

**Edu-GIRLS, Inc.**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED**

**DECEMBER 31, 2018 & 2017**

**Edu-GIRLS, Inc.**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2018 & 2017**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Edu-GIRLS, Inc.  
Bethesda, MD

We have audited the accompanying financial statements of Edu-GIRLS, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 & 2017 and the related statements of activities, functional expenses; and cash flows for the years 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 the 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 Edu-GIRLS, Inc. as of December 31, 2018 & 2017, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Sareen & Associates, Inc.*

Sareen & Associates, Inc.  
Manassas, VA  
May 15, 2019

**Edu GIRLS, Inc.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AT DECEMBER 31, 2018 AND 2017**

**Assets**

	<u>2018</u>	<u>2017</u>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 70,468	\$ 55,104
Receivables		
-Trade	-	-
-Contributions	-	-
<b>Total Current Assets</b>	<b>\$ 70,468</b>	<b>\$ 55,104</b>
<b>Fixed Assets</b>		
Construction in Progress-Bldg	\$ -	\$ -
Fixed Assets	-	-
Accumulated Depreciation	-	-
<b>Net Fixed Assets</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Assets</b>		
Receivables		
Contributions	\$ -	\$ -
<b>Total Assets</b>	<b>\$ 70,468</b>	<b>\$ 55,104</b>

**Liabilities and Net Assets**

<b>Current Liabilities</b>		
Grants Payable	\$ 49,278	\$ 38,860
Accounts payable	\$ 7,000	\$ 3,500
<b>Total Current Liabilities</b>	<b>\$ 56,278</b>	<b>\$ 42,360</b>
<b>Total Liabilities</b>	<b>\$ 56,278</b>	<b>\$ 42,360</b>
<b>Net Assets</b>		
Unrestricted	\$ 13,190	\$ 12,744
Temporarily Restricted	1,000	-
<b>Total Net Assets</b>	<b>\$ 14,190</b>	<b>\$ 12,744</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 70,468</b>	<b>\$ 55,104</b>

**THE ACCOMPANYING NOTES ARE INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**Edu-GIRLS, Inc.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>			<u>2017</u>		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and Revenue:						
Program Income & Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Support & Contributions	127,674	1,000	128,674	133,181	-	133,181
Net Assets Released from Restrictions	-	-	-	-	-	-
Total Support and Revenue	<u>\$ 127,674</u>	<u>\$ 1,000</u>	<u>\$ 128,674</u>	<u>\$ 133,181</u>	<u>\$ -</u>	<u>\$ 133,181</u>
Other Income						
Interest	143	-	143	106	-	106
Unrealized Gains(Losses)	-	-	-	-	-	-
Total Other income	<u>\$ 143</u>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 106</u>	<u>\$ -</u>	<u>\$ 106</u>
Total Other income	<u>\$ 143</u>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 106</u>	<u>\$ -</u>	<u>\$ 106</u>
Total Operating Revenue	<u>\$ 127,817</u>	<u>\$ 1,000</u>	<u>\$ 128,817</u>	<u>\$ 133,287</u>	<u>\$ -</u>	<u>\$ 133,287</u>
Expenses						
Program Expenses	109,343	-	109,343	113,860	-	113,860
General and Administrative Expenses	4,182	-	4,182	4,158	-	4,158
Fundraising Expenses	13,846	-	13,846	19,344	-	19,344
Total Expenses	<u>\$ 127,371</u>	<u>\$ -</u>	<u>\$ 127,371</u>	<u>\$ 137,362</u>	<u>\$ -</u>	<u>\$ 137,362</u>
Change in Net Assets from Operations	<u>\$ 446</u>	<u>\$ 1,000</u>	<u>\$ 1,446</u>	<u>\$ (4,075)</u>	<u>\$ -</u>	<u>\$ (4,075)</u>
<b>Increase (Decrease) in Net Assets</b>	<b>\$ 446</b>	<b>\$ 1,000</b>	<b>\$ 1,446</b>	<b>\$ (4,075)</b>	<b>\$ -</b>	<b>\$ (4,075)</b>
<b>Net Assets (Deficit), Beginning of Year</b>	<b>\$ 12,744</b>	<b>\$ -</b>	<b>\$ 12,744</b>	<b>\$ 16,819</b>	<b>\$ -</b>	<b>\$ 16,819</b>
Interfund Transfer	-	-	-	-	-	-
Net Assets (Deficit), Beginning of year	<u>\$ 12,744</u>	<u>\$ -</u>	<u>\$ 12,744</u>	<u>\$ 16,819</u>	<u>\$ -</u>	<u>\$ 16,819</u>
<b>Net Assets (Deficit), End of Year</b>	<b>\$ 13,190</b>	<b>\$ 1,000</b>	<b>\$ 14,190</b>	<b>\$ 12,744</b>	<b>\$ -</b>	<b>\$ 12,744</b>

