

**GIRL BE HEARD INSTITUTE**

**Financial Statements**

**For the Years Ended December 31, 2015 and 2014**



**GIRL BE HEARD INSTITUTE**  
**For the Years Ended December 31, 2015 and 2014**

**INDEX**

	<u>Page</u>
<b>Independent Auditor's Report</b>	1-2
<b>Financial Statements</b>	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-11



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Girl Be Heard Institute

### Report on the Financial Statements

We have audited the accompanying financial statements of Girl Be Heard Institute (the "Institute"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girl Be Heard Institute as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Prior Period Financial Statements

The financial statements of Girl Be Heard Institute, as of December 31, 2014, were audited by other auditors whose report dated August 11, 2015, expressed an unmodified opinion on those statements.

*Buchbinder Tunick & Company LLP*

BUCHBINDER TUNICK & COMPANY LLP

New York, NY  
August 4, 2016

**GIRL BE HEARD INSTITUTE**  
**Statements of Financial Position**  
**December 31, 2015 and 2014**

	2015	2014
<b>ASSETS</b>		
Assets:		
Cash and cash equivalents	\$ 384,054	\$ 330,268
Contributions and other receivables	210,600	145,592
Prepaid expenses	7,260	1,573
Property assets, net	6,933	-
Total assets	\$ 608,847	\$ 477,433
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 31,012	\$ 33,899
Deferred income	33,200	20,000
Total liabilities	64,212	53,899
Commitments		
Net assets:		
Unrestricted	514,635	398,534
Temporarily restricted	30,000	25,000
Total net assets	544,635	423,534
Total liabilities and net assets	\$ 608,847	\$ 477,433

See notes to financial statements.

**GIRL BE HEARD INSTITUTE**  
**Statements of Activities**  
**For the years ended December 31, 2015 and 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and revenues:						
Contributions	\$ 293,822	\$ 227,046	\$ 520,868	\$ 499,192	\$ 25,000	\$ 524,192
Government grants	37,043	234,286	271,329	211,327	-	211,327
Special event revenue, net of costs of donor benefits of \$74,783 and \$22,579 for the years ended December 31, 2015 and 2014, respectively	147,319	-	147,319	140,040	-	140,040
Program service revenue	64,968	-	64,968	42,202	-	42,202
Interest income	160	-	160	57	-	57
Other income	1,858	-	1,858	2,623	-	2,623
Net assets released from purpose restrictions	<u>456,332</u>	<u>(456,332)</u>	<u>-</u>	<u>62,500</u>	<u>(62,500)</u>	<u>-</u>
Total support and revenue	<u>1,001,502</u>	<u>5,000</u>	<u>1,006,502</u>	<u>957,941</u>	<u>(37,500)</u>	<u>920,441</u>
Expenses:						
Program expenses:						
Touring, education and advocacy	<u>642,522</u>	<u>-</u>	<u>642,522</u>	<u>445,478</u>	<u>-</u>	<u>445,478</u>
Total program expenses	<u>642,522</u>	<u>-</u>	<u>642,522</u>	<u>445,478</u>	<u>-</u>	<u>445,478</u>
Supporting services:						
Fundraising	92,759	-	92,759	78,293	-	78,293
Management and general	<u>150,120</u>	<u>-</u>	<u>150,120</u>	<u>148,989</u>	<u>-</u>	<u>148,989</u>
Total supporting services	<u>242,879</u>	<u>-</u>	<u>242,879</u>	<u>227,282</u>	<u>-</u>	<u>227,282</u>
Total expenses	<u>885,401</u>	<u>-</u>	<u>885,401</u>	<u>672,760</u>	<u>-</u>	<u>672,760</u>
Change in net assets	116,101	5,000	121,101	285,181	(37,500)	247,681
Net assets:						
Beginning of year	<u>398,534</u>	<u>25,000</u>	<u>423,534</u>	<u>113,353</u>	<u>62,500</u>	<u>175,853</u>
End of year	<u>\$ 514,635</u>	<u>\$ 30,000</u>	<u>\$ 544,635</u>	<u>\$ 398,534</u>	<u>\$ 25,000</u>	<u>\$ 423,534</u>

See notes to financial statements.

