

**GIRL TALK, INC.**

**FINANCIAL STATEMENTS  
Together with  
Accountant's Review Report  
DECEMBER 31, 2022**

**GIRL TALK, INC.**  
**FINANCIAL STATEMENTS**  
**Together with**  
**ACCOUNTANT'S REVIEW REPORT**

DECEMBER 31, 2022

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July 25, 2023

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
Girl Talk, INC.

We have reviewed the accompanying financial statements of Girl Talk, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, 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 entity 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.

**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; 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.

Girl Talk, Inc.  
July 25, 2023

We are required to be independent of Girl Talk, 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.

Long & Company, P.C.

*Long & Company, P.C.*

Certified Public Accountants

## GIRL TALK, INC.

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

ASSETS

## Current Assets:

Cash and cash equivalents	\$ 218,552
Prepaid expenses	2,699
Operating lease right-of-use asset	<u>5,754</u>

Total Current Assets	<u>227,005</u>
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Property and equipment - net	<u>4,396</u>
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## Other Assets:

Lease Deposit	<u>2,243</u>
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Total Other Assets	<u>2,243</u>
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TOTAL ASSETS	<u><u>\$ 233,644</u></u>
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LIABILITIES AND NET ASSETS

## Current Liabilities

Accounts payable and accrued expenses	\$ 15,746
Operating lease liability	<u>6,375</u>

Total Liabilities	<u>22,121</u>
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## Net Assets

Without donor restrictions	190,083
With donor restrictions	<u>21,440</u>

Total Net Assets	<u>211,523</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 233,644</u></u>
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See Independent Accountant's Review Report and Notes to Financial Statements

## GIRL TALK, INC.

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUE, GAINS, AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 267,601	\$ 7,547	\$ 275,148
Program service fees	25,897	-	25,897
Special events (net of costs of direct benefit to donors of \$18,200)	97,635	-	97,635
Investment return	129	-	129
Non-cash contributions	18,792	-	18,792
Net assets released from restrictions:			
Satisfaction of program restrictions	2,065	(2,065)	-
		-	
Total Revenues, Gains and Other Support	412,119	5,482	417,601
 <u>EXPENSES</u>			
Program services	283,729	-	283,729
Supporting services			
Management and general	66,063	-	66,063
Fundraising	43,678	-	43,678
Total Expenses	393,470	-	393,470
Change in Net Assets	18,649	5,482	24,131
NET ASSETS AT BEGINNING OF YEAR	171,434	15,958	187,392
NET ASSETS AT END OF YEAR	\$ 190,083	\$ 21,440	\$ 211,523

See Independent Accountant's Review Report and Notes to Financial Statements

GIRL TALK, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising	
Salaries	\$ 195,592	\$ 25,931	\$ 25,437	\$ 246,960
Fringe benefits	22,528	2,987	2,930	28,445
Total Salaries and Benefits	<u>218,120</u>	<u>28,918</u>	<u>28,367</u>	<u>275,405</u>
Bank charges & payroll fees	-	858	-	858
Contracted services	28,130	18,029	8,069	54,228
Depreciation	1,409	187	184	1,780
Dues and subscriptions	2,235	559	6,800	9,594
Insurance	-	2,293	-	2,293
Marketing	525	433	163	1,121
Occupancy	21,418	5,355	-	26,773
Office & technology	1,271	1,622	38	2,931
Postage	-	1,185	-	1,185
Printing	706	705	-	1,411
Professional fees	-	5,310	-	5,310
Professional development	-	551	-	551
Camp Expenses	9,480	-	-	9,480
Telephone	435	58	57	550
TOTAL EXPENSES	<u>\$ 283,729</u>	<u>\$ 66,063</u>	<u>\$ 43,678</u>	<u>\$ 393,470</u>

