

Girl Scouts of West Central Florida, Inc.

Financial Statements

September 30, 2022 and 2021



GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT 3 - 4

Financial Statements for the Years Ended September 30, 2022 and 2021:

 Statements of Financial Position 5

 Statements of Activities 6 - 7

 Statement of Functional Expenses 8

 Statements of Cash Flows 9

 Notes to Financial Statements 10 - 27



Oldsmar / Tampa / St. Petersburg

727-785-4447

813-498-1294

727-784-5491 Fax

www.pdr-cpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Girl Scouts of West Central Florida, Inc.
Tampa, Florida

Opinion

We have audited the accompanying financial statements of Girl Scouts of West Central Florida, Inc. (the Council), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities and of cash flows for the years then ended, the statement of functional expenses for the year ended September 30, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girl Scouts of West Central Florida, Inc. as of September 30, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

CONTINUED

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Council's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PDR CPAs + Advisors

Oldsmar, Florida
January 31, 2023

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2022 AND 2021

	2022	2021
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 3,308,322	\$ 1,597,685
Receivables	169,876	82,701
Escrow receivable	-	1,000,000
Employee Retention Credit receivable	586,945	993,661
Inventory	276,006	189,199
Prepaid expenses and other assets	139,566	184,180
Total current assets	4,480,715	4,047,426
Property and Equipment, Net	7,192,051	7,130,653
Other Assets		
Beneficial interest in assets held by others	91,088	107,720
Investments	9,046,803	9,757,869
Total Assets	\$ 20,810,657	\$ 21,043,668
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable	\$ 222,397	\$ 187,271
Accrued expenses	450,129	505,504
Custodial funds	41,076	38,829
Deferred revenue	84,338	59,551
Current portion of notes payable	-	9,807
Total current liabilities	797,940	800,962
Paycheck Protection Program note payable	-	853,190
Total liabilities	797,940	1,654,152
Net assets, as restated for 2021		
Without donor restrictions:		
Operating	9,148,710	7,914,609
Property and equipment	7,192,051	7,130,653
Board designated for preservation of properties	3,300,277	2,970,685
	19,641,038	18,015,947
With donor restrictions	371,679	1,373,569
Total net assets	20,012,717	19,389,516
Total Liabilities and Net Assets	\$ 20,810,657	\$ 21,043,668

See accompanying notes to financial statements

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2022	2021
Revenues and Other Support				
Public support:				
Contributions	\$ 2,420,380	\$ 60,727	\$ 2,481,107	\$ 493,817
United Way	140,693	-	140,693	109,249
Government contracts/grants	410,265	-	410,265	527,594
Special events, net of direct costs of \$117,359	112,337	-	112,337	89,677
Program:				
Product sales, net of cost of goods sold of \$3,791,213	5,233,628	-	5,233,628	4,493,432
Girl Scout store, net of cost of goods sold of \$303,123	271,719	-	271,719	197,199
Event fees	572,870	-	572,870	312,129
Other revenue:				
Rental income	26,415	-	26,415	(2,396)
Interest and dividend income	235,311	4,170	239,481	134,088
Other	115,896	-	115,896	119,054
Net assets released from restrictions	1,015,745	(1,015,745)	-	-
Total revenues and other support	<u>10,555,259</u>	<u>(950,848)</u>	<u>9,604,411</u>	<u>6,473,843</u>
Expenses				
Program services	6,470,155	-	6,470,155	5,804,799
Management and general	1,077,108	-	1,077,108	1,016,900
Fundraising	415,581	-	415,581	521,366
Total expenses	<u>7,962,844</u>	<u>-</u>	<u>7,962,844</u>	<u>7,343,065</u>
Change in Net Assets From Operations	2,592,415	(950,848)	1,641,567	(869,222)
Other Changes in Net Assets				
Realized and unrealized (losses) gains on investments, net	(1,817,746)	(51,042)	(1,868,788)	718,621
Income from forgiveness of debt	853,190	-	853,190	870,000
Contribution for capital improvements	-	-	-	1,000,000
Employee Retention Credit, net	-	-	-	943,978
(Loss) gain on sale of assets	(2,768)	-	(2,768)	3,569,020
	<u>(967,324)</u>	<u>(51,042)</u>	<u>(1,018,366)</u>	<u>7,101,619</u>
Change in Net Assets	1,625,091	(1,001,890)	623,201	6,232,397
Net Assets at Beginning of Year, as Restated	<u>18,015,947</u>	<u>1,373,569</u>	<u>19,389,516</u>	<u>13,157,119</u>
Net Assets at End of Year	<u>\$19,641,038</u>	<u>\$ 371,679</u>	<u>\$20,012,717</u>	<u>\$19,389,516</u>

