

THE GLOBAL VILLAGE PROJECT, INC.

AUDITED FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

AND

SUPPLEMENTARY INFORMATION

Together with

INDEPENDENT AUDITOR'S REPORT

THE GLOBAL VILLAGE PROJECT, INC.

AUDIT REPORT

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JULY 31, 2022 AND 2021

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December 20, 2022

INDEPENDENT AUDITOR'S REPORT

To the Management
and Board of Directors of
The Global Village Project, Inc.

Opinion

We have audited the accompanying financial statements of The Global Village Project, Inc. (a nonprofit organization), which comprise the statements of financial position as of July 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, 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 The Global Village Project, Inc. as of June 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Global Village Project, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Global Village Project, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 Global Village Project, Inc.'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 Global Village Project, Inc.'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.

Long & Company, P.C.
Certified Public Accountants

THE GLOBAL VILLAGE PROJECT, INC.

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2022 AND 2021

ASSETS	2022	2021
Current Assets:		
Cash and cash equivalents	\$ 2,376,734	\$ 1,654,252
Investments	932	-
Contributions and grants receivable - net	356,862	233,495
Prepaid expenses	<u>16,625</u>	<u>15,087</u>
Total Current Assets	<u>2,751,153</u>	<u>1,902,834</u>
Property and equipment - net	<u>57,750</u>	<u>85,896</u>
Other Asset		
Contributions and grants receivable - less current portion	<u>315,731</u>	<u>62,500</u>
TOTAL ASSETS	<u>\$ 3,124,634</u>	<u>\$ 2,051,230</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 46,519	\$ 28,037
Refundable advance	<u>-</u>	<u>155,458</u>
Total Liabilities	<u>46,519</u>	<u>183,495</u>
Net Assets		
Without donor restrictions	1,780,615	1,594,235
With donor restrictions	<u>1,297,500</u>	<u>273,500</u>
Total Net Assets	<u>3,078,115</u>	<u>1,867,735</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,124,634</u>	<u>\$ 2,051,230</u>

See accompanying notes which are an integral part of these financial statements

THE GLOBAL VILLAGE PROJECT, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JULY 31, 2022

REVENUES, GAINS, AND SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 1,176,642	\$ 1,221,300	\$ 2,397,942
Contributed use of space	85,110	-	85,110
Special events (net of direct cost of benefit to donors of \$45,925)	310,914	-	310,914
Investment return	1,311	-	1,311
Net assets released from restrictions	<u>197,300</u>	<u>(197,300)</u>	<u>-</u>
Total Revenue and Support	<u>1,771,277</u>	<u>1,024,000</u>	<u>2,795,277</u>
EXPENSES			
Program Services	1,098,055	-	1,098,055
Supporting Services			
Management and general	192,703	-	192,703
Fundraising	<u>294,139</u>	<u>-</u>	<u>294,139</u>
Total Expenses	<u>1,584,897</u>	<u>-</u>	<u>1,584,897</u>
Change in Net Assets	186,380	1,024,000	1,210,380
NET ASSETS AT BEGINNING OF YEAR	<u>1,594,235</u>	<u>273,500</u>	<u>1,867,735</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,780,615</u>	<u>\$ 1,297,500</u>	<u>\$ 3,078,115</u>

See accompanying notes which are an integral part of these financial statements

THE GLOBAL VILLAGE PROJECT, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JULY 31, 2021

REVENUES, GAINS, AND SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 1,116,345	\$ 257,500	\$ 1,373,845
Contributed use of space	85,110	-	85,110
Special events (net of direct cost of benefit to donors of \$1,061)	83,380	-	83,380
Investment return	2,476	-	2,476
Net assets released from restrictions	<u>365,371</u>	<u>(365,371)</u>	<u>-</u>
 Total Revenue and Support	 <u>1,652,682</u>	 <u>(107,871)</u>	 <u>1,544,811</u>
 <u>EXPENSES</u>			
Program Services	947,175	-	947,175
Supporting Services			
Management and general	144,375	-	144,375
Fundraising	<u>296,313</u>	<u>-</u>	<u>296,313</u>
 Total Expenses	 <u>1,387,863</u>	 <u>-</u>	 <u>1,387,863</u>
 Change in Net Assets	 264,819	 (107,871)	 156,948
 NET ASSETS AT BEGINNING OF YEAR	 <u>1,329,416</u>	 <u>381,371</u>	 <u>1,710,787</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 1,594,235</u>	 <u>\$ 273,500</u>	 <u>\$ 1,867,735</u>

