

Together For Girls, Inc.

**Financial Statements
and Independent Auditors' Report**

December 31, 2020 and 2019

Together For Girls, Inc.
December 31, 2020 and 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Basic Financial Statements:	
Statements of Financial Position	3
Statement of Activities and Changes in Net Assets	
For the Year Ended December 31, 2020	4
For the Year Ended December 31, 2019	5
Statement of Functional Expenses	
For the Year Ended December 31, 2020	6
For the Year Ended December 31, 2019	7
Statements of Cash Flows	8
Notes to Financial Statements	9



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Together For Girls, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Together For Girls, Inc., a nonprofit corporation, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 of 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 auditors' 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 auditors consider 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 Together For Girls, Inc. as of December 31, 2020 and 2019, and the results of its activities and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Atchley & Associates, LLP

Austin, Texas

June 28, 2021

TOGETHER FOR GIRLS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Current assets:		
Cash	\$ 765,676	\$ 1,434,467
Grants receivable	525,150	402,723
Prepaid expense	9,037	7,487
Total current assets	1,299,863	1,844,677
Furniture and equipment, net of accumulated depreciation	4,268	907
Total assets	\$ 1,304,131	\$ 1,845,584
LIABILITIES AND NET ASSETS		
Current liabilities:		
Deferred revenue	\$ -	\$ 754,433
Accounts payable	30,637	19,180
Total current liabilities	30,637	773,613
Net assets:		
Without donor restrictions	849,973	589,077
With donor restrictions	423,521	482,894
Total net assets	1,273,494	1,071,971
Total liabilities and net assets	\$ 1,304,131	\$ 1,845,584

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGES IN NET ASSETS			
Public support and revenue:			
Grants	\$ 1,024,006	\$ 1,247,776	\$ 2,271,782
Contributions	4,261	-	4,261
Donated securities	78,584	-	78,584
In-kind contributions	524,650	-	524,650
Interest income	887	-	887
Net assets released from restrictions	<u>1,307,149</u>	<u>(1,307,149)</u>	<u>-</u>
Total public support and revenue	2,939,537	(59,373)	2,880,164
Expenses:			
Program	2,349,045	-	2,349,045
Development	145,522	-	145,522
General & administrative	<u>184,074</u>	<u>-</u>	<u>184,074</u>
Total expenses	<u>2,678,641</u>	<u>-</u>	<u>2,678,641</u>
Change in net assets	<u>260,896</u>	<u>(59,373)</u>	<u>201,523</u>
Net assets, beginning of year	<u>589,077</u>	<u>482,894</u>	<u>1,071,971</u>
Net assets, end of year	<u><u>\$ 849,973</u></u>	<u><u>\$ 423,521</u></u>	<u><u>\$ 1,273,494</u></u>

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGES IN NET ASSETS			
Public support and revenue:			
Grants	\$ 678,068	\$ 442,782	\$ 1,120,850
Contributions	10,500	-	10,500
Donated securities	78,077	-	78,077
In-kind contributions	296,310	-	296,310
Interest income	4,942	-	4,942
Net assets released from restrictions	<u>778,407</u>	<u>(778,407)</u>	<u>-</u>
Total public support and revenue	1,846,304	(335,625)	1,510,679
Expenses:			
Program	1,519,005	-	1,519,005
Development	134,189	-	134,189
General & administrative	<u>132,243</u>	<u>-</u>	<u>132,243</u>
Total expenses	<u>1,785,437</u>	<u>-</u>	<u>1,785,437</u>
Change in net assets	<u>60,867</u>	<u>(335,625)</u>	<u>(274,758)</u>
Net assets, beginning of year	<u>528,210</u>	<u>818,519</u>	<u>1,346,729</u>
Net assets, end of year	<u><u>\$ 589,077</u></u>	<u><u>\$ 482,894</u></u>	<u><u>\$ 1,071,971</u></u>

