

**GIRLS ON THE RUN LAS VEGAS**

**FINANCIAL STATEMENTS**

**JUNE 30, 2019**

**GIRLS ON THE RUN LAS VEGAS  
FINANCIAL STATEMENTS  
JUNE 30, 2019**

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*Independent Auditor's Report*

To the Board of Directors  
Girls on the Run Las Vegas

We have audited the accompanying financial statements of Girls on the Run Las Vegas (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year 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 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 Girls on the Run Las Vegas as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Ellsworth & Stout, LLC*

Las Vegas, Nevada  
February 6, 2020



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**GIRLS ON THE RUN LAS VEGAS  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2019**

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**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$	188,215
Inventory		2,866
Prepays and other		1,930
<b>Total Assets</b>	<b>\$</b>	<b>193,011</b>

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts payable	\$	2,427
Accrued expenses		5,873
<b>Total current liabilities</b>		<b>8,300</b>

**Net Assets:**

Without donor restrictions		184,711
<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>193,011</b>

*See accompanying notes to the financial statements.*

**GIRLS ON THE RUN LAS VEGAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

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**Net Assets without Donor Restrictions**

Revenue and other support:

Grant income	\$ 76,868
Program revenue	43,317
Sponsorship income	29,629
Contributions	22,987
In-kind donations	10,434
Merchandise sales	4,679
Interest and other income	38
Net assets released from restrictions	<u>20,000</u>

207,952

Expenses:

Program services	197,667
Supporting services:	
Fundraising	4,507
Management and general	<u>23,527</u>

225,701

Decrease in net assets without donor restrictions (17,749)

**Net Assets with Donor Restrictions**

Net assets released from restrictions (20,000)

**Decrease in Net Assets**

(37,749)

**Net Assets, Beginning of Year**

222,460

**Net Assets, End of Year**

\$ 184,711

*See accompanying notes to the financial statements.*

**GIRLS ON THE RUN LAS VEGAS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019**

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	<u>Program</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Dues and subscriptions	\$ 5,631	\$ -	\$ -	\$ 5,631
Insurance	2,985	37	709	3,731
Lease expense	8,958	560	1,680	11,198
Miscellaneous	-	-	8,037	8,037
Office expense	3,971	530	794	5,295
Payroll	97,548	2,168	8,671	108,387
Professional fees	19,391	1,212	3,636	24,239
Program expense	59,183	-	-	59,183
	<u>\$ 197,667</u>	<u>\$ 4,507</u>	<u>\$ 23,527</u>	<u>\$ 225,701</u>

*See accompanying notes to the financial statements.*

**GIRLS ON THE RUN LAS VEGAS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**Cash Flows from Operating Activities**

Decrease in net assets	\$	(37,749)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Changes in operating assets and liabilities:		
(Increase) decrease in inventory		(801)
(Increase) decrease in prepaid expenses		(135)
Increase (decrease) in accounts payable		(29,481)
Increase (decrease) in accrued expenses		747
Net cash used in operating activities		<u>(67,419)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>		<b>(67,419)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>		<u>255,634</u>
<b>Cash and Cash Equivalents, End of Year</b>	\$	<u><u>188,215</u></u>

*See accompanying notes to the financial statements.*

**GIRLS ON THE RUN LAS VEGAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

This summary of significant accounting policies of Girls on the Run Las Vegas (the “Organization”) is presented to assist in understanding the Organization’s financial statements. The financial statements and notes are representations of the Organization’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Nature of the Organization**

The Organization was incorporated on December 17, 2010, as a nonprofit 501(c)(3) corporation under the laws of the State of Nevada.

The Organization is a developmental youth sports program (DYS) for 3<sup>rd</sup> – 8<sup>th</sup> grade girls that combines goal-oriented training for a 3.1 mile (5k) distance with positive youth development curriculum. The mission of the Organization is to inspire girls to be joyful, healthy and confident using a fun, experience-based curriculum which creatively integrates running. The program boosts self-esteem and empowers girls, encouraging them to engage in healthy, active lifestyles that will translate to a life-time of good choices and positive behaviors.

In addition to the physical training, the Organization’s program includes a three-part curriculum based on physical, psychological and social developmental aspects. Over a 10-week period, teams consisting of 8-20 girls and 3 coaches meet twice a week for 90-minute sessions. During each session, girls go through a warm up, stretch and strengthen period, workout and processing time where they receive a healthy snack and talk about what they learned that day. The workouts are conducted either on school grounds, neighboring parks or local Boys & Girls Clubs. The sessions are built around a week’s specific lesson delivered by trained coaches equipped with program-funded supplies and easy-to-follow curriculum.

In spring 2016, the Las Vegas council added the “Heart & Sole” curriculum to its program offerings and now extends their impact to the 6<sup>th</sup> – 8<sup>th</sup> grades as well. Heart & Sole uses the “girl wheel” to help direct participant-led sessions involving the brain, heart, spirit, body and social aspects seen in this stage of girl development. Whether in the elementary or middle school program, all sessions are designed to be fun and interactive while delivering important life-skill messaging, encouraging peer-to-peer connections, promoting community mindedness, physical activity and overall wellness.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Accordingly, actual results could differ from those estimates.

**Basis of Presentation**

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The Organization presents a classified statement of financial position with additional qualitative information about the availability of resources and liquidity in Note 2.

The accompanying financial statements have been presented in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations, principally Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under ASC 958 (as amended by Accounting Standards



**GIRLS ON THE RUN LAS VEGAS**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**JUNE 30, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation (Continued)**

Update (ASU) 2016-14), the Organization is required to report information regarding its financial position and changes in financial position according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions. The classification of net assets is based on the existence or absence of donor-imposed restrictions. Net assets are released from donor restriction by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other event specified by donors.

**Cash and Cash Equivalents**

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

**Inventory**

Inventories are valued at the lower of cost or market value. Donated items are recorded at estimated fair value at the date of donation.

**Revenue Recognition**

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or the purpose of a restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

**Contributed Materials and Services**

The Organization records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

The Organization received the following in-kind contributions in the current year:

Goods	\$ 6,634
Services	3,800
	<u>\$ 10,434</u>

In addition, a number of volunteers have donated their time to the Organization and its programs. These donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

**GIRLS ON THE RUN LAS VEGAS**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**JUNE 30, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

In November 2011, the Organization received notification from the Internal Revenue Service that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a public charity under Sections 509(a)(1) and 170(b)(1)(A)(vi). As such, the Organization is exempt from Federal income tax. Therefore, no provision for income taxes is made in the accompanying financial statements.

As defined by ASC Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

The Organization is no longer subject to potential income tax examinations by tax authorities for years before 2016.

**Advertising**

Advertising costs are expensed as incurred.

**Allocation Methodology**

The statement of functional expenses presents expenditures by both their nature and their function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on management's estimate of time and effort, except for the expenses labeled dues and subscriptions, miscellaneous and program expense which are direct expenses.

**NOTE 2 – LIQUIDITY AND AVAILABILITY**

The Organization has \$188,215 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of \$188,215 of cash and cash equivalents. Contractual or donor-imposed restrictions are not available for general expenditure. As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 3 – CONCENTRATIONS**

The Organization received approximately 29% of their support for the year ended June 30, 2019 from two donors.

**NOTE 4 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 6, 2020, which is the date the financial statements were available to be issued. No events were identified that would require additional disclosure.