

**GIRL SCOUT COUNCIL OF
THE NATION'S CAPITAL**

AUDITED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

Girl Scout Council of the Nation's Capital

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Independent Auditor's Report

Board of Directors
Girl Scout Council of the Nation's Capital
Washington, D.C.

Opinion

We have audited the accompanying financial statements of **Girl Scout Council of the Nation's Capital** (a nonprofit organization), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, changes in net assets and functional expenses, 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 **Girl Scout Council of the Nation's Capital** as of September 30, 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 audits 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 **Girl Scout Council of the Nation's Capital** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 **Girl Scout Council of the Nation's Capital's** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (Continued)

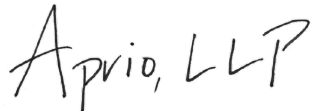
Auditor's Responsibilities for the Audit of the Financial Statements

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 **Girl Scout Council of the Nation's Capital'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 **Girl Scout Council of the Nation's Capital'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.



Rockville, Maryland
January 21, 2025

Girl Scout Council of the Nation's Capital

Statements of Financial Position

<i>September 30,</i>	2024	2023
Assets		
Cash and cash equivalents	\$ 12,521,491	\$ 11,693,334
Accounts receivable, net	388,782	808,018
Contributions receivable, net	310,176	954,140
Inventory	353,920	373,927
Prepaid expenses and deposits	801,514	529,302
Investments	34,296,266	18,914,762
Beneficial interest in perpetual trusts	-	90,230
Property and equipment, net	10,631,529	10,336,797
Land held for sale	-	12,600,000
Right-of-use assets - operating leases	9,854,420	7,720,250
Right-of-use assets - finance leases	69,302	99,002
Total assets	\$ 69,227,400	\$ 64,119,762
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 628,354	\$ 579,204
Accrued payroll and related liabilities	973,829	815,853
Deferred revenue	47,770	6,656
Note payable	-	11,086
Lease liabilities - operating leases	10,696,539	8,581,737
Lease liabilities - finance leases	65,489	94,693
Total liabilities	12,411,981	10,089,229
Net assets		
Without donor restrictions		
Board designated - Operating Reserve	17,122,115	14,494,805
Board designated - Outdoor Legacy Fund	12,539,844	-
Undesignated	23,619,648	36,305,386
Total net assets without donor restrictions	53,281,607	50,800,191
With donor restrictions	3,533,812	3,230,342
Total net assets	56,815,419	54,030,533
Total liabilities and net assets	\$ 69,227,400	\$ 64,119,762

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Statements of Activities

<i>For the Years Ended September 30,</i>	2024		2023	
	Operating	Capital	Total	Total
Changes in net assets without donor restrictions				
Revenue, gains, and other support				
Sales	\$ 28,945,824	\$ -	\$ 28,945,824	\$ 27,546,596
Cost of sales	13,836,357	-	13,836,357	12,359,476
Net sales	15,109,467	-	15,109,467	15,187,120
Other support				
Donated services	120,597	-	120,597	174,564
Camping and other program fees	1,766,372	-	1,766,372	1,567,484
Individuals, foundations and corporate contributions	207,949	-	207,949	974,444
Government contributions	-	-	-	1,429,051
Annual giving campaigns	691,909	-	691,909	992,849
United Way designations	20,700	-	20,700	24,324
Interest and dividends	1,737,753	-	1,737,753	493,916
Other income	50,031	-	50,031	93,267
Net realized and unrealized gain on investments	2,146,132	-	2,146,132	990,438
Total other support	6,741,443	-	6,741,443	6,740,337
Net assets released from restrictions:				
Satisfaction of program restrictions	1,433,430	-	1,433,430	2,351,490
Total revenue, gains, and other support	23,284,340	-	23,284,340	24,278,947
Expenses				
Program services:				
Troop-type service	9,598,095	79,036	9,677,131	8,673,523
Camping and property	1,230,023	553,254	1,783,277	1,679,583
Day camps and outreach	168,430	79,036	247,466	227,126
Adult/volunteer development	4,283,439	79,036	4,362,475	3,952,927
Total program services	15,279,987	790,362	16,070,349	14,533,159
Support activities:				
Fundraising	2,198,127	-	2,198,127	1,895,325
Management and general	2,534,448	-	2,534,448	2,057,968
Total support activities	4,732,575	-	4,732,575	3,953,293
Total expenses	20,012,562	790,362	20,802,924	18,486,452
Increase (decrease) in net assets without donor restrictions before impairment loss	3,271,778	(790,362)	2,481,416	5,792,495
Impairment loss on land held for sale	-	-	-	(2,456,151)
Increase (decrease) in net assets without donor restrictions	3,271,778	(790,362)	2,481,416	3,336,344
Changes in net assets with donor restrictions				
Foundation and corporate contributions	861,995	335,933	1,197,928	600,956
Individual giving contributions	340,372	188,600	528,972	572,792
Net assets released from restrictions	(1,433,430)	-	(1,433,430)	(2,351,490)
Increase (decrease) in net assets with donor restrictions	(231,063)	524,533	293,470	(1,177,742)
Changes in net assets with donor restrictions in perpetuity				
Contributions	10,000	-	10,000	105,735
Increase in permanently restricted net assets	10,000	-	10,000	105,735
Increase (decrease) in net assets	\$ 3,050,715	\$ (265,829)	\$ 2,784,886	\$ 2,264,337

