

THE GLOBAL VILLAGE PROJECT, INC.

AUDITED FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

AND

SUPPLEMENTARY INFORMATION

Together with

INDEPENDENT AUDITOR'S REPORT

THE GLOBAL VILLAGE PROJECT, INC.

AUDIT REPORT

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JULY 31, 2023 AND 2022

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January 6, 2024

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, 2023 and 2022, 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, 2023 and 2022, 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.

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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, 2023 AND 2022

ASSETS	2023	2022
Current Assets:		
Cash and cash equivalents	\$ 2,093,419	\$ 2,376,734
Investments	-	932
Contributions and grants receivable - net	417,642	356,862
Prepaid expenses	<u>16,051</u>	<u>16,625</u>
Total Current Assets	<u>2,527,112</u>	<u>2,751,153</u>
Property and equipment - net	<u>132,756</u>	<u>57,750</u>
Other Asset		
Contributions and grants receivable - less current portion	-	315,731
Earnest deposit	50,000	-
Operating lease right-of use asset	<u>73,276</u>	<u>-</u>
	<u>123,276</u>	<u>315,731</u>
TOTAL ASSETS	<u>\$ 2,783,144</u>	<u>\$ 3,124,634</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 47,531	\$ 46,519
Operating lease liability-current portion	<u>44,969</u>	<u>-</u>
Total Current Liabilities	<u>92,500</u>	<u>46,519</u>
Long-Term Liabilities		
Operating lease liability - less current portion	<u>28,307</u>	<u>-</u>
Total Liabilities	<u>120,807</u>	<u>46,519</u>
Net Assets		
Without donor restrictions	1,864,009	1,780,615
With donor restrictions	<u>798,328</u>	<u>1,297,500</u>
Total Net Assets	<u>2,662,337</u>	<u>3,078,115</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,783,144</u>	<u>\$ 3,124,634</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, 2023

REVENUES, GAINS, AND SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 993,098	\$ 89,930	\$ 1,083,028
Noncash contributions	106,476	-	106,476
Special events (net of direct cost of benefit to donors of \$72,815)	304,802	-	304,802
Investment return	15,141	-	15,141
Net assets released from restrictions	589,102	(589,102)	-
Total Revenue and Support	2,008,619	(499,172)	1,509,447
EXPENSES			
Program Services	1,323,774	-	1,323,774
Supporting Services			
Management and general	303,183	-	303,183
Fundraising	298,268	-	298,268
Total Expenses	1,925,225	-	1,925,225
Change in Net Assets	83,394	(499,172)	(415,778)
NET ASSETS AT BEGINNING OF YEAR	1,780,615	1,297,500	3,078,115
NET ASSETS AT END OF YEAR	\$ 1,864,009	\$ 798,328	\$ 2,662,337

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
Noncash contributions	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.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JULY 31, 2023 AND 2022

	Program Services		Supporting Services				Total Expenses	
			Management and General		Fundraising			
	2023	2022	2023	2022	2023	2022	2023	2022
Salaries	\$ 734,460	\$ 624,202	\$ 119,717	\$ 92,428	\$ 214,115	\$ 224,167	\$ 1,068,292	940,797
Fringe Benefits	127,461	107,630	15,536	13,143	34,130	29,107	177,127	149,880
Total Salaries and Fringe Benefits	861,921	731,832	135,253	105,571	248,245	253,274	1,245,419	1,090,677
Bank & Credit Card Fees	-	-	-	7	8,895	10,427	8,895	10,434
Contracted Services	73,149	67,386	54,965	7,875	10,497	500	138,611	75,761
Depreciation	26,416	18,674	4,306	2,765	7,701	6,707	38,423	28,146
Dues and Subscriptions	2,965	2,175	10,815	3,719	1,203	1,200	14,983	7,094
Insurance	9,048	7,188	-	-	-	-	9,048	7,188
Instructional Materials and resource	42,003	37,752	-	-	-	-	42,003	37,752
Marketing	-	-	69	-	5,860	2,153	5,929	2,153
Occupancy	125,863	106,692	3,462	8,154	3,261	12,237	132,586	127,083
Other	-	-	174	500	-	-	174	500
Printing & Postage	7,834	2,109	5,008	919	3,394	2,834	16,236	5,862
Professional Fees	1,650	-	57,378	38,428	-	-	59,028	38,428
Staff Development	18,323	6,333	13,060	16,142	1,639	2,020	33,022	24,495
Student Meals	71,338	33,523	-	-	-	-	71,338	33,523
Student Services	31,979	15,795	-	1,125	-	-	31,979	16,920
Student Transportation	36,899	50,371	979	-	-	-	37,878	50,371
Supplies	10,647	13,423	15,427	7,046	7,573	2,466	33,647	22,935
Telephone/Internet	3,739	4,802	2,287	452	-	321	6,026	5,575
TOTAL EXPENSES	\$ 1,323,774	\$ 1,098,055	\$ 303,183	\$ 192,703	\$ 298,268	\$ 294,139	\$ 1,925,225	\$ 1,584,897