See accompanying notes to financial statements

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Public support:			
Contributions	\$ 460,705	\$ 33,112	\$ 493,817
United Way	109,249	-	109,249
Government contracts/grants	527,594	-	527,594
Special events, net of direct costs of \$12,221	89,677	-	89,677
Program:			
Product sales, net of cost of goods sold of \$3,184,000	4,493,432	-	4,493,432
Girl Scout store, net of cost of goods sold of \$214,293	197,199	-	197,199
Event fees	312,129	-	312,129
Other revenue:			
Rental income	(2,396)	-	(2,396)
Interest and dividend income	131,138	2,950	134,088
Other	119,054	-	119,054
Net assets released from restrictions	28,698	(28,698)	-
Total revenues and other support	<u>6,466,479</u>	<u>7,364</u>	<u>6,473,843</u>
Expenses			
Program services	5,804,799	-	5,804,799
Management and general	1,016,900	-	1,016,900
Fundraising	521,366	-	521,366
Total expenses	<u>7,343,065</u>	<u>-</u>	<u>7,343,065</u>
Change in Net Assets From Operations	(876,586)	7,364	(869,222)
Other Changes in Net Assets			
Realized and unrealized gains on investments, net	668,400	50,221	718,621
Income from forgiveness of debt	870,000	-	870,000
Contribution for capital improvements	-	1,000,000	1,000,000
Employee Retention Credit, net	943,978	-	943,978
Gain on sale of assets	3,569,020	-	3,569,020
	<u>6,051,398</u>	<u>1,050,221</u>	<u>7,101,619</u>
Change in Net Assets	5,174,812	1,057,585	6,232,397
Net Assets at Beginning of Year, as Restated	<u>12,841,135</u>	<u>315,984</u>	<u>13,157,119</u>
Net Assets at End of Year, as Restated	<u>\$18,015,947</u>	<u>\$ 1,373,569</u>	<u>\$19,389,516</u>

See accompanying notes to financial statements

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	Program Services	Management and General	Fundraising	Total	
				2022	2021
Labor expenses					
Salaries	\$ 2,935,647	\$ 424,629	\$ 263,878	\$ 3,624,154	\$ 3,495,553
Employee benefits	848,718	120,863	65,107	1,034,688	1,067,455
Payroll taxes	224,937	31,317	21,101	277,355	264,919
Total salaries and related expenses	4,009,302	576,809	350,086	4,936,197	4,827,927
Other expenses					
Supplies	606,013	5,012	7,276	618,301	408,643
Building expense	502,703	76,778	-	579,481	400,974
Professional fees	196,430	70,174	16,984	283,588	203,836
Special assistance	130,548	-	-	130,548	88,317
Insurance	181,804	97,443	-	279,247	273,354
Grant subrecipient	-	-	-	-	115,643
Travel	100,023	8,241	1,307	109,571	54,690
Print and publications	67,823	1,919	2,742	72,484	59,172
Communications	146,310	19,366	19,093	184,769	193,613
Equipment	73,445	4,399	2,734	80,578	89,043
Staff development	22,407	13,000	635	36,042	18,252
Miscellaneous	67,168	2,508	2,035	71,711	58,134
Bank fees	95,043	13,053	6,436	114,532	86,073
Bad debt expense	(4,999)	-	-	(4,999)	14,384
Postage and shipping	48,670	1,557	6,253	56,480	38,950
Total other expenses	2,233,388	313,450	65,495	2,612,333	2,103,078
Total expenses before depreciation	6,242,690	890,259	415,581	7,548,530	6,931,005
Depreciation	227,465	186,849	-	414,314	412,060
Total expenses	\$ 6,470,155	\$ 1,077,108	\$ 415,581	\$ 7,962,844	\$ 7,343,065