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program</u>	<u>Development</u>	<u>General and Administrative</u>	<u>Total</u>
Payroll	\$ 649,028	\$ 115,363	\$ 92,969	\$ 857,360
In-kind services	484,650	-	-	484,650
Professional fees	411,470	6,163	52,788	470,421
Travel	10,328	-	-	10,328
Other direct expenses	45,580	835	20,182	66,597
Payroll taxes	46,814	8,321	6,706	61,841
Donated facilities expense	30,895	5,690	3,415	40,000
Employee benefits	51,704	9,150	7,320	68,174
Subgrant	618,576	-	-	618,576
Depreciation	-	-	694	694
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 2,349,045</u>	<u>\$ 145,522</u>	<u>\$ 184,074</u>	<u>\$ 2,678,641</u>

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Program</u>	<u>Development</u>	<u>General and Administrative</u>	<u>Total</u>
Payroll	\$ 590,287	\$ 108,709	\$ 65,249	\$ 764,245
In-kind services	256,310	-	-	256,310
Professional fees	203,647	3,736	43,685	251,068
Travel	113,880	-	181	114,061
Other direct expenses	84,538	754	10,098	95,390
Payroll taxes	39,907	7,349	4,411	51,667
Donated facilities expense	30,895	5,690	3,415	40,000
Employee benefits	43,541	7,951	4,710	56,202
Subgrant	156,000	-	-	156,000
Depreciation	-	-	494	494
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 1,519,005</u>	<u>\$ 134,189</u>	<u>\$ 132,243</u>	<u>\$ 1,785,437</u>

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 201,523	\$ (274,758)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation expense	694	494
(Increase) decrease in grants receivable	(122,427)	115,597
(Increase) decrease in prepaid expense	(1,550)	(122)
Increase (decrease) in deferred revenue	(754,433)	754,433
Increase (decrease) in accounts payable	11,457	11,900
	<u>(664,736)</u>	<u>607,544</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities:		
Purchase of property and equipment	(4,055)	-
	<u>(4,055)</u>	<u>-</u>
Net cash provided by (used in) investing activities		
Net increase (decrease) in cash	(668,791)	607,544
Cash, beginning of year	<u>1,434,467</u>	<u>826,923</u>
Cash, end of year	<u>\$ 765,676</u>	<u>\$ 1,434,467</u>

The accompanying notes are an integral part of the financial statements.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Together for Girls, Inc. (the Organization) enables private and public sector funding and support for the Together for Girls partnership and secretariat. The Organization was incorporated in the State of Delaware in April 2011 and awarded 501(c)(3) status by the U.S. IRS. The Organization is governed by a board of directors, which has fiduciary responsibility for the Organization and supports its fundraising and communications efforts. The Organization manages all secretariat operating costs, including staffing.

Together for Girls is a global partnership that brings together multiple stakeholders and actors—including United Nations agencies, governments, civil society and the private sector—in a shared commitment to end violence against children and adolescents, particularly sexual violence. Using data and evidence to drive national action and global advocacy for violence prevention and response, we imagine a world where children and adolescents are safe, empowered and protected—free from violence, exploitation and abuse. Founded in 2009, the partnership is active in over 20 countries, and brings together influential actors across multiple sectors in a comprehensive and holistic approach to respond to and prevent violence. This is essential to promoting and achieving individual rights, well-being, gender equality and sustainable development.

Our model is innovative and efficient, building on partners' core capacities. Each partner contributes unique expertise and skills to strengthen our collective impact at national, regional and global levels. The partnership strategy focuses on three interconnected pillars of work:

- Data: Quality data to understand the problem and guide solutions
- Action: A comprehensive, multi-sectoral response to create results at scale
- Advocacy: Communications and campaigns to raise awareness, shape national agendas and elevate the voices of survivors

The partnership is governed by the Leadership Council, made up of high-level representatives of its partner organizations. The council serves as an advisory group to provide strategic direction and vision for the partnership. The secretariat staff uses input from the Leadership Council to provide efficient coordination and backbone support, including technical assistance and advocacy work, needed to advance the goals of the partnership.

The secretariat also plays an important role in fundraising, using a flexible model that maximizes broad resource mobilization to the overall agenda of violence against children, while also supporting the critical functions and work of its partners. The overall partnership estimates it is leveraging over \$20 million each year to support its goals and in-country programmatic work.

The secretariat is hosted by UNAIDS in its Washington, D.C. office as part of their in-kind contribution to the partnership.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP).