See Independent Accountant's Review Report and Notes to Financial Statements

GIRL TALK, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

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Change in Net Assets	\$ 24,131
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (used) by Operating Activities:	
Depreciation	1,780
Operating lease amortization	21,152
(Increase) decrease in operating assets:	
Prepaid expenses	(95)
Increase (decrease) in operating liabilities	
Accounts payable and accrued expenses	11,024
Operating lease liability	(20,532)
Deferred rent	<u>(777)</u>
Net Cash Provided (Used) by Operating Activities	<u>36,683</u>
Cash Flows from Investing Activities	
Purchases of property and equipment	<u>(2,110)</u>
Net Cash Provided (used) by Investing Activities	<u>(2,110)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	34,573
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>183,979</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 218,552</u></u>

See Independent Accountant's Review Report and Notes to Financial Statements



**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities** - Girl Talk, Inc. (the "Organization") was started in 2002 and incorporated as a Georgia not-for-profit organization on March 11, 2005. The Organization's mission is to inspire all girls to be confident leaders through peer-to-peer mentoring programs. This program has a very simple premise: high school girls mentor middle school girls to help them deal with the issues they face during their formative early teenage years. The Organization is funded primarily through contributions received from individuals, businesses, and other organizations.

**Concentrations** - During 2022, approximately 42% of the Organization's revenue was received from four donors.

**Basis of Presentation** - The Organization prepares its financial statements using the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

**Adoption of New Accounting Pronouncements**

The Organization adopted Accounting Standards Update ("ASU") No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* effective January 1, 2022. Under this new guidance, contributed nonfinancial assets must be separately presented on the statement of activities apart from contributions of cash. Additionally, other qualitative disclosures are required regarding the monetization and utilization of contributed non-financial assets.

The Organization adopted Accounting Standards Update 2016-02 (as amended), *Leases* ("Topic 842") on January 1, 2022. Topic 842 requires lessees to recognize a right-of-use asset and a corresponding lease liability for virtually all leases. The Organization elected and applied the following transition practical expedients when initially adopting Topic 842:

- To apply the provisions of Topic 842 at the adoption date, instead of applying them to the earliest comparative period presented in the financial statements.
- The package of practical expedients permitting the Association to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Organization made the following adjustments as of the adoption date in connection with transitioning to Topic 842:

	As of <u>January 1, 2022</u>
Operating lease right of use assets	\$ <u>26,275</u>
Operating lease liabilities	\$ <u>26,907</u>

The Organization's adoption of Topic 842 also resulted in a decrease of \$777 in deferred rent, which was reclassified to operating lease right of use assets at adoption. The adoption of Topic 842 did not have a material impact on the Association's change in net assets for the year ended December 31, 2022.

**Net Assets** - Net assets and revenues, gains and losses are classified based on the existence or absence of donor-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-imposed restrictions. The Board of Directors, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes.
- *Net Assets with Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by the actions of the Organization or the passage of time. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. When a 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. If a restriction is fulfilled during the same year in which the contribution is received, the Organization reports that support as an increase in net assets without donor restrictions.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of Estimates in Financial Statements** - The preparation of financial statements in conformity with U.S. GAAP 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Tax-Exempt Status** - The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. The Organization did not have an unrelated business income tax liability as of December 31, 2022. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

U.S. GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of 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 IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

**Cash and Cash Equivalents** - For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Contributions and Grants Revenue and Contributions Receivable** - Contributions and grants are recognized when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Conditional contributions and grants that are received prior to conditions being met are reported in the statement of financial position as refundable advances.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Donated Services and Contributions of Nonfinancial Assets** - Contributions of donated use of space, noncash materials, services, and assets are recorded at their fair market values in the period received. The Organization records such gifts as net assets without restrictions unless explicit donor stipulations specify how the donated assets must be used. A substantial number of volunteer hours have been donated by individuals in the Organization's program services and, to a lesser extent, its fundraising campaigns and administration. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**Program Fees Revenue** - Program revenue is measured based on consideration specified in a contract with a customer. The Organization recognizes revenue when it has satisfied a performance obligation by transferring control over a product or service to a customer. The Organization collects fees from camp participants and other program activities. These fees are a nominal amount to defray some of the costs of the activities. Program fees are recognized when the activity takes place. There are no accounts receivable related to those fees as of December 31, 2022.