**GIRL BE HEARD INSTITUTE**  
**Statements of Functional Expenses**  
**For the years ended December 31, 2015 and 2014**

	2015				2014			
	Program Expenses	Supporting Services			Program Expenses	Supporting Services		
	Touring, Education and Advocacy	Management and General	Fundraising	Total Expenses	Touring, Education and Advocacy	Management and General	Fundraising	Total Expenses
Staff salaries	\$ 400,262	\$ 94,966	\$ 70,535	\$ 565,763	\$ 302,158	\$ 39,103	\$ 52,726	\$ 393,987
Payroll taxes and employee benefits	49,664	8,576	10,974	69,214	29,472	3,814	5,143	38,429
Consultants and contractors	30,620	1,480	2,713	34,813	8,731	8,125	4,000	20,856
Advertising and promotion	5,435	-	-	5,435	265	2,708	857	3,830
Insurance	11,404	8,265	2,010	21,679	2,902	3,516	-	6,418
Office supplies and expenses	41,696	10,912	2,391	54,999	4,462	33,805	1,429	39,696
Postage and delivery	641	51	36	728	224	321	51	596
Printing	8,777	698	499	9,974	806	1,618	107	2,531
Professional fees	13,850	20,860	-	34,710	500	25,721	11,579	37,800
Rent and utilities	37,258	2,329	1,663	41,250	29,007	25,881	-	54,888
Travel and meetings	40,230	1,769	1,786	43,785	66,951	4,377	2,401	73,729
Depreciation	2,685	214	152	3,051	-	-	-	-
Total	<u>\$ 642,522</u>	<u>\$ 150,120</u>	<u>\$ 92,759</u>	<u>\$ 885,401</u>	<u>\$ 445,478</u>	<u>\$ 148,989</u>	<u>\$ 78,293</u>	<u>\$ 672,760</u>

See notes to financial statements.

**GIRL BE HEARD INSTITUTE**  
**Statements of Cash Flows**  
**For the years ended December 31, 2015 and 2014**

	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ 121,101	\$ 247,681
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,051	-
Loss on asset disposal	-	1,397
Changes in assets and liabilities:		
(Increase) in contributions and other receivables	(65,008)	(110,526)
(Increase) in prepaid expenses	(5,687)	(1,124)
(Decrease) increase in accounts payable and accrued expenses	(2,887)	29,457
Increase (decrease) in deferred income	13,200	(1,119)
Net cash provided by operating activities	63,770	165,766
Cash flows from investing activities:		
(Purchase) of property assets	(9,984)	-
Net cash (used in) investing activities	(9,984)	-
Net increase in cash and cash equivalents	53,786	165,766
Cash and cash equivalents:		
Beginning of year	330,268	164,502
End of year	\$ 384,054	\$ 330,268

See notes to financial statements.



**GIRL BE HEARD INSTITUTE**  
**Notes to Financial Statements**  
**December 31, 2015 and 2014**

**Note 1 - Nature of Operations**

Girl Be Heard Institute (the "Institute"), a not-for-profit organization, was incorporated under the name Project Girl Performance Collective Institute in the State of Delaware on June 28, 2011. The Organization filed a Certificate of Amendment in the State of Delaware on March 15, 2013, which changed its name to the current legal name.

The Institute is a not-for-profit theatre company that brings global issues affecting girls center stage by empowering young women to tell their stories. The Touring, Education and Advocacy program develops and strengthens girls' voices by providing school and community based projects that engage young women, between the ages of 12 and 21, through a series of writing prompts, readings, theatre exercises and discussions.

The Institute primarily receives its support from contributions and grants from individuals and governmental agencies. The Institute adheres to the New York Prudent Management of Institutional Funds Act, and the New York State Non-Profit Revitalization Act of 2013.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of Presentation**

The Institute is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2015 and 2014, the Institute did not have any permanently restricted net assets.

**Basis of Accounting**

The Institute's financial statements are presented on an accrual basis in accordance with accounting principles generally accepted in the United States of America.

**Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted 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 periods. Actual results could differ from those estimates.

**GIRL BE HEARD INSTITUTE**  
**Notes to Financial Statements (Continued)**  
**December 31, 2015 and 2014**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Institute considers investments with a maturity of three months or less at time of purchase to be cash equivalents.

**Contributions and Other Receivables**

Contributions and other receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year, and as such, have been stated at their net realizable value with no allowance for uncollectable contributions.

**Property Assets**

Property assets are stated at cost. Repairs and maintenance, which do not materially extend the life of an asset, are expensed as incurred. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets.