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Statements of Changes in Net Assets

For the Years Ended September 30,

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets, October 1, 2022	\$ 47,463,847	\$ 4,302,349	\$ 51,766,196
Change in net assets	3,336,344	(1,072,007)	2,264,337
Net Assets, September 30, 2023	50,800,191	3,230,342	54,030,533
Change in net assets	2,481,416	303,470	2,784,886
Net Assets, September 30, 2024	\$ 53,281,607	\$ 3,533,812	\$ 56,815,419

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Statement of Functional Expenses

For the Year Ended September 30, 2024	Program Services				Total Program Services	Supporting Activities			Total Expenses
	Troop-Type Service	Camping and Property	Day Camps and Outreach	Adult/Volunteer Development		Fundraising	Management and General	Total	
Salaries	\$ 3,965,548	\$ 430,547	\$ 77,036	\$ 2,343,272	\$ 6,816,403	\$ 1,058,913	\$ 1,091,217	\$ 2,150,130	\$ 8,966,533
Staff health and retirement benefits	831,391	90,266	16,151	491,275	1,429,083	222,005	228,778	450,783	1,879,866
Payroll taxes	295,249	32,056	5,736	174,465	507,506	78,840	81,245	160,085	667,591
Total salaries and related expenses	5,092,188	552,869	98,923	3,009,012	8,752,992	1,359,758	1,401,240	2,760,998	11,513,990
Professional fees	230,379	215,308	25,273	123,086	594,046	308,128	686,339	994,467	1,588,513
Supplies	1,381,125	258,661	24,071	343,154	2,007,011	92,404	70,532	162,936	2,169,947
Communication	216,686	10,103	2,059	82,708	311,556	30,469	42,159	72,628	384,184
Postage and shipping	67,210	9,877	816	15,838	93,741	20,929	1,826	22,755	116,496
Occupancy	1,367,364	7,253	1,511	452,132	1,828,260	231,762	192,015	423,777	2,252,037
Rentals and maintenance	16,910	3,481	290	7,885	28,566	3,238	2,716	5,954	34,520
Outside printing and artwork	64,013	10,466	1,235	52,792	128,506	34,201	5,252	39,453	167,959
Transportation and related expenses	221,397	92,926	8,216	93,994	416,533	16,584	15,691	32,275	448,808
Adult conferences and conventions	18,677	21,799	1,984	13,407	55,867	3,981	6,372	10,353	66,220
Specific assistance to individual girls and adults	543,399	-	-	-	543,399	-	-	-	543,399
Dues for membership in other organizations	1,562	1,592	112	680	3,946	2,400	3,304	5,704	9,650
Miscellaneous	85,210	23,499	2,091	37,723	148,523	69,023	97,484	166,507	315,030
Bank and credit card fees	291,975	22,189	1,849	51,028	367,041	25,250	9,518	34,768	401,809
Total expenses before depreciation and amortization	9,598,095	1,230,023	168,430	4,283,439	15,279,987	2,198,127	2,534,448	4,732,575	20,012,562
Depreciation and amortization	79,036	553,254	79,036	79,036	790,362	-	-	-	790,362
Total expenses	\$ 9,677,131	\$ 1,783,277	\$ 247,466	\$ 4,362,475	\$ 16,070,349	\$ 2,198,127	\$ 2,534,448	\$ 4,732,575	\$ 20,802,924

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Statement of Functional Expenses

