

**GIRL TALK, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**GIRL TALK, INC.**  
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**DECEMBER 31, 2017**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Girl Talk, Inc.  
Atlanta, Georgia

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, 2017, 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 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.

### **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.

*Jones and Kolb*

August 10, 2018

**GIRL TALK, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017**

**ASSETS**

Cash	\$ 381,171
Receivables	6,750
Prepaid expenses	2,685
Property and equipment, net	<u>888</u>
 Total assets	 <u>\$ 391,494</u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	<u>\$ 2,484</u>
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**NET ASSETS**

Unrestricted net assets	263,597
Temporarily restricted net assets	<u>125,413</u>

Total net assets	<u>389,010</u>
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Total liabilities and net assets	<u><u>\$ 391,494</u></u>
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See Independent Accountant's Review Report  
and Notes to Financial Statements.

**GIRL TALK, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b><u>Unrestricted</u></b>	<b><u>Temporarily Restricted</u></b>	<b><u>Total</u></b>
<b>SUPPORT AND REVENUE</b>			
Contributions	\$ 467,304	\$ 105,450	\$ 572,754
Program income	18,217	-	18,217
In-kind donations	42,487	-	42,487
Other income	692	-	692
Interest and dividends	534	25	559
	<u>529,234</u>	<u>105,475</u>	<u>634,709</u>
<b>NET ASSETS RELEASED FROM PROGRAM RESTRICTIONS</b>			
	<u>126,895</u>	<u>(126,895)</u>	<u>-</u>
<b>EXPENSES</b>			
Program services	451,194	-	451,194
Management and general	86,487	-	86,487
Fundraising	83,768	-	83,768
	<u>621,449</u>	<u>-</u>	<u>621,449</u>
<b>CHANGE IN NET ASSETS</b>			
	34,680	(21,420)	13,260
<b>NET ASSETS</b>			
Beginning of year	<u>228,917</u>	<u>146,833</u>	<u>375,750</u>
<b>NET ASSETS</b>			
End of year	<u><u>\$ 263,597</u></u>	<u><u>\$ 125,413</u></u>	<u><u>\$ 389,010</u></u>

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

**GIRL TALK, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Supporting Services</b>				<b>Total</b>
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Supporting Services</b>	
Salaries and benefits	\$ 205,038	\$ 53,696	\$ 56,697	\$ 110,393	\$ 315,431
Technology	93,670	-	-	-	93,670
Occupancy	38,539	9,635	-	9,635	48,174
Direct program costs	67,762	-	-	-	67,762
Payroll taxes	16,092	4,357	4,748	9,105	25,197
Contract services	-	-	17,775	17,775	17,775
Professional fees	3,750	11,940	4,548	16,488	20,238
Other	9,494	-	-	-	9,494
Travel	6,011	2,576	-	2,576	8,587
Scholarships	6,000	-	-	-	6,000
Office supplies	2,926	1,950	-	1,950	4,876
Depreciation	-	1,923	-	1,923	1,923
Supplies	892	223	-	223	1,115
Dues and subscriptions	748	187	-	187	935
Vehicle	272	-	-	-	272
	<b>\$ 451,194</b>	<b>\$ 86,487</b>	<b>\$ 83,768</b>	<b>\$ 170,255</b>	<b>\$ 621,449</b>

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

**GIRL TALK, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets \$ 13,260

ADJUSTMENTS TO RECONCILE CHANGE IN  
NET ASSETS TO NET CASH USED IN  
OPERATING ACTIVITIES:

Depreciation	1,923
Increase in receivables	(6,658)
Increase in prepaid expenses	(2,685)
Loss on disposal of assets	2,664
Decrease in liabilities	<u>(2,311)</u>

Net cash used in operating activities 6,193

**NET INCREASE IN CASH**

6,193

**CASH**

Beginning of year 374,978

**CASH**

End of year \$ 381,171

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

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Girl Talk, Inc. (the "Organization") was started in 2002 and incorporated as a Georgia not-for-profit organization on March 11, 2005. The Organization is a peer-to-peer mentoring program with 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. Girl Talk, Inc.'s mission is to help young teenaged girls build self-esteem, develop leadership skills and recognize the value of community service. The Organization qualifies as a publicly-supported tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. These activities are funded primarily through contributions received from individuals, businesses and other organizations.