**Property and Equipment** - Property and equipment are recorded at cost or, if donated, at fair market value at the date of the gift. Acquisitions of property and equipment or repairs, maintenance, or betterments that materially prolong the useful lives of assets in excess of \$1,000 are capitalized. Depreciation of property is computed on a straight-line basis over the estimated service lives of the assets. The following lives have been assigned to the capitalized assets:

Computer Equipment and Software	5 years
Furniture and Fixtures and Office Equipment	5 years

Donations of property and equipment are recorded as support at their estimated fair market value. Such donations are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions regarding their use and contributions of cash that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations regarding how long the long-lived assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Leases** - The Organization determines if an arrangement is a lease or contains a lease at the inception date. Leases are included in right-of-use (“ROU”) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with an initial term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

**Functional Allocation of Expenses** - The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include personnel costs, depreciation, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

**Note 2 – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of December 31, 2022:

	<u>2022</u>
Computer Equipment and Software	\$ 11,327
Furniture and Fixtures	<u>1,584</u>
	12,911
Accumulated Depreciation	<u>(8,515)</u>
	<u>\$ 4,396</u>
Depreciation Expense	<u>\$ 1,780</u>

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 3 – NET ASSETS**

Net assets with donor restrictions are available for the following purposes or periods as of December 31, 2022:

	<u>2022</u>
Scholarships	\$ <u>21,440</u>
Total net assets with donor restrictions	\$ <u><u>21,440</u></u>

**Note 4 – DONATED FACILITIES, GOODS, AND SERVICES**

The Organization received donated non-cash items and donated services. The donations were used in the Organization's programs and in its fundraising event. These donations are recorded in the statement of activities as contributions without donor restrictions and a corresponding expense. The following is a summary of amounts recorded for the years ended December 31, 2022:

	<u>2022</u>
Contributed meals for summer camp	\$ 4,028
Contributed services for fundraising event	<u>14,764</u>
Total	\$ <u><u>18,792</u></u>

**Note 5 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2022</u>
Financial assets are comprised of:	
Cash and cash equivalents	\$ <u>218,552</u>
Total financial assets	218,552
Less amounts not available to meet cash needs for general expenses within one year	<u>-</u>
Total financial assets available to meet cash needs for general expenses within one year	\$ <u><u>218,552</u></u>

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

**Note 6 – OPERATING LEASE**

The Organization is obligated under an operating lease agreement for its facilities. The lease commenced in 2019 and continued through March 31, 2021. The lease was amended in March 2021 to extend the lease for 24 months effective April 1, 2021. The amended lease calls for annual escalations of the rent. The monthly rent payment was \$2,141 as of December 31, 2022.

The Organization has recorded the operating right-of-use asset and lease liability. The lease liability is calculated using a discount rate of 4.5%.

The following summarizes the line items in the statement of financial position which include amounts for the operating leases:

	2022
Operating lease right of use assets	\$ <u>5,754</u>
Operating lease liabilities - current	\$ 6,375
Operating lease liabilities - long-term	<u>-</u>
Total Operating lease liabilities	\$ <u>6,375</u>

The following summarized the line items in the statement of activities which include the components of lease expense:

	2022
Lease expense	\$ <u>23,209</u>

The following summarizes the weighted average remaining lease term and discount rate as of December 31, 2022:

Weighted average remaining lease term	0.25 Years
Weighted average discount rate	4.5%

The following is a summary of the future minimum lease payments for these leases are as follows:

Years Ended December 31	
2023	\$ 6,423
Total Lease Payments	6,423
Less: Discount	<u>(48)</u>
Present Value of Lease Liabilities	\$ <u>6,375</u>

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2022

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**Note 7 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through July 25, 2023, which is the date the financial statements were available to be issued.