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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Change in Net Assets	\$ (415,778)	\$ 1,210,380
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	38,423	28,146
Donation of common stock	(4,940)	(4,901)
(Gain) loss on sales of donated stock	9	16
Unrealized (Gain) loss on sales of donated stock	-	106
Operating lease amortization	42,297	-
(Increase) decrease in operating assets:		
Contributions and grants receivable	254,951	(376,598)
Prepaid expenses	574	(1,538)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	1,012	18,482
Refundable advance	-	(155,458)
Operating lease liability	<u>(42,297)</u>	<u>-</u>
Net Cash Provided by Operating Activities	<u>(125,643)</u>	<u>718,635</u>
Cash Flows from Investing Activities		
Proceeds from sale of donated stock	5,757	3,847
Earnest money deposit on real estate	(50,000)	-
Purchases of property and equipment	<u>(113,429)</u>	<u>-</u>
Net Cash (Used) by Investing Activities	<u>(157,672)</u>	<u>3,847</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(283,315)	722,482
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>2,376,734</u>	<u>1,654,252</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,093,419</u>	<u>\$ 2,376,734</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Donation of common stock	<u>\$ 4,938</u>	<u>\$ 4,901</u>
Operating lease right of use assets acquired by issuance of operating lease liability	<u>\$ 115,573</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, 2023 AND 2022

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. GVP'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. GVP 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 government grants.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation -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 ("U.S. GAAP").

Net Assets - Net assets and revenues, gains and losses are classified 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 of Directors, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *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.

Newly Adopted Accounting Pronouncements

GVP adopted Accounting Standards Update 2016-02 (as amended), Leases ("Topic 842") on August 1, 2022. Topic 842 requires lessees to recognize a right-of-use asset and a corresponding lease liability for virtually all leases. The Organization elected and applied the following transition practical expedients when initially adopting Topic 842:

- To apply the provisions of Topic 842 at the adoption date, instead of applying them to the earliest comparative period presented in the financial statements.
- The package of practical expedients permitting the Organization to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.

GVP made the following adjustments as of the adoption date in connection with transitioning to Topic 842:

	As of <u>August 1, 2022</u>
Operating lease right of use assets	\$ <u>115,573</u>
Operating lease liabilities	\$ <u>115,573</u>

The adoption of Topic 842 did not have a material impact on GVP's change in net assets for the year ended July 31, 2023.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GVP adopted Accounting Standards Update (“ASU”) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* effective August 1, 2022. Under this new guidance, contributed nonfinancial assets must be separately presented on the statement of activities apart from contributions of cash. Additionally, other qualitative disclosures are required regarding the monetization and utilization of contributed non-financial assets.

Use of Estimates in Financial Statements - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tax-Exempt Status - GVP 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, GVP 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, 2023, and 2022. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

U.S. 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 GVP 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 GVP, and has concluded that as of July 31, 2023, and 2022, 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.

Cash and Cash Equivalents - For the purpose of the statement of cash flows, the GVP considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments - investments in marketable securities with readily determinable fair values and all investments in debt securities are carried 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.

Contributions and Grants Revenue and Contributions Receivable - GVP 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.

Donated Services and Contributions of Nonfinancial Assets - Contributions of donated use of space, noncash materials, services, 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.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment - Property and equipment are recorded at cost or, if donated, at fair market value at the date of the gift. Acquisitions of property and equipment or repairs, maintenance, or betterments that materially prolong the useful lives of assets in excess of \$2,500 are capitalized. 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.