B. The Organization's policy is to prepare its financial statements on the accrual basis of accounting in conformity with accounting policies generally accepted in the United States of America ("GAAP"); consequently, contributions are recognized when earned and expenses are recognized when the obligation is incurred. Qualified in-kind donations are recorded as revenue and expenses in the Statement of Activities and Changes in Net Assets.

C. Net assets, revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The Organization records contributions of cash and other assets as unrestricted income unless specifically restricted by the donor. Restricted contributions are recorded as unrestricted income if the restriction expires in the same reporting period that the contribution is recorded. All other restricted contributions are recorded as increases in temporarily or permanently restricted net assets, depending on the nature of the donor restriction. When the donor stipulation expires, the temporarily restricted net assets are reclassified to unrestricted net assets and are reported as net assets released from restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that are required to be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. At December 31, 2017, the Organization did not have any permanently restricted net assets.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

D. The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 reported period. Actual results could differ from those estimates.

E. Receivables include donations of \$6,700 collected by a donor-advised fund that have been designated for the Organization but not remitted as of year-end. The remaining balance consists of other miscellaneous amounts due to the Organization.

F. The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are recorded at cost and donated assets are recorded at their estimated fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful life of the asset ranging from five to ten years. Repairs and maintenance are expensed as incurred.

G. 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. In accordance with GAAP, only donations of services that create or enhance nonfinancial assets, or require specialized skills that would otherwise typically be purchased, are recorded as support, revenue and expenses. Various individuals, corporations and foundations donate significant food, gifts and materials to the Organization for use in its programs. For the year ended December 31, 2017, contributed goods of \$42,487 have been recorded at the estimated fair market value at the date of donation and have been included in revenue and expenses in the accompanying Statement of Activities.

H. The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in the accompanying Statement of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

I. The Organization is exempt from Federal income taxes under the provisions of Section 501(c)(3) of the United States Internal Revenue Code. As such, only unrelated business income as defined by Section 512(a)(1) of the Code is subject to tax. The Organization had no unrelated business income for the year ended December 31, 2017.

J. Subsequent events have been evaluated by management through August 10, 2018, the date these financial statements were available to be issued.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**2. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of December 31:

	<b>2017</b>
Furniture, fixtures and equipment	\$ 7,549
Less accumulated depreciation	6,661
Property and equipment, net	\$ 888

Depreciation expense was \$1,923 for the year ended December 31, 2017.

**3. RESTRICTED NET ASSETS**

Temporarily restricted net assets for the year ended December 31, 2017 are as follows:

	<b>December 31, 2016</b>	<b>Contributions</b>	<b>Releases</b>	<b>December 31, 2017</b>
Curriculum project	\$ -	\$ 75,000	\$ 11,323	\$ 63,677
Digital experience	24,973	25,000	23,098	26,875
Branding	89,902	-	78,168	11,734
Scholarships	16,735	2,525	3,500	15,760
Camp	15,223	2,950	10,806	7,367
Total	\$ 146,833	\$ 105,475	\$ 126,895	\$ 125,413

**4. LEASES**

The Organization has an arrangement with a former board chair to lease office space for \$3,400 per month. The lease expires November 30, 2018. Total lease expense for the year ended December 31, 2017 was \$40,800.

**GIRL TALK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**5. CONCENTRATIONS**

The Organization maintains cash balances at a single financial institution which at times exceed the insurance limits provided by the Federal Deposit Insurance Corporation. Based on the financial strength of the institution, management believes the risk of loss is minimal.

During the year ended December 31, 2017, approximately 48 percent of the Organization's total revenue was derived from three donors with one donor contributing 23 percent and two donors contributing 13 percent and 12 percent, respectively.