See accompanying notes to financial statements

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022	2021
Cash Flows from Operating Activities:		
Change in net assets	\$ 623,201	\$ 6,232,397
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	414,314	412,060
Bad debt expense	(4,999)	14,384
Income from forgiveness of debt	(853,190)	(870,000)
Gain on sale of property and equipment	2,768	(3,569,020)
Realized and unrealized gains on investments	1,815,018	(737,028)
(Increase) decrease In:		
Receivables	(82,176)	40,094
Escrow receivable	1,000,000	(1,000,000)
Employee Retention Credit receivable	406,716	(993,661)
Prepaid expenses and other assets	44,614	39,152
Inventory	(86,807)	39,068
Increase (decrease) In:		
Accounts payable	35,126	55,437
Accrued expenses	(55,375)	159,214
Custodial funds	2,247	26,568
Deferred revenue	24,787	43,017
Net cash provided by (used in) operating activities	3,286,244	(108,318)
Cash Flows from Investing Activities:		
Proceeds from sale of property and equipment	-	3,676,575
Purchase of property and equipment	(478,480)	(331,527)
Purchase of investments	(4,894,219)	(17,316,519)
Proceeds from sale of investments	3,806,899	13,020,390
Net cash used in investing activities	(1,565,800)	(951,081)
Cash Flows from Financing Activities:		
Proceeds from new note payable	-	853,190
Payments on note payable	(9,807)	(22,922)
Net cash (used in) provided by financing activities	(9,807)	830,268
Net Increase (Decrease) in Cash and Cash Equivalents	1,710,637	(229,131)
Cash and Cash Equivalents at Beginning of Year	1,597,685	1,826,816
Cash and Cash Equivalents at End of Year	\$ 3,308,322	\$ 1,597,685
Supplemental Cash Flow Information:		
Cash paid during the year for interest	\$ 92	\$ 836

See accompanying notes to financial statements

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE A - NATURE OF ORGANIZATION

Girl Scouts of West Central Florida, Inc. (the Council) is a nonprofit organization incorporated in Florida on October 1, 2007 for the purpose of administering Girl Scouting in Hillsborough, Polk, Pinellas, Pasco, Citrus, Marion, Sumter, and Hernando counties. The Council administers Girl Scouting throughout its jurisdiction in accordance with the bylaws and policies of the Council and the charter requirements of the Girl Scouts of the United States of America (GSUSA).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Council have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

The Council presents information regarding its financial position and activities according to two classes of net assets described as follows:

- 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 Council. These net assets may be used at the discretion of the Council’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 Council or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of 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 disclosures 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. Significant estimates include allocation of functional expenses, asset lives, and fair value measurement of investments.

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Council’s ongoing services. Nonoperating activities, if any, are limited to other activities considered to be of a more unusual or nonrecurring nature.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. An entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Cash and Cash Equivalents Accounts

For purposes of the statements of cash flows, the Council considers all operating bank accounts consisting of highly liquid investments with an original maturity of three months or less as cash. Cash and cash equivalents held in the investment accounts are not considered cash for the purposes of the statements of cash flows.

Financial instruments which potentially subject the Council to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally insured limits. From time to time throughout the years ended September 30, 2022 and 2021, the Council's cash balance may have exceeded the federally insured limit. However, the Council has not experienced and does not expect to incur any losses in such accounts.

Receivables

Receivables consist mainly of grants receivable that are due from various granting agencies as well as amounts due from various troops for cookie sales. Receivables are stated at the amount that management expects to collect from outstanding balances. Management monitors the collection of its receivable balances on an ongoing basis. The Council provides for probable uncollectible amounts through a charge to earnings and a credit to the allowance for doubtful accounts when, in management's estimation, it is probable that the receivable is not collectible. The Council has determined that all amounts are collectible; accordingly, no allowance for potentially uncollectible accounts has been recorded at September 30, 2022 and 2021.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Beneficial Interest in Assets Held by Others

The Organization established accounts with the Community Foundation of Tampa Bay which are included within net assets with donor restrictions. The Organization's interest in the assets held by the Community Foundation of Tampa Bay is recorded at fair value and included in the accompanying statements of financial position. Earnings on these funds are earmarked to be distributed on a periodic basis to the Council and are recorded as revenue without donor restrictions in the accompanying statements of activities. As of September 30, 2022 and 2021, the fair value of these assets was \$91,088 and \$107,720, respectively. Unrealized gains and losses are included in the statements of activities under other changes in net assets.