Leases - GVP determines if an arrangement is a lease or contains a lease at the inception date. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. GVP does not report ROU assets and lease liabilities for its short-term leases (leases with an initial term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

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.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements - GVP reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by U.S. GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability's measurement within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

- **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 GVP'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, 2023, and 2022, cash and cash equivalents and contributions receivable carrying amounts approximate fair value based on their short-term availability.

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 January 6, 2024, which was the date the financial statements were available to be issued.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 2 – INVESTMENTS

Investments consisted of the following as of the years ended July 31, 2023 and 2022:

	2023	2022
Publicly traded common stock	\$ -	\$ 932
Total Investments	\$ -	\$ 932

Investment return is summarized as follows:

Interest income	\$ 15,150	\$ 1,433
Realized gains (losses) on investments	(9)	(16)
Unrealized gains (losses) on investments	-	(106)
Total	\$ 15,141	\$ 1,311

Note 3 - CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable represent unconditional promises to give received from 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 are reported in the financial statements at their net present value. Contributions and grants receivable consisted of the following as of July 31, 2023, and 2022:

	2023	2022
Due in less than one year	\$ 417,642	\$ 378,237
Due in one to five years	-	337,500
Total unconditional promises to give	417,642	715,737
Less discount to present value	-	(21,769)
Less allowance for uncollectible promises to give	-	(21,375)
Total Contributions Receivable	\$ 417,642	\$ 672,593

Classified on the Statement of financial position:

Current	\$ 417,642	\$ 356,862
Noncurrent	-	315,731
Total	\$ 417,642	\$ 672,593

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

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 \$11,261 as of July 31, 2023, and \$18,797 as of July 31, 2022

Note 5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of July 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Computers and office equipment	\$ 127,602	\$ 110,505
Furniture and fixtures	82,019	82,019
Literary readers	9,184	9,184
School buses	209,267	112,935
Leasehold improvements	<u>23,230</u>	<u>23,230</u>
	451,302	337,873
Less: Accumulated depreciation	<u>(318,546)</u>	<u>(280,123)</u>
Total fixed assets - net	<u>\$ 132,756</u>	<u>\$ 57,750</u>
Depreciation expense	<u>\$ 38,423</u>	<u>\$ 28,146</u>

Note 6 – EARNEST DEPOSIT

GVP made a \$50,000 earnest money deposit for the purchase of a building. GVP closed on the building on October 31, 2023. The earnest money deposit was applied toward the purchase price at closing. See Note 13 to the financial statements for more information.

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 7 – NONCASH CONTRIBUTIONS

GVP received donated non-cash items and donated use of facilities. These donations are recorded in the statements of activities as contributions and a corresponding expense based on the estimated fair market value of the donations. The following is a summary of amounts recorded for the years ended July 31, 2023 and 2022.

	2023	2022
Contributions without donor restrictions		
Included in program expenses		
Contributed use of facilities	\$ 80,855	\$ 72,344
Contributed meals	21,366	-
Included in management and general expenses		
Contributed use of facilities	2,553	4,256
Included in fundraising expenses		
Contributed use of facilities	1,702	8,511
 Total Noncash Contributions	 \$ 106,476	 \$ 85,110

Note 8 – CASH BALANCES IN EXCESS OF FDIC

GVP maintains its cash balances at three financial institutions. Deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Bank balances may slightly exceed insured limits from time to time. The Organization's deposits in excess of insured limits were \$2,873 as of July 31, 2023, and \$249 as of July 31, 2022.

Note 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were held for the following purposes time restrictions as of July 31, 2023 and 2022:

	2023	2022
Intensive english & literacy	\$ 25,000	\$ -
Time restricted	61,200	227,500
Social & emotional learning	338,730	500,000
Math program	373,398	550,000
Capital Campaign feasibility	-	20,000
	\$ 798,328	\$ 1,297,500

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

Note 10 – FAIR VALUE MEASUREMENTS

Fair values of assets and liabilities measured on a recurring basis as of July 31, 2023, and 2022, are as follows:

	2023			
	Fair Value	Level 1	Level 2	Level 3
Corporate Stock	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	2022			
	Fair Value	Level 1	Level 2	Level 3
Corporate Stock	<u>\$ 932</u>	<u>\$ 932</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.