<i>For the Year Ended September 30, 2023</i>	Program Services					Supporting Activities			
	Troop-Type Service	Camping and Property	Day Camps and Outreach	Adult/Volunteer Development	Total Program Services	Fundraising	Management and General	Total	Total Expenses
Salaries	\$ 3,563,249	\$ 386,868	\$ 69,220	\$ 2,105,550	\$ 6,124,887	\$ 951,488	\$ 980,515	\$ 1,932,003	\$ 8,056,890
Staff health and retirement benefits	751,721	81,616	14,603	444,197	1,292,137	200,731	206,854	407,585	1,699,722
Payroll taxes	268,227	29,122	5,211	158,497	461,057	71,624	73,809	145,433	606,490
Total salaries and related expenses	4,583,197	497,606	89,034	2,708,244	7,878,081	1,223,843	1,261,178	2,485,021	10,363,102
Professional fees	131,027	171,262	15,454	59,019	376,762	95,987	370,041	466,028	842,790
Supplies	1,271,798	297,866	27,630	317,245	1,914,539	120,268	62,290	182,558	2,097,097
Communication	97,146	9,504	920	50,834	158,404	13,714	41,825	55,539	213,943
Postage and shipping	58,302	9,109	752	13,707	81,870	12,286	2,608	14,894	96,764
Occupancy	1,330,703	7,705	3,168	454,624	1,796,200	255,846	181,113	436,959	2,233,159
Rentals and maintenance	15,328	3,089	257	4,852	23,526	4,594	4,594	9,188	32,714
Outside printing and artwork	76,770	10,214	1,262	64,684	152,930	46,422	6,177	52,599	205,529
Transportation and related expenses	269,341	82,758	7,093	107,532	466,724	30,647	25,903	56,550	523,274
Adult conferences and conventions	28,526	21,334	2,031	18,146	70,037	7,130	8,062	15,192	85,229
Specific assistance to individual girls and adults	420,342	-	-	-	420,342	-	-	-	420,342
Dues for membership in other organizations	696	853	68	537	2,154	1,532	1,806	3,338	5,492
Miscellaneous	81,677	11,686	1,079	32,761	127,203	59,719	75,143	134,862	262,065
Bank and credit card fees	231,882	19,079	1,590	43,954	296,505	23,337	17,228	40,565	337,070
Total expenses before depreciation and amortization	8,596,735	1,142,065	150,338	3,876,139	13,765,277	1,895,325	2,057,968	3,953,293	17,718,570
Depreciation and amortization	76,788	537,518	76,788	76,788	767,882	-	-	-	767,882
Total expenses	\$ 8,673,523	\$ 1,679,583	\$ 227,126	\$ 3,952,927	\$ 14,533,159	\$ 1,895,325	\$ 2,057,968	\$ 3,953,293	\$ 18,486,452

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Statements of Cash Flows

<i>For the Years Ended September 30,</i>	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 2,784,886	\$ 2,264,337
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Bad debt expense	32,144	32,804
Realized and unrealized gain on investments and perpetual trusts	(2,146,132)	(990,438)
Impairment loss on land held for sale	-	2,456,151
Depreciation and amortization	760,661	738,181
Right-of-use asset amortization for finance lease obligations	29,701	29,701
Proceeds from contributions restricted for investment in net assets with donor restrictions in perpetuity	(10,000)	(105,735)
(Increase) decrease in assets		
Accounts receivable, net	387,092	(22,571)
Contributions receivable, net	643,964	(810,540)
Inventory	20,007	(20,453)
Prepaid expenses and deposits	(272,212)	(48,155)
Right-of-use assets - operating leases	918,893	898,578
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	49,150	(63,303)
Accrued payroll and related liabilities	157,976	156,247
Deferred revenue	41,114	(29,249)
Lease liabilities - operating leases	(938,261)	(884,305)
Net cash provided by operating activities	2,458,983	3,601,250
Cash flows from investing activities		
Proceeds from sales and maturities of investments	10,921,944	6,487,531
Purchases of investments	(24,067,086)	(10,804,937)
Capital expenditures	(1,055,394)	(726,740)
Proceeds from sale of land	12,600,000	-
Net cash used in investing activities	(1,600,536)	(5,044,146)
Cash flows from financing activities		
Proceeds from contributions restricted for investment in net assets with donor restrictions	10,000	105,735
Principal payments on note payable	(11,086)	(8,480)
Principal payments on finance lease obligations	(29,204)	(26,401)
Net cash (used in) provided by financing activities	(30,290)	70,854
Net change in cash and cash equivalents	828,157	(1,372,042)
Cash and cash equivalents, beginning of year	11,693,334	13,065,376
Cash and cash equivalents, end of year	\$ 12,521,491	\$ 11,693,334
Supplemental information		
Cash paid for interest on finance lease obligations	\$ 8,811	\$ 12,193
Cash paid for interest on note payable	\$ 335	\$ 657
Supplemental non-cash investing activities		
Leasehold improvements covered by tenant allowance	\$ -	\$ 125,831
Recognition of operating lease right-of-use asset for new and modified leases	\$ 2,563,513	\$ -
Recognition of operating lease liability for new and modified leases	\$ 3,053,063	\$ -