Investments

Investments include marketable debt and equity securities and are stated at fair market value in the statements of financial position. Investment income or loss (including gains or losses on investments, interest, and dividends) is included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

Inventories

The Council maintains an inventory of Girl Scouting related equipment, uniforms, and badges for sale. The inventory is stated at the lower of cost or net realizable value on an average cost basis.

Property and Equipment

Property and equipment expenditures in excess of \$1,500 are capitalized at cost when purchased or, if donated, at estimated fair value. Improvements and betterments that materially prolong the useful lives of assets are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives with a range of three to thirty years.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies net assets with donor restrictions at that time.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Impairment of Long-Lived Assets

The Council evaluates its long-lived assets (including assets held for sale) for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. The Council evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values.

Revenue Recognition

Certain grants received by the Council are considered conditional contributions since the grant agreements require the Council to perform services, incur expenses or meet contract objectives in order to earn the grant funding. Advance payments received under these grants, if any, are deferred until earned. Revenue is earned and recognized in the financial statements when eligible expenses are incurred, services performed or grant objectives met.

Other grants and contributions without conditions are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Unconditional promises to give are reported at present value at the date the promise is received to the extent estimated to be collected by the Council. Other conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire during the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Revenues from cookie sales, program fees, retail store sales and sponsorships are considered exchange transactions. Revenues from exchange transactions are recognized when control of the goods and services are transferred to the Council's customers or program participants in an amount that reflects the consideration the Council expects to be entitled to in exchange for those goods or services. Payments received in advance of the transaction are recorded as deferred revenue.

Revenues from program fees and sponsorships are recognized at the conclusion of the individual event or activity. Revenues from cookie sales and retail store sales are recognized at the point in time when the customer takes possession of the goods being sold.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Donated Premises, Services, and Materials

Donated materials are recorded as support at their fair value at the date of donation. Contributions of services are recorded as support at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The value of contributed services meeting the requirements for recognition in the financial statements is recorded as unrestricted support at the date of the donation. There were no significant donated goods and services for the years ended September 30, 2022 and 2021, respectively. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Council, but these services do not meet the criteria for recognition as contributed services under US GAAP.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council. These functions are defined as follows:

- Program services - the costs associated with the Council's efforts to achieve the stated mission and goals.
- Management and general - the costs of operating the Council's offices, including gathering, processing, and maintaining financial information.
- Fundraising - the costs associated with soliciting contributions or holding special events for the benefit of the Council.

Advertising

Advertising costs are expensed as incurred and were approximately \$50,000 and \$38,000, respectively, for the years ended September 30, 2022 and 2021.

Income Tax Status

The Council is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Uncertain Tax Positions

The Council accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Council has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Council has determined that such tax position does not result in an uncertainty requiring recognition. The Council is not currently under examination by any taxing jurisdiction. The Council’s federal returns are generally open for examination for three years following the date filed.

Troops' Accounts and Activities

The accompanying financial statements do not include financial data for individual Girl Scout troops. Bank accounts held by troops are under the Council's federal identification number but not under the control of the Council. The Council has no signature authority nor does it access troop accounts, in accordance with the Council's established policies and procedures, other than for the purposes of closing dormant or forfeited accounts after an extended period of inactivity, and to process ACH payments to pay for product sales or event reimbursement or financial assistance. Annually, troops are required to report to the Council the balance in their accounts and the sources and uses of funds since the last reporting date.

Comparative Financial Information

The accompanying financial statements include certain prior year summarized comparative total amounts. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended September 30, 2021, from which the summarized information was derived.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Council's financial assets as of the financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	<u>2022</u>	<u>2021</u>
Financial Assets:		
Cash and cash equivalents	\$ 3,308,322	\$ 1,597,685
Receivables	<u>169,876</u>	<u>82,701</u>
Total financial assets	3,478,198	1,680,386
Less financial assets unavailable for general expenditures within one year due to:		
Donor restricted contributions for program activities	<u>132,303</u>	<u>86,112</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,345,895</u>	<u>\$ 1,594,274</u>

As part of the Council's liquidity management, it invests cash for long-term purposes in a variety of investments as described in **NOTE E**. These investments are available to meet the Council's liquidity requirements as determined by Council management.