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with US GAAP, 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, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization received \$1,247,776 and \$442,782 in restricted support in the years ending December 31, 2020 and 2019, respectively.

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.

Accounting Estimates

The preparation of financial statements in conformity with US 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 as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Grants Receivable

The Organization records grant receivables on the accrual basis and consist of receivables on government contracts and grants awarded but not yet received. The Organization has not recorded an allowance for uncollectible accounts on grants receivable based on historical experience and the credit worthiness of the government and donor entities. All grants receivable at December 31, 2020 and December 31, 2019, are collectible in one year or less.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Furniture and Equipment

Expenditures for furniture and equipment over \$500 are recorded at cost. Donated assets are recorded at their estimated fair market values at the date of donation. Maintenance and repairs, which neither materially add to the value of the assets nor appreciably prolong the lives of the assets, are charged to expense as incurred. Depreciation expense is calculated using the straight-line method and estimated useful lives of 5 years.

Recognition of Donor Contributions

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions without donor restrictions are recorded as an increase in net assets without donor restrictions available in the period in which the notice of the unconditional promise to give is received.

Recognition of Donor Restrictions

Contributions or grants, which contain a donor imposed restriction or a stipulation that the contribution cannot be used until a future period, are recorded as restricted contributions. Contributions, which are restricted with respect to the expenditure of the funds, are recorded as increases in net assets with donor restrictions available in the period in which the notice of grant award is received. Net assets with donor restrictions are reclassified to net assets without donor restrictions in the period in which the use restriction has been met or the time restriction lapses. The Organization had net assets with donor restrictions of \$423,521 and \$482,894 as of December 31, 2020 and 2019, respectively, which are restricted for program expenses.

Revenue Recognition

In accordance with FASB ASC 958-605, *Not-for-Profit Entities - Revenue Recognition*, contributions and grants received that are conditioned upon the Organization incurring certain qualifying costs are considered to be conditional promises to give and, therefore, are recognized as revenue as those costs are incurred. In 2017, the Organization received a grant for \$433,200 for the period of performance of October 1, 2017, to March 31, 2018, that was conditioned upon incurring certain qualifying costs. The contract was extended to September 29, 2020 for a total grant of \$849,200.

Deferred Revenue

The Organization recognizes restricted contributions received in advance for future program activities as deferred revenue. Once each activity is performed or completed, the Organization recognizes the revenue as income accordingly.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions

Donated property and services are recorded at estimated value on the date of the donation as in-kind contributions if all qualifications for reporting have been met. As of December 31, 2020 and 2019, the Organization had \$524,650 and \$296,310, respectively, of in-kind contributions to the headquarters office in Washington, D.C. As of December 31, 2020 and 2019, \$40,000 was related to donated facilities. As of December 31, 2020 and 2019, the remaining \$484,650 and \$256,310, respectively, was related to in-kind services, including marketing, branding, and design services.

Income Taxes

The Organization has adopted FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. That standard prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that an organization has taken or expects to take on a tax return.

The Organization operates as a non-profit entity as defined within the Internal Revenue Service (IRS) Code Section 501(c)(3). The tax returns for the years ended December 31, 2017, and after are open to examination by federal, state, and local authorities.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Certain expenses are allocated between program and supporting services based on estimates made by management. The expenses that are allocated are allocated based on the time and effort expended.

Subsequent Events

Management of the Organization has evaluated subsequent events for disclosure through the date of the independent auditors' report, the date the financial statements were available to be issued. See Note F.

NOTE B - CONCENTRATIONS

Concentration of Credit Risk

The Organization maintain cash deposits in financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Investments in brokerage firms are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000, of which up to \$250,000 is available for cash balances. At December 31, 2020, the Organization had cash balances and investments of \$39,052 and \$0, respectively, that exceeded FDIC and SIPC coverage.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE B - CONCENTRATIONS (Continued)

Concentration of Donor Risk

The Organization is primarily supported by contributions from donors. The Organization had certain donors whose contributions individually represented 10% or more of total contribution revenue. For the years ended December 31, 2020 and 2019, three donors accounted for 70.8% and four donors accounted for 82.5% of total public support and revenue, respectively.