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

1. Organization and significant accounting policies

Organization: The Girl Scout Council of the Nation's Capital ("the Council"), a nonprofit organization, was incorporated in the state of Virginia on January 1, 1963. The Council serves youth throughout the District of Columbia, eight counties in Maryland, ten counties in Virginia, and seven counties in West Virginia. The accompanying financial statements do not include financial data for individual Girl Scout Troops.

Description of Program and Supporting Services:

Troop-type Service:

The Council is the support organization of Girl Scouting in neighborhoods throughout the District of Columbia, eight counties in Maryland, ten counties in Virginia, and seven counties in West Virginia. It is responsible for the recruitment of youth and adults and the formation of Girl Scout troops throughout the region. The Council develops programs for youth and troops, provides outreach to low-income and linguistically diverse populations, as well as providing the financial support to ensure equal access to programs and activities by all members.

Camping and Property:

The Council provides overnight and multi-day outdoor experiences that teach teamwork, cooperation, self-reliance, and leadership while enhancing youth's skills in numerous sports, crafts, arts, and outdoor related activities. The Council maintains ten properties, eight with developed campsites that are used as overnight camps, summer day programs, service unit and troop camping and training. The Council provides financial support for resident camping through camperships to youth.

Day Camps and Outreach:

The Council provides weeks of summer programs for youth that focus on self-awareness and skill building activities, as well as outdoor education, science, arts, and crafts. Some of the programs are located in economically depressed and/or at-risk areas or in neighborhoods where English is not the primary language, while others are more traditional and are located on campsites and in state parks. Through the day camps, the Council is able to serve the diverse population of youth in the region. The Council also provides financial support for day camps through camperships to youth.

Adult/Volunteer Development:

The Council facilitates volunteer involvement in Girl Scouts by providing the resources, the administrative and financial support, adult education courses, training for skills enhancement and safety, publications and communications materials, and the support services that enhance the delivery of the Girl Scout program.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

Fundraising:

The Council also secures private financial support, grants, individuals, foundations and corporations, and the United Way and Combined Federal Campaigns. The Council coordinates a planned giving program, as well as communicating the progress and activities of the Council to the donor community.

Management and General:

The Council's resources are used to support a professional working environment, which allows for the coordination, articulation, and dissemination of the organization's mission and programs. The Council provides leadership support, guidelines, and policy for all the volunteers within the organization. The Council administers programs and manages the financial and budgetary responsibilities of the Council.

Basis of presentation: The financial statements of the Council have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Net assets of the Council and changes therein are classified and reported as follows:

Net assets without donor restrictions – net assets result from revenues derived from contributions without donor restrictions, investment income, and other inflows of assets that are not subject to donor-imposed stipulations. This also includes Board designated net assets which consist of net assets designated by the Board for a specific use.

Board designated net assets – The board may designate the use of net assets without donor restrictions to enhance operational capabilities. For the years ended September 30, 2024 and 2023, the board approved the use of \$17,122,115 and \$14,494,805, respectively, of net assets without donor restrictions for operating reserves. For the year ended September 30, 2024, the board designated \$12,539,844 for the Outdoor Legacy Fund.

Net assets with donor restrictions – The Council reports gifts of cash and other assets as restricted revenue if they are received with donor stipulations that limit the use of the donated assets. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

Cash and cash equivalents: Cash and cash equivalents consist of deposits in checking, savings, and money market accounts, and all liquid debt instruments with original maturities of three months or less. Certain money market accounts intended for long-term investment are categorized as investments. The Council maintains cash balances which may exceed the federally insured limit of \$250,000 per financial institution. At September 30, 2024, the Council held approximately \$11,960,000 over the FDIC limit at two institutions. At September 30, 2023, the Council held approximately \$11,109,000 over the FDIC limit at two institutions. The Council has not experienced any losses through the date when the financial statements were available to be issued.