NOTE D - RECEIVABLES

Grants receivable are included in receivables on the statements of financial position and at September 30, 2022 consist of three grants receivable totaling \$64,948. Grants receivable at September 30, 2021 consist of four grants receivable totaling \$27,222.

NOTE E - INVESTMENTS

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of financial position.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE E - INVESTMENTS - CONTINUED

Investments consist of the following at September 30:

	2022		2021	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Cash and cash equivalents	\$ 592,420	\$ 592,420	\$ 573,479	\$ 573,479
Bonds	3,490,525	2,981,752	3,013,520	3,021,136
Mutual funds	5,303,417	4,744,233	4,575,278	5,270,378
Equities	692,181	728,398	746,685	892,876
Total	<u>\$10,078,543</u>	<u>\$ 9,046,803</u>	<u>\$8,908,962</u>	<u>\$9,757,869</u>

The following schedule summarizes the investment return for the years ended September 30:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 239,481	\$ 134,088
Unrealized gain/(loss) on investments	(1,913,990)	546,930
Realized gain on investments	95,480	208,208
Net investment fees	(50,278)	(36,517)
	<u>(1,868,788)</u>	<u>718,621</u>
Total	<u>\$ (1,629,307)</u>	<u>\$ 852,709</u>

With regard to its invested assets, the Council has an investment policy with an overall objective of supporting the activities of the Council while providing long-term growth of assets at a level of risk deemed acceptable by the Council's Board of Directors. The Council funds its cash flow needs from investments rather than borrowing, which led to the creation of both short and long-term components of the Council's investment portfolio. The short-term component consists of highly liquid investments, while the long-term component consists primarily of equities. The Council maintains a prudent and diversified portfolio management by a third-party investment firm, subject to oversight by a Finance Committee staffed by volunteer professionals.

NOTE F - FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for investments measured at fair value at September 30, 2022 and 2021:

Cash and cash equivalents: The carrying amounts reported in the statements of financial position approximate the fair value due to the short maturities of those investments.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE F - FAIR VALUE MEASUREMENTS - CONTINUED

Bonds: Valued using quoted market prices and/or other observable market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models and other pricing models. These models are primarily industry standard models that consider various assumptions including time value and yield curve as well as other relevant economic measures.

Mutual funds: Valued at the closing prices reported on the applicable exchange on which the fund is traded.

Equities: Comprised of common stock valued at the closing price reported in the active market in which the individual securities are traded.

Beneficial interest in assets held by others: The investments are managed by an unrelated third party and are valued based upon the third-party information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values.

The following is a summary of the levels within the fair value hierarchy for the Council's assets measured at fair value on a recurring basis as of September 30, 2022 and 2021:

Assets by Designated Type	September 30, 2022			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 592,420	\$ 592,420	\$ -	\$ -
Bonds	2,981,752	-	2,981,752	-
Mutual funds	4,744,233	4,744,233	-	-
Equities	728,398	728,398	-	-
Beneficial interest in assets held by others	91,088	-	-	91,088
Total fair value	\$ 9,137,891	\$ 6,065,051	\$ 2,981,752	\$ 91,088

Assets by Designated Type	September 30, 2021			
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 573,479	\$ 573,479	\$ -	\$ -
Bonds	3,021,136	-	3,021,136	-
Mutual funds	5,270,378	5,270,378	-	-
Equities	892,876	892,876	-	-
Beneficial interest in assets held by others	107,720	-	-	107,720
Total fair value	\$ 9,865,589	\$ 6,736,733	\$ 3,021,136	\$ 107,720

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE F - FAIR VALUE MEASUREMENTS - CONTINUED

The following is a reconciliation of the Council's level 3 investments:

	<u>2022</u>	<u>2021</u>
Balance at beginning of the year	\$ 107,720	\$ 86,848
Investment income	1,018	1,710
Net appreciation (realized/unrealized)	(16,442)	20,280
Grant disbursements	<u>(1,208)</u>	<u>(1,118)</u>
	<u>\$ 91,088</u>	<u>\$ 107,720</u>

NOTE G - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30:

