

**THE GLOBAL VILLAGE PROJECT, INC.**

**AUDITED FINANCIAL STATEMENTS**

**JULY 31, 2024 AND 2023**

**AND**

**SUPPLEMENTARY INFORMATION**

**Together with**

**INDEPENDENT AUDITOR'S REPORT**

**THE GLOBAL VILLAGE PROJECT, INC.**

**AUDIT REPORT**

**TABLE OF CONTENTS**

JULY 31, 2024 AND 2023

---

| <u>CONTENTS</u>  | <u>Pages</u> |
|--|--------------|
| INDEPENDENT AUDITOR'S REPORT                               | 1-2          |
| FINANCIAL STATEMENTS:                                      |              |
| • Statements of Financial Position                         | 3            |
| • Statement of Activities - 2024                           | 4            |
| • Statement of Activities - 2023                           | 5            |
| • Statements of Functional Expenses                        | 6            |
| • Statements of Cash Flows                                 | 7            |
| • Notes to Financial Statements                            | 8-18         |
| SUPPLEMENTAL INFORMATION                                   |              |
| • Independent Auditor's Report on Supplemental Information | 19           |
| • Schedule of State Contractual Assistance                 | 20           |



November 8, 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, 2024 and 2023, 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 July 31, 2024 and 2023, 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.

-1-

### **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, 2024 AND 2023

| ASSETS  | 2024                | 2023                |
|---|---------------------|---------------------|
| Current Assets:   |                     |                     |
| Cash and cash equivalents                                   | \$ 1,865,139        | \$ 2,093,419        |
| Contributions and grants receivable - net                   | 170,882             | 417,642             |
| Prepaid expenses  | <u>18,637</u>       | <u>16,051</u>       |
| Total Current Assets  | <u>2,054,658</u>    | <u>2,527,112</u>    |
| Property and equipment - net                                | <u>1,396,578</u>    | <u>132,756</u>      |
| Other Asset   |                     |                     |
| Cash and cash equivalents restricted for long-term purposes | 1,394,993           | -                   |
| Contributions receivable restricted for long-term purposes  | 353,172             | -                   |
| Earnest deposit   | -                   | 50,000              |
| Operating lease right-of use asset                          | <u>28,307</u>       | <u>73,276</u>       |
|   | <u>1,776,472</u>    | <u>123,276</u>      |
| TOTAL ASSETS  | <u>\$ 5,227,708</u> | <u>\$ 2,783,144</u> |
| <u>LIABILITIES AND NET ASSETS</u>                           |                     |                     |
| Current Liabilities   |                     |                     |
| Accounts payable and accrued expenses                       | 28,136              | 47,531              |
| Operating lease liability-current portion                   | <u>21,925</u>       | <u>44,969</u>       |
| Total Current Liabilities                                   | <u>50,061</u>       | <u>92,500</u>       |
| Long-Term Liabilities                                       |                     |                     |
| Operating lease liability - less current portion            | <u>6,382</u>        | <u>28,307</u>       |
| Total Liabilities   | <u>56,443</u>       | <u>120,807</u>      |
| Net Assets  |                     |                     |
| Without donor restrictions                                  | 1,823,037           | 1,864,009           |
| With donor restrictions                                     | <u>3,348,228</u>    | <u>798,328</u>      |
| Total Net Assets  | <u>5,171,265</u>    | <u>2,662,337</u>    |
| TOTAL LIABILITIES AND NET ASSETS                            | <u>\$ 5,227,708</u> | <u>\$ 2,783,144</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, 2024