See accompanying notes which are an integral part of these financial statements

THE GLOBAL VILLAGE PROJECT, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JULY 31, 2022 AND 2021

	Supporting Services							
	Program Services		Management and General		Fundraising		Total Expenses	
	2022	2021	2022	2021	2022	2021	2022	2021
Salaries	\$ 624,202	\$ 554,179	\$ 92,428	\$ 35,822	\$ 224,167	\$ 203,280	\$ 940,797	793,281
Fringe Benefits	107,630	80,767	13,143	4,948	29,107	22,739	149,880	108,454
Total Salaries and Fringe Benefits	731,832	634,946	105,571	40,770	253,274	226,019	1,090,677	901,735
Bank & Credit Card Fees	-	-	7	1,570	10,427	-	10,434	1,570
Contracted Services	67,386	106,004	7,875	32,338	500	14,659	75,761	153,001
Depreciation	18,674	33,918	2,765	2,192	6,707	12,442	28,146	48,552
Dues and Subscriptions	2,175	1,855	3,719	4,087	1,200	1,506	7,094	7,448
Insurance	7,188	6,781	-	-	-	-	7,188	6,781
Instructional Materials and resources	37,752	40,378	-	-	-	-	37,752	40,378
Marketing	-	-	-	-	2,153	3,436	2,153	3,436
Occupancy	106,692	84,753	8,154	5,478	12,237	31,089	127,083	121,320
Other	-	-	500	25	-	-	500	25
Printing & Postage	2,109	2,534	919	18	2,834	3,047	5,862	5,599
Professional Fees	-	-	38,428	39,754	-	-	38,428	39,754
Staff Development	6,333	3,276	16,142	15,083	2,020	380	24,495	18,739
Student Meals	33,523	12,064	-	-	-	-	33,523	12,064
Student Field Trips	15,795	5,544	1,125	-	-	-	16,920	5,544
Student Transportation	50,371	8,520	-	-	-	-	50,371	8,520
Supplies	13,423	3,138	7,046	2,627	2,466	3,302	22,935	9,067
Telephone/Internet	4,802	3,464	452	433	321	433	5,575	4,330
TOTAL EXPENSES	\$ 1,098,055	\$ 947,175	\$ 192,703	\$ 144,375	\$ 294,139	\$ 296,313	\$ 1,584,897	\$ 1,387,863

See accompanying notes which are an integral part of these financial statements

THE GLOBAL VILLAGE PROJECT, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2022 AND 2021

	2022	2021
Change in Net Assets	\$ 1,210,380	\$ 156,948
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	28,146	48,552
Donation of common stock	(4,901)	-
(Gain) loss on sales of donated stock	16	-
Unrealized (Gain) loss on sales of donated stock	106	-
(Increase) decrease in operating assets:		
Contributions and grants receivable	(376,598)	(45,577)
Prepaid expenses	(1,538)	1,638
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	18,482	(12,035)
Refundable advance	(155,458)	58
Net Cash Provided by Operating Activities	<u>718,741</u>	<u>149,584</u>
Cash Flows from Investing Activities		
Proceeds from sale of donated stock	3,741	-
Purchases of property and equipment	<u>-</u>	<u>(3,200)</u>
Net Cash (Used) by Investing Activities	<u>3,741</u>	<u>(3,200)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	722,482	146,384
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,654,252</u>	<u>1,507,868</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,376,734</u>	<u>\$ 1,654,252</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Donation of common stock	<u>\$ 4,901</u>	<u>\$ -</u>

See accompanying notes which are an integral part of these financial statements

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

NATURE OF ACTIVITIES AND PROGRAM DESCRIPTIONS

Mission and Vision Statements

The Global Village Project, Inc. is an innovative special purpose school for refugee girls and young women with interrupted schooling. The Organization's mission is to reactivate the education of refugee girls so that they can access all the benefits of a holistic education.

The vision of The Global Village Project, Inc. is to ensure that all refugee girls and young women with interrupted schooling have access to the education necessary to pursue their dreams.