	<u>2022</u>	<u>2021</u>
Land	\$ 1,295,602	\$ 1,295,602
Buildings and improvements	10,717,746	10,456,229
Furnishings, equipment, and vehicles	2,132,828	1,978,537
Land and leasehold improvements	807,931	807,931
Livestock	<u>37,977</u>	<u>26,775</u>
	14,992,084	14,565,074
Less accumulated depreciation	<u>(7,800,033)</u>	<u>(7,434,421)</u>
Total	<u>\$ 7,192,051</u>	<u>\$ 7,130,653</u>

Depreciation expense was \$414,314 and \$412,060 for the years ended September 30, 2022 and 2021, respectively.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE H - NOTE PAYABLE

The Council had one note payable to a bank which was paid in full during the year ended September 30, 2022. The note required monthly payments of \$1,980 including interest at 3.75% and was secured by a vehicle. The note matured in February 2022.

NOTE I - ENDOWMENT

The Council's endowment (the Fund) consists of three individual funds held by the Community Foundation of Tampa Bay (CFTB) and a permanent endowment created through a Council-wide pledge campaign. The endowments held by CFTB were established by the Council for a variety of purposes and are held by a third-party trustee. As such, the Council has no direct influence over the investment policies governing the funds held with CFTB, but has a separate investment policy for the funds managed exclusively by the Council. As required by US GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Council has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Council classifies as net assets with donor restrictions of a permanent nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment funds that are not classified in net assets with donor restrictions of a permanent nature is classified as net assets with donor restrictions of a temporary nature until those amounts are appropriated for expenditure by the Council in accordance with the calculation provided in the donor agreement as calculated by CFTB.

**GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021**

NOTE I - ENDOWMENT - CONTINUED

In accordance with FUPMIFA, the Council considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds that are overseen by the Council:

- (1) The duration and preservation of the fund
- (2) The purposes of the Council and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Council
- (7) The investment policies of the Council

For the years ended September 30, 2022 and 2021, the Council has elected not to add appreciation for cost of living or other spending policies, due to inflation and other economic conditions, to its permanently restricted endowment.

Summary of endowment assets:

Net Assets by Designated Type	September 30, 2022		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Donor-restricted endowment funds	\$ -	\$ 239,377	\$ 239,377
Total	\$ -	\$ 239,377	\$ 239,377

Net Assets by Designated Type	September 30, 2021		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Donor-restricted endowment funds	\$ -	\$ 287,457	\$ 287,457
Total	\$ -	\$ 287,457	\$ 287,457

**GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021**

NOTE I - ENDOWMENT - CONTINUED

Changes in endowment net assets for the years ended September 30 include:

<u>September 30, 2022</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 287,457	\$ 287,457
Grant disbursements	-	(1,208)	(1,208)
Investment income	-	4,170	4,170
Realized and unrealized losses on investments	-	(51,042)	(51,042)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 239,377</u>	<u>\$ 239,377</u>
<u>September 30, 2021</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 235,404	\$ 235,404
Grant disbursements	-	(1,118)	(1,118)
Investment income	-	4,549	4,549
Realized and unrealized gains on investments	-	48,622	48,622
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 287,457</u>	<u>\$ 287,457</u>

In regards to the Council's permanently restricted endowment fund, all investment income and appreciation of the endowment is considered permanently restricted and added to the original value of the gift until the endowment reaches a donor directed level in accordance with the donor agreement.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE J - RETIREMENT PLANS

The Council participates in the National Girl Scout Council Retirement Plan (NGSCR), a noncontributory defined benefit pension plan sponsored by Girl Scouts of the USA. The National Board of Girl Scouts of the USA voted to freeze the plan to new entrants and to freeze future benefit accruals for all current participants under the Plan effective July 31, 2010. The plan covers substantially all of the employees of various Girl Scout councils who were eligible to participate in the plan prior to the Plan freeze. Accrued and vested benefits prior to July 31, 2010 are based on years of service and salary levels.

Net Plan assets grew during the year and are greater than the actuarial present value of accumulated Plan benefits as of January 1, 2022. On April 8, 2014, President Obama signed H.R. 4275 into law, a relief package unanimously passed by Congress that gives NGSCR the flexibility to adopt the Pension Protection Act (PPA) funding requirements immediately or not at all. NGSCR has elected to adopt this relief and not be subject to PPA. In September 2020, the National Board of Girl Scouts of the USA approved to lower the contributions from \$30 million to \$26 million starting in calendar year 2023 until the Plan is fully funded on a market basis. Aggregate annual contributions made in fiscal years 2021 and 2022 were \$32.7 million and \$32.2 million, respectively. Aggregate contributions to be made in fiscal 2023 are expected to be \$27.55 million.