Concentrations of Grants Receivables

As of December 31, 2020 and 2019, three donors accounted for 96.9% and two donors accounted for 95.0% of total grants receivable, respectively.

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2020 and 2019:

Financial assets at year end:	2020	2019
Cash	\$ 765,676	\$ 1,434,467
Grants receivable	525,150	402,723
Total financial assets	1,290,826	1,837,190
Less amounts not available to be used within one year:	-	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,290,826	\$ 1,837,190

The Organization receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization has an investment policy to maintain a nine-month cash reserve and to invest the bulk of funds in money market, bonds, and/or certificates of deposit – diversifying institutions and maturity dates to ensure meeting cash flow needs and maximizing FDIC coverage. For the purpose of managing liquidity and investments, the funds are titled into two segregated accounts: General Operating Fund and a Reserve Fund. The purpose of the General Operating Fund is to provide sufficient cash to meet the immediate short-term financial obligations of the Organization. Excess operating cash may be invested in federally insured certificates of deposit not to exceed \$250,000 per institution. The maturities on certificates of deposit for the General Operating Fund shall be limited to 3-6 months. Excess cash may also be housed in a money market fund at the Organization's primary bank. The Organization targets a year-end balance of reserves of unrestricted, undesignated net assets of at least nine months of expected expenditures. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE D - EMPLOYEE BENEFIT PLAN

The Organization has adopted a SIMPLE IRA plan (the Plan) held at American Funds covering all employees upon the date of hire who are reasonably expected to earn at least \$5,000 in the current calendar year. The Organization matches 3% of employee contributions. For the years ended December 31, 2020 and 2019, the Organization matched \$25,529 and \$22,927, respectively, towards the Plan.

The Organization offers Life Insurance and Accidental Death and Dismemberment through Reliance Standard SmartChoice to employees thirty days after full-time employment at 100% premium paid by the Organization. The Organization also offers to employees Short-Term Disability Insurance and Long-Term Disability Insurance through Reliance Standard SmartChoice and Dental Insurance and Vision Insurance through CareFirst to employees thirty days after full-time employment. As of January 1, 2019, employees are offered a Gold Level health insurance plan through DC Healthlink. The premium for employees is paid at 100% by the Organization. Employees may pay the additional costs to add partners and dependents to their health plan. As of December 31, 2020 and 2019, the Organization contributed \$38,178 and \$29,664, respectively, towards employee insurance.

NOTE E - RELATED PARTY TRANSACTIONS

During the years ended December 31, 2020 and 2019, the President of the Organization donated \$78,584 and \$75,114, respectively, in securities to assist the Organization. The contribution is recorded as support without donor restriction on the statement of activities and changes in net assets.

The previous Executive Director of the Organization, who retired in August 2016, continued to serve as a paid member and consultant on an as-needed basis, providing technical expertise and consultation as well as coaching to the current Executive Director and CEO. She also became a board member in 2017. During the year ended December 31, 2020, the previous Executive Director was paid \$24,000 for her consultant work at an hourly rate commensurate with other consultants with similar levels of experience and skills. She increased her time consulting with the Organization in 2020 to provide surge capacity as the Organization needed additional expert support for an increased workload as a direct result of the COVID-19 pandemic. Since her involvement in the day-to-day operations was much greater than in previous years, \$2,757 in 2019 and \$5,211 in 2018, the previous Executive Director temporarily resigned from the board during her surge in hours and rejoined after reducing her hours significantly. All board members are aware of this relationship and the board president signed her initial consultant contract in 2016.

During 2019, a board member's company was paid consultant fees for work performed beyond the role of director. Her firm was paid a total of \$24,000 for public relations and communications support.

TOGETHER FOR GIRLS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE F - SUBSEQUENT EVENTS

Under the U.S. Government's "Coronavirus Aid, Relief and Economic Security (CARES) Act" funds were appropriated for the Small Business Administration Paycheck Protection Program loans, which are forgivable in certain situations to promote continued employment. The Organization obtained a loan of \$146,040 on March 19, 2021 and will comply with program requirements so that the loan can be fully forgiven.