| REVENUES, GAINS, AND SUPPORT  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                   |
|---|-------------------------------|----------------------------|-------------------------|
| Contributions and grants  | \$ 1,061,243                  | \$ 3,153,323               | \$ 4,214,566            |
| Noncash contributions   | 110,055                       | -                          | 110,055                 |
| Special events (net of direct cost of<br>benefit to donors of \$80,370) | 410,278                       | -                          | 410,278                 |
| Investment return   | 127,635                       | -                          | 127,635                 |
| Net assets released from restrictions                                   | <u>603,423</u>                | <u>(603,423)</u>           | <u>-</u>                |
| <br>Total Revenue and Support   | <br><u>2,312,634</u>          | <br><u>2,549,900</u>       | <br><u>4,862,534</u>    |
| <br><b>EXPENSES</b>   |                               |                            |                         |
| <br>Program Services  | <br>1,498,387                 | <br>-                      | <br>1,498,387           |
| Supporting Services   |                               |                            |                         |
| Management and general  | 352,762                       | -                          | 352,762                 |
| Fundraising   | <u>502,457</u>                | <u>-</u>                   | <u>502,457</u>          |
| <br>Total Expenses  | <br><u>2,353,606</u>          | <br><u>-</u>               | <br><u>2,353,606</u>    |
| <br>Change in Net Assets  | <br>(40,972)                  | <br>2,549,900              | <br>2,508,928           |
| <br>NET ASSETS AT BEGINNING OF YEAR                                     | <br><u>1,864,009</u>          | <br><u>798,328</u>         | <br><u>2,662,337</u>    |
| <br>NET ASSETS AT END OF YEAR   | <br><u>\$ 1,823,037</u>       | <br><u>\$ 3,348,228</u>    | <br><u>\$ 5,171,265</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<br>Restrictions | With Donor<br>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<br>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    |
| <br>  |                               |                            |              |
| 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.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JULY 31, 2024 AND 2023

|                                       | Program Services |              | Supporting Services    |            |             |            | Total Expenses |              |
|---------------------------------------|------------------|--------------|------------------------|------------|-------------|------------|----------------|--------------|
|                                       |                  |              | Management and General |            | Fundraising |            |                |              |
|                                       | 2024             | 2023         | 2024                   | 2023       | 2024        | 2023       | 2024           | 2023         |
| Salaries                              | \$ 844,861       | \$ 734,460   | \$ 164,486             | \$ 119,717 | \$ 331,485  | \$ 214,115 | \$ 1,340,832   | 1,068,292    |
| Fringe Benefits                       | 148,134          | 127,461      | 30,203                 | 15,536     | 71,940      | 34,130     | 250,277        | 177,127      |
| Total Salaries and Fringe Benefits    | 992,995          | 861,921      | 194,689                | 135,253    | 403,425     | 248,245    | 1,591,109      | 1,245,419    |
| Bank & Credit Card Fees               | -                | -            | -                      | -          | 14,785      | 8,895      | 14,785         | 8,895        |
| Contracted Services                   | 103,342          | 73,149       | 604                    | 54,965     | 37,866      | 10,497     | 141,812        | 138,611      |
| Depreciation                          | 27,621           | 26,416       | 5,377                  | 4,306      | 10,837      | 7,701      | 43,835         | 38,423       |
| Dues and Subscriptions                | 1,809            | 2,965        | 5,991                  | 10,815     | 578         | 1,203      | 8,378          | 14,983       |
| Insurance                             | 4,189            | 9,048        | 14,451                 | -          | 898         | -          | 19,538         | 9,048        |
| Instructional Materials and resources | 41,789           | 42,003       | -                      | -          | -           | -          | 41,789         | 42,003       |
| Marketing                             | -                | -            | -                      | 69         | 21,898      | 5,860      | 21,898         | 5,929        |
| Occupancy                             | 124,530          | 125,863      | 4,274                  | 3,462      | 4,513       | 3,261      | 133,317        | 132,586      |
| Other                                 | -                | -            | 2,727                  | 174        | -           | -          | 2,727          | 174          |
| Printing & Postage                    | 7,040            | 7,834        | 2,123                  | 5,008      | 678         | 3,394      | 9,841          | 16,236       |
| Professional Fees                     | -                | 1,650        | 94,856                 | 57,378     | -           | -          | 94,856         | 59,028       |
| Staff Development                     | 4,657            | 18,323       | 13,157                 | 13,060     | 834         | 1,639      | 18,648         | 33,022       |
| Student Meals                         | 66,926           | 71,338       | 173                    | -          | -           | -          | 67,099         | 71,338       |
| Student Services                      | 44,932           | 31,979       | -                      | -          | -           | -          | 44,932         | 31,979       |
| Student Transportation                | 62,712           | 36,899       | 84                     | 979        | -           | -          | 62,796         | 37,878       |
| Supplies                              | 10,731           | 10,647       | 11,412                 | 15,427     | 5,509       | 7,573      | 27,652         | 33,647       |
| Telephone/Internet                    | 5,114            | 3,739        | 2,844                  | 2,287      | 636         | -          | 8,594          | 6,026        |
| TOTAL EXPENSES                        | \$ 1,498,387     | \$ 1,323,774 | \$ 352,762             | \$ 303,183 | \$ 502,457  | \$ 298,268 | \$ 2,353,606   | \$ 1,925,225 |