Inventory: Inventory, stated at net realizable value, consists of clothing, supplies, and other items sold in the Girl Scout shops. There is no cookie inventory because the cookie sales occur between December and March each year and all cookies are sold and delivered by year-end.

Investments: Investments are recorded at readily determinable fair values. The Council utilized readily available market prices to value its investments as of September 30, 2024 and 2023. Therefore, all assets are classified at Level 1 as defined under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820. Unrealized and realized gains and losses are included in the statements of activities.

Beneficial interest in perpetual trusts: The Council was the beneficiary of several trusts. Net unrealized gains and losses in these trusts are reported as restricted support based on the various donor gifts to the trusts which restrict distribution from the trust to interest and dividend income. The carrying value of these assets is equal to the estimated fair value of the underlying trust assets, which approximates the present value of the future cash flows to be derived from those trust accounts. The Council does not require collateral to secure its beneficial interest in perpetual trusts.

Fair value: The Council values its investments at fair value in accordance with a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

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. There have been no changes to the fair value methodologies used at September 30, 2024 and 2023, respectively.

Accounts and contributions receivable: Accounts receivable consists mainly of receivables from the cookie program, fall product, troop loans and donor pledges. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are substantially met.

Accounts receivables are carried at original amount less an estimate made for allowance for credit losses based on an annual review of all outstanding amounts. The allowance for credit losses reflects the best estimate of probable losses determined principally on historical collection experience and other factors, including current market factors, and forecasted economic conditions. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for credit losses. Receivables are written off when deemed uncollectible. The allowance for doubtful contributions receivable is based on specifically identified amounts that the Council believes to be uncollectible. As of September 30, 2024 and 2023, the Council believes that the allowance for credit losses and doubtful contributions receivable is adequate. However, future write-offs might exceed the recorded allowance.

Financial instruments and credit risk: Financial instruments which potentially subject the Council to concentrations of credit risk consist principally of cash and investments held at creditworthy financial institutions. These investments are kept within limits designed to prevent risks caused by concentration. As of September 30, 2024 and 2023, the Council had no other significant concentration of credit risk.

Property and equipment, and depreciation: Land, buildings, and equipment are recorded at cost, or if donated, such assets are capitalized at the estimated fair market value at the date of receipt. The value of the land represents the historical cost at the date of acquisition or donation. Depreciation of buildings and equipment is computed using the straight-line method with the following estimated useful lives:

Buildings and improvements	20 to 40 years
Camp equipment	5 to 15 years
Vehicles	5 years
Office equipment	3 to 15 years

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

The Council capitalizes all acquisitions of land, buildings, and equipment over \$2,500. When assets are sold or disposed of, the cost and corresponding accumulated depreciation and amortization are removed from the accounts with any gain or loss recognized currently. Expenditures for repairs and maintenance are charged to expense as incurred. Costs associated with leasehold improvements are amortized over the life of the lease. Costs associated with construction in progress are held until the asset is placed in service, at which point the asset is transferred out of construction in progress and depreciated over its estimated useful life. During the years ended September 30, 2024 and 2023, \$980,531 and \$203,088, respectively, of construction in progress was reclassified to buildings and improvements as the construction was completed. During the years ended September 30, 2024 and 2023, \$459,314 and \$873,808, respectively, remained as construction in progress.

It is not the Council's policy to imply time restrictions expiring over the useful life of donated assets. In the absence of donor-imposed restrictions on the use of the asset, gifts of long-lived assets are reported as support without donor restrictions once placed in service.

Impairment of long-lived assets: The Council reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the asset is reduced to its current fair value by a charge to the statements of activities.