	2023	2022
Total financial assets at year-end:		
Cash and cash equivalents	\$ 2,093,419	\$ 2,376,734
Investments	-	\$ 932
Contributions and grants receivable	417,642	672,593
Total financial assets as of July 31	2,511,061	3,050,259
Less amounts with donor restrictions for periods of more than one year	-	(315,731)
Total financial assets available to meet cash needs for general expenses within one year	\$ 2,511,061	\$ 2,734,528

THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS

JULY 31, 2023 AND 2022

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

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 Organization has certain donor-restricted net assets that are available for general expenditures within one year of July 31, 2023 and 2022, 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 – OPERATING LEASES

On December 31, 2019, GVP 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 and expired August 1, 2023. GVP has extended the lease through December 31, 2024. GVP is required to pay \$3,500 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. See Note 7.

GVP leases a copier under an operating lease. The lease commenced on December 1, 2022, with a term of forty-eight (48) months. The monthly lease payment is \$409.

The Organization has recorded the operating right-of-use asset and lease liability. The lease liability is calculated using a discount rate of 3.68%.

The following summarizes the line items in the statement of financial position which include amounts for the operating leases:

	2023
Operating lease right of use assets	\$ <u>73,276</u>
Operating lease liabilities - current	\$ 44,969
Operating lease liabilities - long-term	<u>28,307</u>
Total Operating lease liabilities	\$ <u>73,276</u>

**THE GLOBAL VILLAGE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

JULY 31, 2023 AND 2022

Note 12 – OPERATING LEASES (continued)

The following is a summary of the line items in the statement of activities which include the components of lease expense:

	2023
Lease expense	\$ 45,275

The following summarizes the weighted average remaining lease term and discount rate as of July 31, 2023:

Weighted average remaining lease term	4.42 Years
Weighted average discount rate	3.68%

Future minimum lease payments under operating leases are as follows as of July 31, 2023:

Years Ended July 31	
2024	\$ 46,912
2025	22,412
2026	4,912
2027	1,637
Total Lease Payments	75,873
Less: Discount	(2,597)
Present Value of Lease Liabilities	\$ 73,276

Note 13 – SUBSEQUENT EVENTS

Subsequent to July 31, 2023, on August 3, 2023, GVP received a contribution of \$2 million from a foundation to be used for the purchase and renovation of a building to be used for GVP's program. GVP closed on the purchase of a building on October 31, 2023. The total purchase price, including closing expenses is \$1,130,436.

GVP has started a capital campaign to fund the costs of the renovation of the building and has set a goal to raise a total of \$3.8 million. GVP plans to complete the renovation of the building by March 31, 2025 and will move into the building in May 2025.

THE GLOBAL VILLAGE PROJECT, INC.

SUPPLEMENTAL INFORMATION

JULY 31, 2023



January 6, 2024

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, 2023, and have issued our report thereon dated January 6, 2024, 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, 2023

<u>Grantor/Program Name</u>	<u>CFDA No.</u>	<u>Contract Period</u>	<u>Grant Amount</u>	<u>Revenue Recognized 7/31/2022</u>	<u>Revenue Recognized 7/31/2023</u>	<u>Amount Due from State</u>	<u>Amount Due to State</u>
U.S. Department of Health and Human Services							
Passed through the Georgia Department of Human Services							
Refugee and Entrant Assistance - Discretionary Grants							
Contract #42700-040-0000107562	93.57	9/30/22-9/29/23	30,519	-	27,976	5,308	-
Contract #42700-040-0000103304	93.57	9/30/21-9/29/22	62,000	48,942	13,058	-	-
Contract #42700-040-0000107504	93.57	9/30/22-9/29/23	52,306	-	43,588	8,718	-
Contract #42700-040-0000103302	93.57	9/30/29-9/29/22	61,000	<u>50,833</u>	<u>10,167</u>	<u>-</u>	<u>-</u>
Total State Contractual Assistance				<u>\$ 99,775</u>	<u>\$ 94,789</u>	<u>\$14,026</u>	<u>\$ -</u>

See Independent Auditor's Report