Net Plan assets available and Plan liabilities are as follows:

	2022	2021
Fair value of Plan assets	\$ 384,901,000	\$ 513,905,000
Accumulated liability of the Plan	\$ 496,300,000	\$ 669,700,000
Plan funded ratio	78%	77%

The risks of participating in multiemployer plans are different from single-employer plans in the following aspects:

- a. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

Contributions made by the Council in fiscal years 2022 and 2021 were \$439,831 and \$440,628, respectively. These contributions were not greater than 5% of total plan contributions during 2022 and 2021.

The Council also maintains a 401(k)-retirement plan, in which the council will make a matching contribution not to exceed 2% of each individual's salary. The amount contributed to the 401(k) plan during 2022 and 2021 was \$26,113 and \$28,163, respectively.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE K - RELATED PARTY TRANSACTIONS

The Council is a chartered member of GSUSA. As part of being a chartered member, the Council collects and passes through membership fees on behalf of GSUSA. The total paid to GSUSA by the Council for membership dues collected on behalf of GSUSA in 2022 and 2021 was \$53,605 and \$39,600, respectively. The Council purchases a majority of its merchandise inventory from GSUSA. In 2022 and 2021, approximately 77% and 71%, respectively, of the Council's merchandise inventory purchases were from GSUSA.

As part of the Council's product sales program, a portion of proceeds from the sale of items is retained by the troops and groups participating in the program. The amount of proceeds retained per troop or group varies and is based on the number of items sold by that particular troop or group. In 2022 and 2021, troops and groups retained approximately \$1,600,000 and \$1,300,000, respectively, in the Council's product sales program.

NOTE L - CONCENTRATION RISK

The Council received approximately 51% and 66% of its operating funds from the program-related sale of cookie products during 2022 and 2021, respectively. Due to licensing restrictions imposed by GSUSA, only two national suppliers are authorized to produce Girl Scout cookie products. This limited amount of suppliers may represent a business risk to the Council, and any adverse change in a supplier's ability to provide an adequate amount of goods for resale may have a negative impact on the Council's operations.

NOTE M - OPERATING LEASES

The Council leases office equipment under non-cancelable operating leases. Lease expense for the years ended September 30, 2022 and 2021 was approximately \$89,000 and \$65,000, respectively.

Future minimum payments due on the leases are as follows:

<u>Years Ending September 30,</u>	<u>Amount</u>
2023	\$ 40,659
2024	38,280
2025	21,916
2026	16,462
2027	818
	<u>\$ 118,135</u>

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE N - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of September 30:

	<u>2022</u>	<u>2021</u>
Temporary restrictions:		
Restricted contributions for programs	\$ 132,302	\$ 86,112
Restricted for capital improvements	<u>-</u>	<u>1,000,000</u>
Total net assets with temporary restrictions	132,302	1,086,112
Permanent restrictions:		
Scholarship fund endowment	13,201	16,654
Endowment	<u>226,176</u>	<u>270,803</u>
Total net assets with permanent restrictions	<u>239,377</u>	<u>287,457</u>
Total net assets with donor restrictions	<u>\$ 371,679</u>	<u>\$ 1,373,569</u>

Net assets of \$1,015,745 and \$28,698 were released from restrictions during the years ended September 30, 2022 and 2021, respectively, by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors.

NOTE O - SELF-INSURANCE

The Council is self-insured for certain losses related to unemployment compensation and medical claims losses. The expected ultimate costs for claims incurred are recognized as liabilities in the accompanying statements of financial position and are estimated based principally on an analysis of historical claims data and estimates of claims incurred but not reported. Losses are accrued and charged to operations when it is probable that a loss has been incurred and the amount can be reasonably estimated. The Council maintains third-party stop-loss insurance policies to cover health insurance liability costs in excess of predetermined retained amounts. Costs related to the administration of the plans and related claims are expensed as incurred. At September 30, 2022 and 2021, self-insurance related liabilities of approximately \$153,000 and \$98,000, respectively, were included in accrued liabilities in the accompanying statements of financial position. The Council had approximately \$80,000 and \$85,000 on deposit to cover claims at September 30, 2022 and 2021, respectively, which are included in prepaid expenses in the accompanying statements of financial position.