The Council received a donation of 638.71 acres of land during 2019 with an appraised value of \$17,900,000. In December 2023, the Council signed a purchase agreement to sell 537.24 acres of the donated land valued at \$15,056,151 for \$12,600,000 and recognized an impairment loss of \$2,456,151. This loss is reported as a separate line item in the statement of activities at September 30, 2023. There was no impairment at September 30, 2024.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

Leases: As of October 1, 2022, the Council adopted ASC 842. Operating lease right-of-use assets (“ROU”) and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. ROU assets also include adjustments related to lease payments made and lease incentives received at or before the commencement date. The ROU assets resulting from operating leases are disclosed as right-of-use assets - operating leases and the related liabilities are included in lease liabilities – operating leases in the statements of financial position. The ROU assets resulting from finance leases are disclosed as right-of-use assets – finance leases and the related liabilities are included in the lease liabilities – finance leases in the statements of financial position. At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using the risk-free rate. Operating lease cost is recognized on a straight-line basis over the lease term as occupancy expense in the accompanying statements of functional expenses. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Council will exercise that option. Lease and non-lease components of operating lease agreements are accounted for as a single component. The Council determines if an arrangement is a lease at inception. All leases are recorded on the statements of financial position except for leases with an initial term less than 12 months for which the Council made the short-term lease election.

The Council leases equipment under leases for periods of three to five years. The lessors agree to maintain the equipment associated with the leases over the lease term. In accordance with ASC 842, the Council allocated the consideration in the contract to the lease (equipment) and non-lease (maintenance) components, which was allocated based on observable standalone prices for the equipment.

Endowments: The Council has interpreted the Commonwealth of Virginia’s Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Council classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. The associated gains and income on donor-restricted endowment funds are classified as net assets with restriction until those amounts are appropriated for expenditure by the Council in a manner consistent with the standard of prudence prescribed by UPMIFA.

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In accordance with UPMIFA, the Council considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The purposes that the Council will appropriate funds from the donor-restricted endowment fund;
2. General economic conditions;
3. The possible effect of inflation and deflation;
4. The expected total return from income and the appreciation of investments;
5. Other resources of the Council; and
6. The investment policies of the Council

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Council to retain as a fund of perpetual duration.

Endowment Investment and Spending Policies – The objective of the Endowment Fund is principal preservation pursued as a long-term goal designed to maximize the income returns without exposure to undue risk. It is understood that fluctuating rates of return are characteristic of the securities markets. This fund has a long-term performance horizon of 3-5 years.

For purposes of measuring performance:

1. The total return, net of investment expenses, will be compared to an index comprised of a blend of indices whose mix approximates the mix of the Endowment Fund.
2. The total return, net of investment expenses, of each investment manager will be evaluated against an appropriate individual benchmark and a peer universe.

For purposes of measuring performance, total return is defined as all dividends and interest and both realized and unrealized gains and losses reduced by investment expenses and fees.

To satisfy its long-term rate-of-return objectives, the Council relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Council targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

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The Council's fiscal policy governs the use of resources in the endowment fund for scholarships, camperships, and financial assistance for programs. Endowment funds are used for the specified purpose, or over the specified time period, designated by the donor.

Revenue recognition:

The Council recognizes revenue in accordance with Accounting Standards Codification 606, *Revenue from Contracts with Customers* ("ASC 606"). The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied. The five-step model is outlined below:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Sales: Sales are recognized as revenue at the point in time when the customer receives and pays for goods with cash. For online sales shipped to customers, sales are recognized at the point in time that the goods are shipped.

Camping and other program fees: Revenue from camping and other program fees are recognized at the point in time when the services have been rendered.

Contract costs – Costs to fulfill the contracts for sales, camping, and other program fees include materials, direct salaries, fringe benefits, allocated overhead, and other miscellaneous expenses. The Council does not incur incremental costs to obtain the contracts.

Contract assets and liabilities – Contract liabilities include payments received in advance of an event and not yet earned and are included in deferred revenue. There was deferred revenue of \$47,770 and \$6,656 at September 30, 2024 and 2023, respectively. There was deferred revenue of \$35,905 at October 1, 2022. Contract assets include accounts receivable which were \$385,511, \$802,444 and \$814,028 at September 30, 2024, 2023, and October 1, 2022, respectively.

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Other income: Other income arises from rebates of credit cards and vendors, and non-recurring camp site rentals. The rebates are recognized when received and camp site rentals, usually short-term, are recognized at the end of the rental period.

The following revenue streams are outside of the scope of ASC 606:

Contributions: The Council recognizes all contributions as revenue in the period received or unconditionally promised. Contributions are recorded as net assets without restrictions or net assets with restrictions depending on the presence or absence of donor stipulations that limit the use of the contributions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with restrictions are reclassified as net assets without restrictions and reported in the statements of activities as net assets released from restrictions. SHARE is a contribution campaign wherein families and friends can donate to help make Girl Scouting possible.