Program Description

The Global Village Project, Inc. ("GVP") was incorporated in 2009 and operates a special purpose middle school for refugee girls and young women aged 11-19. The school's innovative high school preparatory program is designed to equip recently arrived young women with the academic and social knowledge and skills needed for successful study in a high school. The school serves 40-50 students each year who pay no tuition. Lunch at Agnes Scott College and transportation are provided free of charge. Over a hundred volunteers support the academic program each week. Most students that complete the academic program enter public high schools in DeKalb County, Georgia. GVP serves additional students through its mentor program, designed to ensure that the gains made at GVP allow them to complete their education. GVP is supported by private contributions and a government grant.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The Organization classifies revenues, gains, expenses, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor-imposed restrictions. The Board, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes.
- *Net Assets with Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by the actions of the Organization or the passage of time. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. If a restriction is fulfilled during the same year in which the contribution is received, the Organization reports that support as an increase in net assets without donor restrictions. As of July 31, 2022 and 2021, the Organization did not have any net assets maintained in perpetuity.

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates in Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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 initial maturity of three months or less to be cash equivalents.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Donated securities are recorded at their estimated fair values, or by their net asset values as determined by the Institute's management on the dates of donation. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Revenue Recognition

Contributions and Grants and Promises to Give

The Organization recognizes contributions and grants when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

The Organization receives federal, state, and local government grants. Government grants are generally accounted for as conditional contributions until grant funds are spent in accordance with applicable grant requirements.

Conditional contributions and grants that are received prior to conditions being met are reported in the statement of financial position as refundable advances.

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Materials, Services, and Marketable Securities

Contributions of nonfinancial assets such as donated use of space, noncash materials, and assets are recorded at their fair market values in the period received. The Organization records such gifts as net assets without restrictions unless explicit donor stipulations specify how the donated assets must be used. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Property and Equipment

All acquisitions of property and equipment in excess of \$2,500 are capitalized. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair market value at the date of donation. Depreciation of property is computed on a straight-line basis over the estimated service lives of the assets. The following lives have been assigned to the capitalized assets:

Computer and Office Equipment	5 years
Furniture & Fixtures	5 -10 years
Books and Literary Readers	3-5 years
School Buses	5 years
Leasehold improvements	5 years

Donations of property and equipment are recorded as support at their estimated fair market value. Such donations are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions regarding their use and contributions of cash that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations regarding how long the long-lived assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Tax-Exempt Status

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. The Organization did not have an unrelated business income tax liability as of July 31, 2022 and 2021. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of July 31, 2022 and 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. In general, the Organization is no longer subject to tax examinations for the tax years ending before July 31, 2019.

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include personnel costs, depreciation, professional services, office expenses, insurance, and occupancy, which are allocated on the basis of estimates of time and effort.

Fair Value Measurements

Fair value is 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 the measurement date. There are three levels of inputs that may be used in the methodology to measure fair value:

- **Level 1** – quoted prices (unadjusted) in active markets that are accessible at the measurement date for the assets or liabilities;
- **Level 2** – observable prices that are based on inputs not quoted in active markets, but corroborated by market data; and
- **Level 3** – unobservable inputs are used when little or no market data is available

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The availability of relevant market data is monitored by the Institute's management to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

As of July 31, 2022, and 2021, cash and cash equivalents and contributions receivable carrying amounts approximate fair value based on their short-term availability.

Newly Adopted Accounting Pronouncement

During 2022, GVP adopted FASB ASU No. 2020-07, *Presentation and Disclosures by Not-for Profit Entities for Contributed Nonfinancial Assets*. This ASU requires not-for-profit entities to present contributed nonfinancial assets in the statement of activities separately from other contributions. Additionally, the ASU enhances disclosure regarding the entity's policies related to the monetization or utilization of the contributed nonfinancial assets. There was no change in net assets as a result of the adoption of this ASU.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)," which replaces the existing guidance in ASC 840 - Leases. This ASU requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use asset and a corresponding lease liability. For finance leases, the lessee would recognize interest expense and amortization of the right-of-use asset and for operating leases, the lessee would recognize a straight-line total lease expense. This ASU is effective for the Organization's year ending July 31, 2023.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events Date of Review

Management has evaluated subsequent events through December 20, 2022, which was the date the financial statements were available to be issued

Note 2 – INVESTMENTS

Investments consisted of the following as of the years ended July 31, 2022 and 2021:

