\$ 193,775	\$ 600,591

See Accompanying Notes to Financial Statements and
Independent Auditors' Report

GIRLFORWARD
Notes to Financial Statements
December 31, 2018

Note A – Organization and Nature of Activities

GirlForward (the “Organization”) is an Illinois not-for-profit organization and a community of support dedicated to creating and enhancing opportunities for girls who have been displaced by conflict and persecution.

Note B – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and activities and the related disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents are considered to be highly liquid depository accounts with a maturity of less than one year. Deposits held in all non-interest bearing transactional bank accounts and interest-bearing accounts are aggregated by entity and are fully insured up to \$250,000.

Receivables and Allowance for Doubtful Accounts

Receivables are uncollateralized customer obligations. Payments of accounts receivable are allocated to the specific invoices identified on the customer’s remittance or, if unspecified, investigated to identify the appropriate invoice to which to apply the payment.

Management reviews all individual customer accounts receivable balances that exceed ninety (90) days from invoice date and based on the assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Based upon these reviews, management believed all accounts receivable to be fully collectible and, accordingly, no allowance for uncollectible accounts receivable is reflected in the accompanying financial statements.

GIRLFORWARD
Notes to Financial Statements
December 31, 2018

Note B – Summary of Significant Accounting Policies (continued)

Fixed Assets

Property and equipment are carried at cost if purchased or fair value at the date of donation. Depreciation is computed using the straight-line method over five years. The Organization generally capitalizes property and equipment expenditures over \$1,000.

Maintenance and repairs are expensed as incurred. When property and equipment are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to operations.

Contributions

Contributions, including unconditional promises to give, are reported at fair value when received. All contributions are available for unrestricted use unless explicit donor stipulations specify how or when the contributions may be used. Unconditional promises to give due in subsequent years are reported at the present value of the estimated future cash flows, using risk-adjusted interest rates applicable to those years in which the promises are to be received. Contributions that are subject to donor-imposed restrictions that are met in the same year as the contributions are made are recognized and reported as unrestricted support and included in changes in unrestricted net assets.

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. If the governing board were to designate from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment, those funds would also fall under this category.

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.

GIRLFORWARD
Notes to Financial Statements
December 31, 2018

Note B – Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

In the statement of functional expenses, all expenses are allocated to the appropriate programs and supporting services on the basis of actual expense. Certain expenses that are joint among all programs are allocated evenly across all of the programs.

Note C - Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization files Form 990, Return of Organization Exempt from Income Tax with the Federal government. Management has determined that the Organization has no income tax liability as of December 31, 2018. The Organization has evaluated its tax positions and determined it has no uncertain tax positions at December 31, 2018. The Organization's 2015-2018 tax years are open for examination by the IRS. Should the Organization's tax-exempt status be challenged in the future, all years since inception could be subject to review by the IRS.

Note D – Grants Receivable

Grants receivable as of December 31, 2018 consisted of the following:

<u>Grantor</u>	<u>Amount</u>
NoVo Foundation	\$ 140,000
Chicago Foundation for Women	15,000
Shield Ayres Foundation	10,000
City and Guilds Group	8,000
Morton Salt	<u>50,000</u>
Total	<u>\$ 223,000</u>

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Notes to Financial Statements
December 31, 2018

Note E – Property and Equipment

Property and equipment consist of the following:

Furniture and Fixtures	\$ 6,661
Less Accumulated Depreciation	<u>(4,680)</u>
Total	<u>\$ 1,981</u>

Depreciation expense for the year ended December 31, 2018 was \$1,613.

Note F– Leases

The Organization leases office space in Chicago under a three year lease expiring on August 31, 2021. The monthly rent is \$3,900 with a three percent annual increase.

The Organization also leases office space in Austin with a one year lease expiring on July 31, 2019. The monthly rent is \$1,699.

The estimated future minimum rental and lease obligation for the succeeding years under non-cancelable operating leases in effect as of December 31, 2018 are as follows:

<u>Year Ended December 31,</u>	
2019	\$ 59,161
2020	48,686
2021	<u>33,100</u>
	<u>\$ 140,947</u>

Rental expense on office space and storage for the year ended December 31, 2018 totaled \$47,749.

Note G – Donated Services

No amounts have been reflected in the financial statements for donated services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program and support service.

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Notes to Financial Statements
December 31, 2018

Note H—Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year. Amounts not available include amounts with donor-imposed purpose and time restrictions.

Financial assets, at year-end:	
Cash and cash equivalents	\$ 233,505
Grants receivable	223,000
Less contractual or donor-imposed restrictions:	
Donor restrictions for specific purposes	<u>-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 456,505</u>

Note I – Subsequent Events

The Organization has determined that no material events or transactions occurred subsequent to December 31, 2018 and through the date of the independent auditors' report, the date the financial statements were available for issuance, that would require adjustments to and/or additional disclosure to the financial statements.