Annual giving campaigns: Revenue from the annual giving campaigns is recognized when a pledge or contribution is received in accordance with contribution revenue policies.

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

Expenses that are allocated include the following:

Expense Type	Allocation Method
Professional fees	Time and effort
Supplies	Time and effort
Communication	Time and effort
Postage and shipping	Time and effort
Occupancy	Time and effort
Rentals and maintenance	Time and effort
Outside printing and artwork	Time and effort
Transportation and related expenses	Time and effort
Adult conferences and conventions	Time and effort
Specific assistance to individual youth and adults	Actual expenses
Dues for membership in other organizations	Time and effort
Bank and credit card fees	Time and effort
Miscellaneous	Time and effort
Depreciation and amortization	Actual expenses

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Notes to Financial Statements

Donated services and property: A substantial number of volunteers have donated significant amounts of time to the Council's program services and to its fund-raising campaigns. Although the value of these services is significant, the Council does not record such value in its financial statements since the criteria for recognition are not met. During the years ended September 30, 2024 and 2023, the Council received donated professional services. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Council. The Council recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair values at the time of the donation.

Income tax status: The Council is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and has been classified as other than a private foundation within the meaning of Section 509(a)(2) of the Internal Revenue Code. Accordingly, no provision for income taxes is recognized in the financial statements.

The Council evaluates uncertainty in income tax positions taken or expected to be taken on a tax return based on a more-likely-than not recognition standard. If that threshold is met, the tax position is then measured at the largest amount that is greater than 50% likely of being realized upon ultimate settlement and is recognized in the financial statements. As of September 30, 2024 and 2023, the Council recognized no uncertain tax positions nor accrued interest and penalties associated with uncertain tax positions. If applicable, the Council records interest and penalties as a component of income tax expense. Tax years from 2021 through the current year remain open for examination by tax authorities.

Management estimates: The preparation of financial statements in conformity 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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Recently Adopted Accounting Guidance: In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2016-13, *Financial Instruments - Credit Losses (Topic 326)*, or (“CECL”), which prescribes an impairment model for most financial instruments based on expected losses rather than incurred losses. Under this model, an estimate of expected credit losses over the contractual life of the instrument is to be recorded as of the end of a reporting period as an allowance to offset the amortized cost basis, resulting in a net presentation of the amount expected to be collected on the financial instrument. For most instruments, entities must apply the standard using a cumulative-effect adjustment to beginning net assets as of the beginning of the fiscal year of adoption.

The adoption of CECL did not have a material impact. A cumulative effect adjustment to beginning net assets was not required.

Subsequent events: Management has evaluated subsequent events for disclosure in these financial statements through January 21, 2025, which is the date the financial statements were available to be issued.

2. Liquidity and availability of Resources

The table below presents financial assets available for general expenditures within one year at September 30:

	2024	2023
Cash and cash equivalents	\$ 12,521,491	\$ 11,693,334
Accounts receivable	388,782	808,018
Contributions receivable	310,176	954,140
Investments	34,296,266	18,914,762
Total financial assets	47,516,715	32,370,254
Less: net assets with donor restrictions	(3,533,812)	(3,230,342)
Financial assets available to meet general expenditures over the next twelve months	\$ 43,982,903	\$ 29,139,912

The Council regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Council has various sources of liquidity including cash and cash equivalents, marketable equity securities, and contributions with and without donor restrictions. The board designated reserve fund is available for general expenditure with the authorization of the board. The Council considers all expenditures related to its ongoing activities of supporting the Council’s operating activities, fundraising and administration to be general expenditures. The organization strives to maintain liquid financial assets sufficient to cover at least 6 months of general expenditures.

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Notes to Financial Statements

3. Accounts receivable

Accounts receivable consist of the following at:

September 30,	2024	2023
Cookie receivables	\$ 10,520	\$ 8,360
Fall sales receivable	136,660	534,876
Other receivables	243,502	269,482
Total receivables	390,682	812,718
Less: allowance for credit losses	(1,900)	(4,700)
Net accounts receivable	\$ 388,782	\$ 808,018

4. Contributions receivable

Contributions receivable consist of the following at:

September 30,	2024	2023
Unconditional promises to give	\$ 342,676	\$ 977,140
Less: Allowance for doubtful accounts	(32,500)	(23,000)
Net unconditional promises to give	\$ 310,176	\$ 954,140

No discount has been recorded for the years ended September 30, 2024 and 2023 as the overall amount would be immaterial to the financial statements.