THE ACCOMPANYING NOTES ARE INTEGRAL PART OF THE FINANCIAL STATEMENTS

**Edu-GIRLS, Inc.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

Expense Category	2018			2017				
	General and Administrative	Program	Fundraising	Total	General and Administrative	Program	Fundraising	Total
Website	\$ 96	-	\$ -	\$ 96	\$ -	-	\$ -	\$ -
Bank Fees	160	-	-	160	304	-	-	304
Gifts & Grants	42	109,343	-	109,385	-	113,860	-	113,860
Bus Licenses & Permits	200	-	-	200	200	-	-	200
Accounting & Audits	3,500	-	-	3,500	3,500	-	-	3,500
Events	-	-	13,846	13,846	-	-	19,344	19,344
Office Supplies & Postage	184	-	-	184	154	-	-	154
<b>Total Expenses</b>	<b>\$ 4,182</b>	<b>\$ 109,343</b>	<b>\$ 13,846</b>	<b>\$ 127,371</b>	<b>\$ 4,158</b>	<b>\$ 113,860</b>	<b>\$ 19,344</b>	<b>\$ 137,362</b>

THE ACCOMPANYING NOTES ARE INTEGRAL PART OF THE FINANCIAL STATEMENTS

**Edu-GIRLS, Inc.**  
**STATEMENTS OF CASH FLOWS**  
**AT DECEMBER 31, 2018 AND 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>Change in 2018</u>	<u>Change in 2017</u>
Net income (loss)	\$ 1,446	\$ (4,075)
Adjustments to reconcile net income (loss) to net cash provided by operating activities :		
Depreciation	\$ -	\$ -
(Increase) decrease in Accounts Receivable	-	-
Increase (decrease) in Grants Payable	10,418	(10,025)
Increase (decrease) in Accounts Payable	3,500	3,500
Total Adjustments	<u>\$ 13,918</u>	<u>\$ (6,525)</u>
Net Cash Provided (Used) By Operating Activities	\$ 15,364	\$ (10,600)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) decrease in Fixed Assets	\$ -	\$ -
(Increase) decrease in Other Current Assets	-	-
	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	\$ -	\$ -
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from the issuance of long-term debt	\$ -	\$ -
Principle payments on long-term debt		
Contributions receivable long-term	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Financing Activities	<u>\$ -</u>	<u>\$ -</u>
<b><u>NET INCREASE (DECREASE) IN CASH</u></b>	<b>\$ 15,364</b>	<b>\$ (10,600)</b>
<b><u>CASH AT BEGINNING OF PERIOD</u></b>	<b>\$ 55,104</b>	<b>\$ 65,704</b>
<b><u>CASH AT END OF PERIOD</u></b>	<b>\$ 70,468</b>	<b>\$ 55,104</b>

**THE ACCOMPANYING NOTES ARE INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**Edu-GIRLS, Inc.**  
**Notes to Financial statements**

**A. Organization and significant accounting policies**

Edu-GIRLS, Inc. is a US-based nonprofit corporation headquartered in Bethesda, MD; and, it was established in xxxx with the objective of educating Girls living in poverty, who face economic hardship, a gender bias and pressures to marry young primarily located in India, Pakistan and other underprivileged areas in that region.

Edu-GIRLS, Inc. primarily operates as a conduit that channels donations from members of the public to educational organizations seeking to provide access to a high-quality Free education in safe environments to young GIRLS in poverty who otherwise would be denied of any tangible educational opportunities.