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, 2024 AND 2023

|  | 2024                | 2023                |
|--|---------------------|---------------------|
| Change in Net Assets   | \$ 2,508,928        | \$ (415,778)        |
| Adjustments to Reconcile Change in Net Assets<br>to Net Cash Provided by Operating Activities: |                     |                     |
| Depreciation   | 43,835              | 38,423              |
| Donation of common stock   | (29,540)            | (4,940)             |
| (Gain) loss on sales of donated stock  | (352)               | 9                   |
| Operating lease amortization   | 44,969              | 42,297              |
| Contributions restricted for long-term purposes  | (3,055,823)         | -                   |
| (Increase) decrease in operating assets:   |                     |                     |
| Contributions and grants receivable  | 246,760             | 254,951             |
| Prepaid expenses   | (2,586)             | 574                 |
| Increase (decrease) in operating liabilities   |                     |                     |
| Accounts payable and accrued expenses  | (19,395)            | 1,012               |
| Operating lease liability  | (44,969)            | (42,297)            |
| Net Cash Provided by Operating Activities  | <u>(308,067)</u>    | <u>(125,749)</u>    |
| Cash Flows from Investing Activities   |                     |                     |
| Proceeds from sale of donated stock  | 29,892              | 5,757               |
| Earnest money deposit on real estate   | -                   | (50,000)            |
| Purchases of property and equipment  | <u>(1,257,763)</u>  | <u>(113,429)</u>    |
| Net Cash (Used) by Investing Activities  | <u>(1,227,871)</u>  | <u>(157,672)</u>    |
| Cash Flows from Financing activities   |                     |                     |
| Proceeds from contributions received for long-term purposes                                    | <u>2,702,651</u>    | <u>-</u>            |
| Net Cash (Used) by Investing Activities  | <u>2,702,651</u>    | <u>-</u>            |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS<br>AND RESTRICTED CASH                       | 1,166,713           | (283,421)           |
| CASH ,CASH EQUIVALENTS , AND RESTRICTED CASH- BEGINNING OF YEAR                                | <u>2,093,419</u>    | <u>2,376,840</u>    |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR                                      | <u>\$ 3,260,132</u> | <u>\$ 2,093,419</u> |
| SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING<br>AND FINANCING ACTIVITIES                         |                     |                     |
| Donation of common stock   | <u>\$ 29,539</u>    | <u>\$ 4,938</u>     |
| Operating lease right of use assets acquired by issuance<br>of operating lease liability       | <u>\$ -</u>         | <u>\$ 115,573</u>   |

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

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

JULY 31, 2024 AND 2023

---

**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, 2024 AND 2023

---

**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.

**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, 2024, and 2023. 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, 2024, and 2023, 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, 2024 AND 2023

---

**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, 2024 AND 2023

---

**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 \$5,000 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 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, 2024 AND 2023

---

**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.

**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 November 8, 2024, which was the date the financial statements were available to be issued.

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

JULY 31, 2024 AND 2023

**Note 2 – INVESTMENTS**

GVP occasionally receives contributions of stock, mutual fund, and ETF investments. Generally, those securities are sold immediately upon receipt. GVP maintains a portion of its cash in interest bearing bank accounts. GVP held no investments as of July 31, 2024 and 2023. The following is a summary of investment return for the years ending July 31, 2024 and 2023:

|  | 2024       | 2023      |
|--|------------|-----------|
| Interest income                          | \$ 127,283 | \$ 15,150 |
| Realized gains (losses) on investments   | 352        | (9)       |
| Unrealized gains (losses) on investments | -          | -         |
| Total                                    | \$ 127,635 | \$ 15,141 |

**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 4.79% as of July 31, 2024, and are reported in the financial statements at their net present value. Contributions and grants receivable consisted of the following as of July 31, 2024, and 2023:

|  | 2024       | 2023       |
|--|------------|------------|
| Due in less than one year                          | \$ 422,052 | \$ 417,642 |
| Due in one to five years                           | 130,501    | -          |
| Total unconditional promises to give               | 552,553    | 417,642    |
| Less discount to present value                     | (5,965)    | -          |
| Less allowance for uncollectible promises to give  | (22,534)   | -          |
| Total Contributions Receivable                     | \$ 524,054 | \$ 417,642 |
| Classified on the Statement of financial position: |            |            |
| Current  | \$ 170,882 | \$ 417,642 |
| Noncurrent   | 353,172    | -          |
| Total  | \$ 524,054 | \$ 417,642 |

GVP recorded an estimated allowance for uncollectible pledges of \$22,534 as of July 31, 2024.