	2022	2021
Publicly traded common stock	\$ 932	\$ -
Total Investments	\$ 932	\$ -
Investment return is summarized as follows:		
Interest income	\$ 1,433	\$ 2,476
Realized gains (losses) on investments	(16)	-
Unrealized gains (losses) on investments	(106)	-
Total	\$ 1,311	\$ 2,476

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 3 - CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable represents unconditional promises to give by donors. Amounts that are expected to be collected in more than one year have been discounted using a rate of 3.39% as of July 31, 2022, and .69%% as of July 31, 2021, and are reported in the financial statements at their net present value. Contributions and grants receivable consisted of the following as of July 31, 2022, and 2021:

	<u>2022</u>	<u>2021</u>
Due in less than one year	\$ 378,237	\$ 234,346
Due in one to five years	337,500	62,500
Total unconditional promises to give	715,737	296,846
Less discount to present value	(21,769)	(851)
Less allowance for uncollectible promises to give	(21,375)	-
Total Contributions Receivable	<u>\$ 672,593</u>	<u>\$ 295,995</u>

Classified on the Statement of financial position:

Current	\$ 356,862	\$ 233,495
Noncurrent	315,731	62,500
Total	<u>\$ 672,593</u>	<u>\$ 295,995</u>

Note 4 – CONDITIONAL PROMISES TO GIVE

GVP received government grant contracts that expire after the end of fiscal year. The unused portion of the grants that remained as of the end of the fiscal year are considered conditional promises to give and will be recognized as revenue when allowable expenses are incurred in the next fiscal year. Conditional promises to give related to government grant contracts totaled \$18,797 as of July 31, 2022, and \$23,225 as of July 31, 2021

Note 5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of July 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Computers and office equipment	\$ 110,505	\$ 115,500
Furniture and fixtures	82,019	82,019
Literary readers	9,184	9,184
School buses	112,935	112,935
Leasehold improvements	23,230	23,230
	337,873	342,868
Less Accumulated Depreciation	(280,123)	(256,972)
Total fixed assets - net	<u>\$ 57,750</u>	<u>\$ 85,896</u>
Depreciation Expense	<u>\$ 28,146</u>	<u>\$ 48,552</u>

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 6 – REFUNDABLE ADVANCES

On May 6, 2020, GVP secured a loan of \$155,400 in connection with the US Government's Payroll Protection Program (PPP). The PPP was established by the Coronavirus Aid, Relief and Economic Security (CARES) Act and provides loans to qualifying businesses to keep their workers on payroll during the COVID-19 pandemic. The loan was to mature on May 6, 2021 and with interest at a rate of 1%, with a deferral of payments for the first six months. The loan and accrued interest were eligible for forgiveness if the funds are used for eligible payroll, benefit, and other qualified expenses during the 24- week covered period. The loan was accounted for as a donor advance on a conditional grant from the US Government as of July 31, 2020. The loan was fully forgiven on February 22, 2021 and was recognized as grant revenue in the statement of activities for the year ended July 31, 2021.

The Organization received a second PPP loan on February 22, 2021 in the amount of \$155,458. The loan was to mature on February 22, 2026 with interest at the rate of 1%, with loan payments due after a deferral period. Similar to the first PPP loan, the second PPP loan was eligible to be fully forgiven if used to pay for eligible payroll and other costs. The loan was accounted for as a donor advance on a conditional grant from the US Government, as of July 31, 2021. The second PPP loan was forgiven on September 29, 2021 and was recognized as grant revenue in the statement of activities for the year ended July 31, 2022.

Note 7 – NONCASH CONTRIBUTIONS

The Organization received donated use of facilities during the year ended July 31, 2022 and 2021. The donated space was provided by a church to operate its program. The Organization recorded contribution revenue without donor restriction and a corresponding expense based on the estimated fair market value of the donations. The amount recorded as contribution revenue for the years ended July 31, 2022 and 2021 was \$85,110.

Note 8 – CASH BALANCES IN EXCESS OF FDIC

The Organization maintains its cash balances at three financial institutions. Deposits are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization participates in the IntraFi network program which insures deposits above the \$250,000 FDIC threshold. Bank balances may slightly exceed insured limits from time-to-time. The Organization's deposits in excess of insured limits were \$249 as of July 31, 2022, and \$1,126,611 as of July 31, 2021.

