

GIRL BE HEARD INSTITUTE

Financial Statements

For the Years Ended December 31, 2016 and 2015

The logo for BUCHBINDER features a vertical orange bar on the left side of the word "BUCHBINDER", which is written in a dark blue, sans-serif font. A horizontal line is positioned below the "BUCH" portion of the word.

GIRL BE HEARD INSTITUTE
For the Years Ended December 31, 2016 and 2015

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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 statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses and cash flows for the years 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 audits. We conducted our audits 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, 2016 and 2015, 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.

Buchbinder Tunick & Company LLP

BUCHBINDER TUNICK & COMPANY LLP

New York, NY
May 10, 2017

GIRL BE HEARD INSTITUTE
Statements of Financial Position
December 31, 2016 and 2015

	2016	2015
ASSETS		
Assets:		
Cash and cash equivalents	\$ 872,028	\$ 384,054
Contributions and other receivables	227,599	210,600
Prepaid expenses	6,688	7,260
Property assets, net	9,344	6,933
Total assets	\$ 1,115,659	\$ 608,847
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 38,199	\$ 31,012
Deferred income	65,960	33,200
Total liabilities	104,159	64,212
Commitments		
Net assets:		
Unrestricted	933,863	514,635
Temporarily restricted	77,637	30,000
Total net assets	1,011,500	544,635
Total liabilities and net assets	\$ 1,115,659	\$ 608,847

See notes to financial statements.

GIRL BE HEARD INSTITUTE
Statements of Activities
For the years ended December 31, 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and revenues:						
Contributions	\$ 673,028	\$ 137,500	\$ 810,528	\$ 293,822	\$ 227,046	\$ 520,868
Government grants	-	438,790	438,790	37,043	234,286	271,329
Special event revenue, net of costs of donor benefits of \$67,278 and \$74,783 for the years ended December 31, 2016 and 2015, respectively	229,058	-	229,058	147,319	-	147,319
Program service revenue	76,606	-	76,606	64,968	-	64,968
Interest income	156	-	156	160	-	160
Other income	1,242	-	1,242	1,858	-	1,858
Net assets released from purpose restrictions	528,653	(528,653)	-	456,332	(456,332)	-
Total support and revenue	1,508,743	47,637	1,556,380	1,001,502	5,000	1,006,502
Expenses:						
Program expenses:						
Touring, education and advocacy	818,416	-	818,416	642,522	-	642,522
Total program expenses	818,416	-	818,416	642,522	-	642,522
Supporting services:						
Fundraising	131,718	-	131,718	92,759	-	92,759
Management and general	139,381	-	139,381	150,120	-	150,120
Total supporting services	271,099	-	271,099	242,879	-	242,879
Total expenses	1,089,515	-	1,089,515	885,401	-	885,401
Change in net assets	419,228	47,637	466,865	116,101	5,000	121,101
Net assets:						
Beginning of year	514,635	30,000	544,635	398,534	25,000	423,534
End of year	\$ 933,863	\$ 77,637	\$ 1,011,500	\$ 514,635	\$ 30,000	\$ 544,635

See notes to financial statements.

GIRL BE HEARD INSTITUTE
Statements of Functional Expenses
For the years ended December 31, 2016 and 2015

	2016				2015			
	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	\$ 515,233	\$ 77,535	\$ 83,673	\$ 676,441	\$ 400,262	\$ 94,966	\$ 70,535	\$ 565,763
Payroll taxes and employee benefits	70,419	6,133	13,492	90,044	49,664	8,576	10,974	69,214
Consultants and contractors	76,258	3,024	23,562	102,844	30,620	1,480	2,713	34,813
Advertising and promotion	4,580	-	3,627	8,207	5,435	-	-	5,435
Insurance	7,501	986	679	9,166	11,404	8,265	2,010	21,679
Office supplies and expenses	47,178	24,193	3,880	75,251	41,696	10,912	2,391	54,999
Postage and delivery	469	58	31	558	641	51	36	728
Printing	8,895	1,109	580	10,584	8,777	698	499	9,974
Professional fees	16,878	21,420	-	38,298	13,850	20,860	-	34,710
Rent and utilities	35,346	2,778	1,452	39,576	37,258	2,329	1,663	41,250
Travel and meetings	32,178	1,761	541	34,480	40,230	1,769	1,786	43,785
Scholarships - awarded	400	-	-	400	-	-	-	-
Depreciation	3,081	384	201	3,666	2,685	214	152	3,051
Total	<u>\$ 818,416</u>	<u>\$ 139,381</u>	<u>\$ 131,718</u>	<u>\$ 1,089,515</u>	<u>\$ 642,522</u>	<u>\$ 150,120</u>	<u>\$ 92,759</u>	<u>\$ 885,401</u>

See notes to financial statements.