Noncurrent receivables represent amounts that are either due in more than one year or are restricted for the Organization's capital campaign.

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

JULY 31, 2024 AND 2023

**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 totaled \$15,875 as of July 31, 2024, and \$11,261 as of July 31, 2023

**Note 5 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of July 31, 2024 and 2023:

|   | 2024         | 2023       |
|---|--------------|------------|
| Property and equipment in service:            |              |            |
| Computers and office equipment                | \$ 87,804    | \$ 127,602 |
| Furniture and fixtures                        | 82,019       | 82,019     |
| Literary readers                              | 9,184        | 9,184      |
| School buses                                  | 209,267      | 209,267    |
| Leasehold improvements                        | 23,230       | 23,230     |
|   | 411,504      | 451,302    |
| Less: Accumulated depreciation                | (322,582)    | (318,546)  |
| Total property and equipment in service - net | 88,922       | 132,756    |
| Property and equipment not in service:        |              |            |
| Building                                      | 1,130,436    | -          |
| Construction in progress                      | 177,220      | -          |
| Total property and equipment not in service   | 1,307,656    | -          |
| <br>  |              |            |
| Total property and equipment - net            | \$ 1,396,578 | \$ 132,756 |
| <br>  |              |            |
| Depreciation expense                          | \$ 43,835    | \$ 38,423  |

GVP purchased a building on October 31, 2023. The building will be used for GVP's program and administrative offices. Construction in progress represents costs to date for planned renovations of the building. The building and the improvements will be placed in service upon completion of the renovation.

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

JULY 31, 2024 AND 2023

**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.

**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, 2024 and 2023.

|   | 2024           | 2023           |
|---|----------------|----------------|
| Contributions without donor restrictions    |                |                |
| Included in program expenses                |                |                |
| Contributed use of facilities               | \$ 80,893      | \$ 80,855      |
| Contributed meals                           | 24,945         | 21,366         |
| Included in management and general expenses |                |                |
| Contributed use of facilities               | 1,274          | 2,553          |
| Included in fundraising expenses            |                |                |
| Contributed use of facilities               | 2,943          | 1,702          |
| <br>Total Noncash Contributions             | <br>\$ 110,055 | <br>\$ 106,476 |

**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 \$38,247 as of July 31, 2024, and \$2,873 as of July 31, 2023.

**Note 9 - RETIREMENT PLAN**

GVP adopted a Savings Incentive Match Plan (SIMPLE) under Section 408(p) of the Internal Revenue Code. The plan covers all employees with at least \$5,000 in total compensation for a calendar year. The plan began on January 1, 2024. GVP contributes 2% of compensation for eligible employees. Employees may make contributions to the plan up to a maximum allowed by the Internal Revenue Code if they wish. Employer contributions to the plan for the years ended July 31, 2024 were \$23,854.

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

JULY 31, 2024 AND 2023

**Note 10 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were held for the following purposes as of July 31, 2024 and 2023:

|                              | <u>2024</u>         | <u>2023</u>       |
|------------------------------|---------------------|-------------------|
| Capital campaign             | \$ 3,055,823        | \$ -              |
| Intensive english & literacy | -                   | 25,000            |
| Math program                 | 192,505             | 373,398           |
| Social & emotional learning  | 50,000              | 338,730           |
| Time restricted              | <u>49,900</u>       | <u>61,200</u>     |
|                              | <u>\$ 3,348,228</u> | <u>\$ 798,328</u> |

**Capital Campaign** – GVP launched a capital campaign in 2023 to raise funds for the purchase and renovation of a building for its operations. The building was purchased in October 2023 and plans are being made to start renovations in the next fiscal year. The goal of the capital campaign is to raise \$5.375 million. The capital campaign and the renovation of the building is expected to be completed by December 31, 2025.

