



Nana Grants[®]

REVIEWED FINANCIAL STATEMENTS

DECEMBER 31, 2023

THE MCGEE CPA GROUP, P.C.

NANA GRANTS, INC.

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THE MCGEE CPA GROUP, P.C.

Certified Public Accountants

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management and the Board of Directors of
Nana Grants, Inc.
Atlanta, Georgia

We have reviewed the accompanying financial statements of Nana Grants, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Nana Grants, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

The McGee CPA Group, P.C.

The McGee CPA Group, P.C.
Atlanta, GA

December 16, 2024

NANA GRANTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS:

| | |
|----------------------|------------|
| Cash | \$ 830,645 |
| Accounts receivable | 2,525 |
| | <hr/> |
| Total current assets | 833,170 |
| | <hr/> |

PROPERTY AND EQUIPMENT, net

1,019

TOTAL

\$ 834,189

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

| | |
|---------------------------|----------|
| Grants payable | \$ 4,513 |
| Credit card payable | 2,839 |
| | <hr/> |
| Total current liabilities | 7,352 |
| | <hr/> |

NET ASSETS:

| | |
|----------------------------|---------|
| Without donor restrictions | 826,837 |
| With donor restrictions | - |
| | <hr/> |
| Total net assets | 826,837 |
| | <hr/> |

TOTAL

\$ 834,189

See accompanying notes and independent accountant's review report.

NANA GRANTS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---|--|-------------------|
| SUPPORT AND REVENUES: | | | |
| Support: | | | |
| Contributions | | | |
| Corporate | \$ 22,567 | \$ - | \$ 22,567 |
| Individual | 37,442 | - | 37,442 |
| Total support | <u>60,009</u> | <u>-</u> | <u>60,009</u> |
| Program revenues: | | | |
| Grants and contracts | | | |
| Foundations | 785,192 | - | 785,192 |
| Total program revenues | <u>785,192</u> | <u>-</u> | <u>785,192</u> |
| Other revenues | <u>59</u> | <u>-</u> | <u>59</u> |
| Total support and revenues | <u>845,260</u> | <u>-</u> | <u>845,260</u> |
| EXPENSES: | | | |
| Program services | 289,434 | - | 289,434 |
| Management and general | 11,813 | - | 11,813 |
| Fund-raising | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenses | <u>301,247</u> | <u>-</u> | <u>301,247</u> |
| CHANGE IN NET ASSETS | 544,013 | - | 544,013 |
| NET ASSETS AT BEGINNING OF YEAR | <u>282,824</u> | <u>-</u> | <u>282,824</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 826,837</u> | <u>\$ -</u> | <u>\$ 826,837</u> |

See accompanying notes and independent accountant's review report.

NANA GRANTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

| | Program Services | Management and General | Fund- raising | Total |
|-------------------------------------|---------------------|---------------------------|------------------|-------------------|
| Compensation and related expenses | | | | |
| Compensation | | | | |
| Independent contractors | \$ 69,750 | \$ 7,750 | \$ - | \$ 77,500 |
| Employee benefits | 686 | 76 | - | 762 |
| | <u>70,436</u> | <u>7,826</u> | <u>-</u> | <u>78,262</u> |
| Advertising and promotions | 5,869 | - | - | 5,869 |
| Bank service charges | 1,133 | 126 | - | 1,259 |
| Charitable contributions and awards | 181,834 | - | - | 181,834 |
| Conferences and training | 135 | 15 | - | 150 |
| Depreciation | - | 510 | - | 510 |
| Dues and memberships | 403 | 45 | - | 448 |
| Gifts | 279 | 30 | - | 309 |
| Insurance | | | | |
| General liability | 502 | 56 | - | 558 |
| Information technology | 16,362 | 1,818 | - | 18,180 |
| Licenses & permits | 27 | 3 | - | 30 |
| Office expenses and supplies | 21 | 3 | - | 24 |
| Occupancy | | | | |
| Rent | 742 | 82 | - | 824 |
| Meals and entertainment | 274 | 30 | - | 304 |
| Non-capital equipment | 35 | 4 | - | 39 |
| Professional fees | 6,941 | 771 | - | 7,712 |
| Travel | | | | |
| Parking fees | 4 | 1 | - | 5 |
| Telecommunications | 4,437 | 493 | - | 4,930 |
| | <u>\$ 289,434</u> | <u>\$ 11,813</u> | <u>\$ -</u> | <u>\$ 301,247</u> |

See accompanying notes and independent accountant's review report.

NANA GRANTS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

| CASH FLOWS FROM OPERATING ACTIVITIES: | |
|---|--------------------------|
| Change in net assets | \$ 544,013 |
| Adjustments to reconcile change in net assets | |
| net cash used by operating activities: | |
| Depreciation | 510 |
| Decrease in operating assets: | |
| Accounts receivable | 96,783 |
| Increase in operating liabilities: | |
| Grants payable | 4,513 |
| Credit card payable | 1,665 |
| | <hr/> |
| Net cash provided by operating activities | 647,484 |
| | <hr/> |
| NET DECREASE IN CASH | 647,484 |
| BEGINNING CASH | 183,161 |
| | <hr/> |
| ENDING CASH | <u><u>\$ 830,645</u></u> |

See accompanying notes and independent accountant's review report.