Note 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were held for the following purposes time restrictions as of July 31, 2022 and 2021:

	2022	2021
STEAM program	\$ -	\$ 48,000
Time restricted	227,500	200,500
Social & emotional learning	500,000	25,000
Math program	550,000	-
Capital Campaign feasibility	20,000	-
	<u>\$ 1,297,500</u>	<u>\$ 273,500</u>

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 10 – FAIR VALUE MEASUREMENTS

Fair values of assets and liabilities measured on a recurring basis as of July 31, 2022, and 2021, are as follows:

	2022			
	Fair Value	Level 1	Level 2	Level 3
Corporate Stock	<u>\$ 932</u>	<u>\$ 932</u>	<u>\$ -</u>	<u>\$ -</u>
	2021			
	Fair Value	Level 1	Level 2	Level 3
Corporate Stock	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

Note 11 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2022	2021
Total financial assets at year-end:		
Cash and cash equivalents	\$ 2,376,734	\$ 1,654,252
Investments	932	\$ -
Contributions and grants receivable	672,593	233,495
Total financial assets as of July 31	3,050,259	1,887,747
Less amounts with donor restrictions for periods of more than one year	(315,731)	(62,500)
Total financial assets available to meet cash needs for general expenses within one year	\$ 2,734,528	\$ 1,825,247

As part of its plan to manage liquid assets, the Organization maintains a long-term reserve of approximately six months of operations. In addition, the Organization's goal is to maintain short-term cash to fund 90 days of operations. The Organization invests excess cash conservatively in a Certificate of Deposit Account Registry Services ("CDARS") to attain the highest interest rate, while still preserving capital.

THE GLOBAL VILLAGE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

Note 11 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)

The Organization has certain donor-restricted net assets that are available for general expenditures within one year of July 31, 2022 and 2021, because the restrictions on the net assets are expected to be met by conducting the normal activities of the programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year.

Note 12 – LEASE COMMITMENT

On December 31, 2019, the Organization entered into a lease agreement with a church for the use of space for its operations. The term of the lease is for twenty-nine (29) months with 2 one-year renewal options. The Organization is required to pay \$3,000 per month which includes rent and utilities. The rent payment is below market. The value of the donated use of the space is recorded as a noncash donation.

The Organization leases a copier under an operating lease. The lease commenced on December 4, 2019, with a term of thirty-nine (39) months. The monthly lease payment is \$400.

Future minimum lease payments under operating leases are as follows as of July 31, 2022:

<u>Fiscal Years Ending July 31:</u>	
2023	<u>\$ 38,797</u>

THE GLOBAL VILLAGE PROJECT, INC.

SUPPLEMENTAL INFORMATION

JULY 31, 2022



December 20, 2022

INDEPENDENT AUDITOR'S
REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors of
The Global Village Project, Inc., Inc.

We have audited the financial statements of The Global Village Project, Inc., Inc. as of and for the year ended July 31, 2022, and have issued our report thereon dated December 20, 2022, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of state contractual assistance is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Long & Company, P.C.
Certified Public Accountants

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THE GLOBAL VILLAGE PROJECT, INC.
SCHEDULE OF STATE CONTRACTUAL ASSISTANCE
FOR THE YEAR ENDED JULY 31, 2022

Grantor/Program Name	CFDA No.	Contract Period	Grant Amount	Revenue Recognized 7/31/2021	Revenue Recognized 7/31/2022	Amount Due from State	Amount Due to State
U.S. Department of Health and Human Services							
Passed through the Georgia Department of Human Services							
Refugee and Entrant Assistance - Discretionary Grants							
Contract #42700-040-0000094356	93.566	9/30/20-9/29/21	86,000	7,271	13,729	-	-
Contract #42700-040-0000103304	93.566	9/30/21-9/29/22	62,000	-	48,942	4,584	-
Contract #42700-040-0000094355	93.566	9/30/20-9/29/21	56,000	46,670	46,670	-	-
Contract #42700-040-0000103302	93.566	9/30/29-9/29/22	56,572	-	50,833	5,083	-
Total State Contractual Assistance				<u>\$ 53,941</u>	<u>\$ 160,174</u>	<u>\$ 20,210</u>	<u>\$ -</u>

See Independent Auditor's Report