NOTE P- CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

Paycheck Protection Program

In response to the coronavirus (COVID-19) outbreak in 2020, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE P- CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT - CONTINUED

In April 2020, the Council received a PPP loan in the amount of \$870,000. The Council used the proceeds from the loan for qualifying expenses and received forgiveness in September 2021 of \$870,000. Income from forgiveness of the PPP loan is included in the statement of activities for the year ended September 30, 2021.

In April 2021, the Council obtained a second PPP loan in the amount of \$853,190. The Council used the proceeds from the loan for qualifying expenses and received forgiveness in July 2022 of \$853,190. Income from forgiveness of the second PPP loan is included in the statement of activities for the year ended September 30, 2022.

Employee Retention Credit

The Council has determined it is eligible for the Employee Retention Credit (ERC) under the Cares Act. The Council has elected to treat amounts claimed under the ERC program as an in-substance government grant and the accounting aligned with conditional contributions. For calendar year 2020, the ERC provides for refundable tax credits against certain employment taxes up to \$5,000 per employee. For calendar year 2021, the credits are up to \$7,000 per employee per quarter. The ERC program terminated September 30, 2021. Credits are claimed by filing amended employer tax returns. At September 30, 2021, the Council had recorded a receivable of \$993,661 and other income of \$943,978, net of related fees of \$49,683. These amounts are included in the accompanying statements of financial position and statements of activities as of and for the year ended September 30, 2021. At September 30, 2022, \$586,945 of the original receivable amount remains to be collected.

NOTE Q - RISKS AND UNCERTAINTIES

Covid-19

In March 2020, the World Health Organization classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on The Council's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global response to curb its spread, The Council is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the year ended September 30, 2023.

Government Grants

The Council receives a substantial amount of support from grantor agencies for its programs. If this support were to be reduced or eliminated, it could affect the operation of the supported programs. In addition, the Council is subject to audit examination by grantor agencies. In the event that reimbursed expenditures were disallowed, repayments would be required. Management believes the Council is in compliance with the terms of its grant agreements.

GIRL SCOUTS OF WEST CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE Q - RISKS AND UNCERTAINTIES - CONTINUED

CARES Act

As described in **NOTE P**, the Council recognized income from forgiveness of debt of \$1,723,190 and income from the Employee Retention Credit program of \$943,978. Laws and regulations governing CARES Act programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future governmental review and interpretation. The Council believes it is in compliance with all applicable laws and regulations governing CARES Act programs in which it has participated.

NOTE R - ESCROW RECEIVABLE

During the year ended September 30, 2021, the Council sold a parcel of land adjacent to Camp Dorothy Thomas. The land had been held for sale for several years. The selling price of the land was \$3,715,000 and the Council realized a gain on the sale of approximately \$3,569,000. In addition to the sales price, the buyer agreed to fund a \$1,000,000 escrow account subject to an escrow agreement. Under the terms of the escrow agreement, the Council can draw from the escrow account to make improvements to Camp Dorothy Thomas. If the entire \$1,000,000 is not used by the Council for such improvements to Camp Dorothy Thomas within one year of the closing date of the sale, March 19, 2021, then the remaining funds in the escrow account will revert to the Council's general funds. At September 30, 2021, the Council had recognized a receivable from the escrow account of \$1,000,000 which is included in the accompanying statements of financial position. The \$1,000,000 receivable from the escrow account was collected by the Council during the fiscal year ended September 30, 2022.

NOTE S - CORRECTION OF AN ERROR

During the fiscal year ended September 30, 2022, management determined there was an error in the previously issued financial statements. The error overstated accumulated depreciation and understated net assets without donor restrictions by \$148,936 at September 30, 2021 and 2020. Since this error occurred prior to the year ended September 30, 2021, correcting the error had no impact on the change in net assets for the year ended September 30, 2021.

NOTE T - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 31, 2023, the financial statements were available to be issued. Management is not aware of any subsequent events which would require recognition or disclosures in the financial statements.