**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.

|  | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|
| Total financial assets at year-end:  |                     |                     |
| Cash and cash equivalents  | \$ 3,260,132        | \$ 2,093,419        |
| Contributions and grants receivable  | <u>524,054</u>      | <u>417,642</u>      |
| Total financial assets as of July 31   | 3,784,186           | 2,511,061           |
| Cash restricted for long-term purposes   | (1,394,993)         | -                   |
| Contributions receivable restricted for long-term purposes or due in more than one year  | <u>(353,172)</u>    | <u>-</u>            |
| Total financial assets available to meet cash needs for general expenses within one year | <u>\$ 2,036,021</u> | <u>\$ 2,511,061</u> |

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

JULY 31, 2024 AND 2023

**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, 2024 and 2023, 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 is a summary of the line items in the statement of activities which include the components of lease expense:

|   | 2024             | 2023             |
|---|------------------|------------------|
| Operating lease right of use assets     | <u>\$ 28,307</u> | <u>\$ 73,276</u> |
| Operating lease liabilities - current   | \$ 21,925        | \$ 44,969        |
| Operating lease liabilities - long-term | <u>6,382</u>     | <u>28,307</u>    |
| Total Operating lease liabilities       | <u>\$ 28,307</u> | <u>\$ 73,276</u> |

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

JULY 31, 2024 AND 2023

**Note 12 – OPERATING LEASES (Continued)**

|               | 2024      | 2023      |
|---------------|-----------|-----------|
| Lease expense | \$ 46,912 | \$ 45,275 |

The following summarizes the weighted average remaining lease term and discount rate as of July 31, 2024:

|                                       |            |
|---------------------------------------|------------|
| Weighted average remaining lease term | 3.42 Years |
| Weighted average discount rate        | 3.68%      |

Future minimum lease payments under operating leases are as follows as of July 31, 2024:

| Years Ended                        |           |
|------------------------------------|-----------|
| July 31                            |           |
| 2025                               | 22,412    |
| 2026                               | 4,912     |
| 2027                               | 1,637     |
| Total Lease Payments               | 28,961    |
| Less: Discount                     | (654)     |
| Present Value of Lease Liabilities | \$ 28,307 |

**THE GLOBAL VILLAGE PROJECT, INC.**

**SUPPLEMENTAL INFORMATION**

**JULY 31, 2024**



November 8, 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, 2024, and have issued our report thereon dated November 8, 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

- 19 -

THE GLOBAL VILLAGE PROJECT, INC.

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE

FOR THE YEAR ENDED JULY 31, 2024

| Grantor/Program Name                                    | CFDA<br>No. | Contract Period | Grant<br>Amount | Revenue<br>Recognized<br>7/31/2023 | Revenue<br>Recognized<br>7/31/2024 | Amount<br>Due from<br>State | Amount<br>Due to<br>State |
|---|-------------|-----------------|-----------------|------------------------------------|------------------------------------|-----------------------------|---------------------------|
| U.S. Department of Health and Human Services            |             |                 |                 |                                    |                                    |                             |                           |
| Passed through the Georgia Department of Human Services |             |                 |                 |                                    |                                    |                             |                           |
| Refugee and Entrant Assistance - Discretionary Grants   |             |                 |                 |                                    |                                    |                             |                           |
| Contract #42700-040-0000107562                          | 93.57       | 9/30/22-9/29/23 | 30,519          | 27,976                             | 2,543                              | -                           | -                         |
| Contract #42700-040-0000112206                          | 93.57       | 10/1/23-9/30/24 | 40,300          | -                                  | 33,875                             | 3,213                       | -                         |
| Contract #42700-040-0000107504                          | 93.57       | 9/30/22-9/29/23 | 52,306          | 43,588                             | 8,718                              | -                           | -                         |
| Contract #42700-040-0000112207                          | 93.57       | 10/1/23-9/30/24 | 56,700          | -                                  | 47,250                             | 4,725                       | -                         |
| Total State Contractual Assistance                      |             |                 |                 | <u>\$ 71,564</u>                   | <u>\$ 92,386</u>                   | <u>\$ 7,938</u>             | <u>\$ -</u>               |

See Independent Auditor's Report