**Restricted and Unrestricted Revenue and Support**

Contributions are considered available for the Institute's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increases in the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Program service revenue relates to fees received in exchange for program services. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred income.

In accordance with grant provisions, grants are recorded as revenue when earned, either through expenditure or accomplishment of a specific goal or benchmark. All unreimbursed expenses as of the period-end are recorded as grant receivable, and all advanced funds not expended are recorded as refundable advances, or deferred income.

**GIRL BE HEARD INSTITUTE**  
**Notes to Financial Statements (Continued)**  
**December 31, 2015 and 2014**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Income Taxes**

The Institute files an annual Form 990, *Return of Organization Exempt from Income Tax*, with the Internal Revenue Service ("IRS"). At December 31, 2015, the Institute's Form 990s for the years 2012 through 2015 remain eligible for examination by the IRS.

**Subsequent Events**

The Institute has evaluated subsequent events and transactions through August 4, 2016, the date that the financial statements were available to be issued.

**Note 3 - Risks and Uncertainties**

The Institute maintains its cash balances at a major money center financial institution. Balances fluctuate during the year and may exceed the FDIC insurance limits. The Institute has not experienced any losses in such accounts and management does not anticipate nonperformance by the financial institution.

**Note 4 - Net Property Assets**

Property assets, stated at cost, consist of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Computer equipment	\$ 9,984	\$ -
Less: accumulated depreciation	<u>3,051</u>	<u>-</u>
Property assets, net	<u>\$ 6,933</u>	<u>\$ -</u>

**GIRL BE HEARD INSTITUTE**  
**Notes to Financial Statements (Continued)**  
**December 31, 2015 and 2014**

**Note 5 - Net Assets**

Temporarily restricted net assets at December 31, 2015 and 2014 are being held in cash and are available for the following purposes:

	<u>2015</u>	<u>2014</u>
Touring, Education and Advocacy Program:		
Mentor program	\$ 25,000	\$ -
Capacity building	5,000	-
Educational conference costs	-	15,000
Development consultant	-	5,000
Intern costs	<u>-</u>	<u>5,000</u>
Temporarily restricted net assets	<u>\$ 30,000</u>	<u>\$ 25,000</u>

**Note 6 - Government Grants**

During the years ended December 31, 2015 and 2014, the Institute had various grants from governmental agencies in effect. Details of these government grants, summarized by grantor, are as follows:

2015:

<u>Grantor</u>	<u>Amount Awarded During 2015</u>	<u>Amount Recognized During 2015</u>
NYC DCA	\$ 283,000	\$ 113,200
U.S. Dept. of State	31,143	31,143

2014:

<u>Grantor</u>	<u>Amount Awarded During 2014</u>	<u>Amount Recognized During 2014</u>
NYC DCA	\$ 273,055	\$ 142,153
U.S. Dept. of State	57,884	57,884
UK Government	11,330	11,290

**Note 7 - In-kind Contributions**

Contributions in-kind received are in the form of services, in lieu of cash payments. The estimated fair value of these contributions is reported as support and expense in the period in which the services are received. In-kind contributions consisted mainly of free facilities and printing, with a total fair market value of \$70,631 during 2015, and \$16,953 during 2014.

**GIRL BE HEARD INSTITUTE**  
**Notes to Financial Statements (Continued)**  
**December 31, 2015 and 2014**

**Note 8 - Deferred Income**

During the year ended December 31, 2015, the Institute was awarded a \$83,000 conditional grant of which \$66,400 was received as of the end of the year. The \$33,200 balance in deferred income as of December 31, 2015 represents the portion of the \$66,400 receipt which was not expended.

During the year ended December 31, 2014, the Institute was awarded a \$175,000 conditional grant of which \$75,000 was received as of the end of the year. The \$20,000 balance in deferred income as of December 31, 2014 represents the portion of the \$75,000 receipt which was not expended.

**Note 9 - Lease Commitments**

The Institute leases space under a three-year, noncancellable operating lease expiring December 31, 2017.

Future minimum rentals as of December 31, 2015 are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2016	\$ 23,472
2017	<u>23,472</u>
Total	<u>\$ 46,944</u>

Rent and utilities expense was \$41,250 and \$54,888 for the years ended December 31, 2015 and 2014, respectively.

**Note 10 - Tax Status**

The Institute has been determined by the IRS to be exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code (the "IRC") and accordingly, no provision for federal, state or local income taxes has been recorded. The Institute does not believe its financial statements include any uncertain tax positions.