GIRL BE HEARD INSTITUTE
Statements of Cash Flows
For the years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 466,865	\$ 121,101
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,666	3,051
Changes in assets and liabilities:		
(Increase) in contributions and other receivables	(16,999)	(65,008)
Decrease (increase) in prepaid expenses	572	(5,687)
Increase (decrease) increase in accounts payable and accrued expenses	7,187	(2,887)
Increase in deferred income	<u>32,760</u>	<u>13,200</u>
Net cash provided by operating activities	<u>494,051</u>	<u>63,770</u>
Cash flows from investing activities:		
(Purchase) of property assets	<u>(6,077)</u>	<u>(9,984)</u>
Net cash (used in) investing activities	<u>(6,077)</u>	<u>(9,984)</u>
Net increase in cash and cash equivalents	487,974	53,786
Cash and cash equivalents:		
Beginning of year	<u>384,054</u>	<u>330,268</u>
End of year	<u>\$ 872,028</u>	<u>\$ 384,054</u>

See notes to financial statements.

GIRL BE HEARD INSTITUTE
Notes to Financial Statements
December 31, 2016 and 2015

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, through its Touring, Education and Advocacy Program, develops, amplifies and celebrates the voices of young women through socially conscious theatre-making.

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, 2016 and 2015, 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, 2016 and 2015

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, 2016 and 2015

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, 2016, the Institute's Form 990s for the years 2013 through 2016 remain eligible for examination by the IRS.

Subsequent Events

The Institute has evaluated subsequent events and transactions through May 10, 2017, 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, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Computer equipment	\$ 16,060	\$ 9,984
Less: accumulated depreciation	<u>6,716</u>	<u>3,051</u>
Property assets, net	<u>\$ 9,344</u>	<u>\$ 6,933</u>

GIRL BE HEARD INSTITUTE
Notes to Financial Statements (Continued)
December 31, 2016 and 2015

Note 5 - Net Assets

Temporarily restricted net assets at December 31, 2016 and 2015 are being held in cash and are available for the following purposes:

	<u>2016</u>	<u>2015</u>
Touring, Education and Advocacy Program:		
Trinidad program	\$ 52,637	\$ -
Main stage show	20,000	-
Sunday workshops	5,000	-
Mentor program	-	25,000
Capacity building	-	5,000
	<u> </u>	<u> </u>
Temporarily restricted net assets	<u>\$ 77,637</u>	<u>\$ 30,000</u>

Note 6 - Government Grants

During the years ended December 31, 2016 and 2015, the Institute had various grants from governmental agencies in effect. Details of these government grants, summarized by grantor, are as follows:

2016:

<u>Grantor</u>	<u>Amount Awarded During 2016</u>	<u>Amount Recognized During 2016</u>
NYC DCA	\$ 314,100	\$ 128,640
U.S. Dept. of State	120,350	120,350
National Endowment for the Arts	20,000	20,000

2015:

<u>Grantor</u>	<u>Amount Awarded During 2015</u>	<u>Amount Recognized During 2015</u>	<u>Amount Recognized During 2016</u>
NYC DCA	\$ 283,000	\$ 113,200	\$ 169,800
U.S. Dept. of State	31,143	31,143	-

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 \$69,878 during 2016, and \$70,631 during 2015.

GIRL BE HEARD INSTITUTE
Notes to Financial Statements (Continued)
December 31, 2016 and 2015

Note 8 - Deferred Income

During the year ended December 31, 2016, the Institute was awarded two conditional grants totaling \$169,100, of which \$139,600 was received as of the end of the year. The \$65,960 balance in deferred income as of December 31, 2016 represents the portion of the \$139,600 received which was not expended.

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.

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, 2016 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2017	<u>\$ 23,472</u>
Total	<u><u>\$ 23,472</u></u>

Rent and utilities expense was \$39,576 and \$41,250 for the years ended December 31, 2016 and 2015, 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.