NANA GRANTS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECMEBER 31, 2023

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

Organization

Nana Grants, Inc. (the "Organization"), a Georgia nonprofit, was established in December 2016, to cover 100% of the cost of childcare, from college entrance through graduation, for low-income student mothers attending an accredited college, university or approved job training program in Georgia. The Organization is funded primarily by grants from foundations; the Organization also receives varying contributions from individuals and corporations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. 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, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets.

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. Accordingly, actual results could differ from those estimates.

Estimates that are particularly susceptible to significant change, in the near term, are related to the allocation of functional expenses, allowance for pledges receivable, and allowance for credit losses.

As of December 31, 2023, none of the assets and liabilities were required to be reported at fair value on a recurring basis. The carrying values of cash and cash equivalents, pledges and grants receivable, accounts payable and accrued expenses approximated their fair values due to the short-term nature of these financial instruments. There were no changes in methods or assumptions during the year ending December 31, 2023.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and savings accounts. For purposes of the statement of cash flows, the Organization's management considers all short-term, interest-bearing deposits with maturities of three months or less to be cash equivalents. Cash equivalents which are utilized within a managed investment portfolio are accounted for as investments. The Organization had no cash equivalents at the end of the year ending December 31, 2023.

NANA GRANTS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECMEBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Pledges receivable represent unconditional promises to give support over a period of time. Unconditional promises to give are reported as an increase in net assets with or without donor restrictions, depending on the nature of the donor-imposed restriction, if any. The Organization recognizes pledges receivable at estimated net realizable value for pledges due within one year. Pledges receivable that are expected to be collected in future years are recorded at the present value of their net realizable value. No allowance was deemed necessary for pledges receivable as they were deemed fully collectible by management.

The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

Accounts Receivable

Accounts receivable are stated at unpaid balances. Accounts are monitored on an ongoing basis and significant effort is made to collect all amounts due to the Organization.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. There is no allowance for credit losses at December 31, 2023.

Property and Equipment

Purchased furniture, fixtures and equipment are recorded at cost. Donated furniture, fixtures and office equipment are carried at the approximate fair value at the date of the donation. Expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful life of assets, are capitalized. For financial reporting purposes, depreciation is computed using the straight-line method over the assets estimated useful lives, ranging from three to seven years. Leasehold improvements are amortized over the shorter of the life of the asset, or the remaining lease term.

Fair Value of Financial Instruments

Fair value, defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts, is used to measure assets and liabilities. Cash and cash equivalents, grants and other receivables, prepaid expenses, accounts payable and accrued expenses are carried at amounts which approximates their fair value due to the short-term nature of these instruments. Unearned revenue is carried at the amount of cash that is expected to be recognized as revenue in the subsequent year.

NANA GRANTS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECMEBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Revenue Recognition

Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Allocation formulas, used to allocate expenses to administration, resource development and programs, are derived from cost of labor based upon personnel assignments and upon the space and resources assigned to the personnel involved in an activity. In addition, there are analyses of time expended for certain activities. Allocation formulas are re-evaluated annually or as material changes warrant.

Advertising Expense

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the year ended December 31, 2023, advertising costs totaled \$5,869.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. The Organization had no unrelated business income for the year ended December 31, 2023.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely- than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2023, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 16, 2024. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NANA GRANTS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECMEBER 31, 2023

NOTE 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

| | |
|--|-------------------|
| Total assets at year end | \$ 834,189 |
| Less non-financial assets | |
| Property and equipment, net | <u>(1,019)</u> |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 833,170</u> |

The Organization is principally supported by its contributions and foundation grants and contracts. The goal of the Organization is to maintain available financial assets to meet its next 90 days of operating expenses.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

Property and equipment at December 31, 2023:

| | |
|-------------------------------|-----------------|
| Furniture & equipment | \$ 1,716 |
| Computers | <u>2,549</u> |
| Less accumulated depreciation | <u>(3,246)</u> |
| Property and equipment, net | <u>\$ 1,019</u> |

NOTE 5 - CREDIT CARD PAYABLE

The Company has a revolving line of credit through a business credit card account that provides for short-term unsecured borrowings of up to \$8,000 at a promotional rate of 23.74%. The balance due on this line of credit was \$2,839 at December 31, 2023.

Interest expense for the year ended December 31, 2023 was \$0.

NOTE 6 - REVENUE

Contract assets and liabilities related to revenue from contracts with customers consists of the following:

Contract assets

| | |
|--|-----------|
| Accounts receivable, beginning of year | \$ 99,308 |
| Accounts receivable, end of year | \$ 2,525 |

The Organization's customers are primarily individuals and families located in the metro Atlanta area of the United States.

NOTE 7: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash deposits with financial institutions at December 31, 2023 in excess of federally insured limits of \$578,495.

The Organization received revenues from one foundation that amounted to 71% of total revenue for the year ended December 31, 2023.