**Basis of presentation:** Net assets and revenue, gains and losses are classified based upon the existence or absence of any imposed restrictions from the donor. Accordingly, the net assets of Edu-GIRLS, Inc. 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 will be met either by Edu-GIRLS, Inc. undertaking activities and/or the passage of time.

**Method of accounting:** The financial statements are prepared on the accrual basis of accounting.

**Accounting estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US-GAAP) requires management to make estimates and assumptions that affect the reported amount of donations, liabilities and contingencies at the date of the statement of financial position and revenue and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and cash equivalents:** Edu-GIRLS, Inc. classifies all highly liquid investments with original maturity of less than ninety days as cash equivalents.

**Grants and contracts revenue receivable:** Grants and contributions receivable, if any, are recorded at net realizable value when the service is rendered, or expenses incurred for federal programs. Management believes that this balance is fully collectible and therefore allowance for doubtful accounts is set at \$-0-.

**Contributions:** Edu-GIRLS, Inc. recognizes all unconditional contributions received as income in the period received or pledged at net realizable value.

**Fixed assets:** Fixed assets of \$500 or more, if any, are carried at cost and depreciated using the straight-line method over their estimated useful lives which are as follows:



Machinery & Equipment:	7 years
Furniture & Fixtures:	7 years
Buildings & Improvements	39 years

**Revenue and expense recognition:**

Revenue is recorded when the service is rendered, and expenses are recorded when the obligation is incurred.

**Income taxes:** Edu-GIRLS, Inc. is exempt from Federal income taxation as described in Internal Revenue Code Section 501(c) (3) and is classified as an Organization Exempt from Income Taxation.

**Support Income and Expenses:** Public Support and contributions are recognized as income over the applicable period received, which is usually a calendar-year basis unless stipulated by the donor.

**B. Cash**

At December 31, 2018 and 2017, Edu-GIRLS, Inc. maintained the following account balances for operating cash purposes:

	<u>2018</u>	<u>2017</u>
Checking Account	\$27,048	\$20,982
Savings Account	43,410	33,837
Petty Cash Account	<u>10</u>	<u>285</u>
Cash & Cash Equivalents	<u>\$70,468</u>	<u>\$55,104</u>

**C. Concentration of Risk in Cash Accounts**

Deposits are guaranteed by the FDIC up to \$250,000 per depositor per insured bank. Edu-GIRLS, Inc. had no Uninsured balances at December 31, 2018 and 2017.

**D. Receivables**

Edu-GIRLS, Inc. did not trade in accounts receivable with its supporters in 2018 & 2017.

**E. Fixed Assets**

No fixed assets were acquired during the periods ending December 31, 2018 & 2017.

No Depreciation expense was recorded for the periods ending December 31, 2018 & 2017.

**F. Accounting for Uncertainty in Income Taxes**

Edu-GIRLS, Inc. has been treated as a 501(c) (3) non-profit organization exempt from state and Federal Income taxes; therefore, no taxes are currently payable by the organization.

There are no known events within the next twelve months that will change this status.

**G. Concentration of Credit Risk in Revenues**

Edu-GIRLS, Inc. receives its revenues primarily from public support, including donations in 2018, the Organization had \$1,000 and in 2017 \$-0-, of temporarily restricted net assets.

No Net Assets were released from restrictions in 2018 & 2017, but, the \$1,000 is expected to be released in 2019 when Edu-GIRLS, Inc. funds the Grant.

**H. Interest Income**

Interest income of \$143 in 2018 and \$106 in 2017, on the statement of activities, is from idle cash in the organizations savings account.

**I. Related Party Transactions**

At December 31, 2018 & 2017, Edu-GIRLS, Inc. had identified no related party transactions.

**J. Employee Benefit Plans**

None.

**K. Leases**

The Organization operates out of private property and there are no leases.

**L. Fair Market Value**

The carrying amounts reflected in the statement of financial position for cash & cash equivalents, contributions & other receivables, accrued liabilities, and grants payable approximate the respective fair values due to the short maturities of those transactions.

**M. Date of Management's Review**

Management has evaluated subsequent events for disclosure in the financial statements through May 15, 2019, which is the date the financial statements were available to be issued. There were no known subsequent events through this date for disclosure.