The expected future cash receipts of contributions receivable are as follows at:

September 30,	2024	2023
Amounts due in:		
Less than one year	\$ 237,676	\$ 977,140
One to five years	105,000	-
Unconditional promises to give before allowance for doubtful accounts	\$ 342,676	\$ 977,140

5. Fair value

Investments, at fair value, consist of the following at:

September 30, 2024	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate securities	\$ 2,096,345	\$ 2,096,345	\$ -	\$ -
Exchange traded funds	4,573,382	4,573,382	-	-
Mutual funds	17,083,412	17,083,412	-	-
Money market funds	10,543,127	10,543,127	-	-
Total investments	\$ 34,296,266	\$ 34,296,266	\$ -	\$ -

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Notes to Financial Statements

September 30, 2023	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate securities	\$ 1,713,409	\$ 1,713,409	\$ -	\$ -
Exchange traded funds	3,263,791	3,263,791	-	-
Mutual funds	13,884,194	13,884,194	-	-
Money market funds	53,368	53,368	-	-
Total investments	\$ 18,914,762	\$ 18,914,762	\$ -	\$ -

6. Property and equipment

Property and equipment consists of the following at:

September 30,	2024	2023
Land		
Land	\$ 5,211,526	\$ 4,961,526
Land held for sale	-	12,600,000
Total land	5,211,526	17,561,526

Building and Improvements

Aquasco	165,232	165,232
Brighton Woods	1,762,589	1,737,588
Coles Trip	1,930,822	1,899,935
Crowell	440,853	425,057
May Flather	462,122	335,174
Potomac Woods	1,756,761	1,564,897
White Rock	1,334,970	865,370
Winona	4,491,071	4,389,649
Leasehold improvements – headquarters	547,228	547,228
Frederick, MD Archive Center	216,150	207,750
Martinsburg Office Space	172,142	72,270
Total building and improvements	13,279,940	12,210,150

Equipment

Office equipment	417,300	391,964
Vehicles	481,728	386,598
Camp and program equipment	200,241	170,608
Potomac Woods	69,236	69,236
Brighton Woods	15,616	15,616
Aquasco	17,829	17,829
Coles Trip	66,229	66,229
May Flather	21,409	21,409
White Rock	14,310	14,310

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Notes to Financial Statements

Winona	30,988	30,988
Total equipment	1,334,886	1,184,787
Construction in progress	459,314	873,808
Total Property and equipment at cost	20,285,666	31,830,271
Less: Accumulated depreciation and amortization	(9,654,137)	(8,893,474)
Property and equipment, net	\$ 10,631,529	\$ 22,936,797

The Council leases, for a nominal value, the land on which Camp May Flather is located from the National Park Service and a portion of the land used for Camp Aquasco from the Maryland Capital Parks and Planning Commission.

Depreciation and amortization expense for the years ended September 30, 2024 and 2023 was \$790,362 and \$767,882, respectively.

7. Note payable

In August 2014, the Council received donated land in Brookeville, Maryland from an individual donor and issued a deed of trust agreement (the agreement) between the Council and the donor to execute the purchase and donation of the land. At the time of the donation, the land was appraised at \$350,000. As part of the agreement, the Council was required to pay the donor \$50,000 in cash and issue a note payable amounting to \$75,000. The remaining amount of \$225,000 was recorded as a contribution from the donor and included in the statement of activities. The note bears a 4% interest rate, payable in 40 regular payments of \$2,284 starting in November 2014. As of September 30, 2024 and 2023, principal payments of \$11,063 and \$8,480, respectively, have been made. During the year ended September 30, 2024, this principle payment also included a payment made for the remaining \$2,261 of principle due in 2025.

Interest expense for the years ended September 30, 2024 and 2023 was \$335 and \$657, respectively.

8. Lines-of-credit

In November 2019, the Council opened an unsecured \$2,000,000 line-of-credit with PNC Bank. At September 30, 2024 and 2023, the balance of the line-of-credit was \$0. The interest rate on this line-of-credit was LIBOR plus 1.5% with a maturity date of April 30, 2021. In May 2021, the line-of-credit was amended to extend the maturity date to April 30, 2022. In May 2022, the line-of-credit was amended to extend the maturity date to April 30, 2023. In May 2023, the line-of-credit was amended to extend the maturity date to April 30, 2024 and to increase the interest rate to LIBOR plus 1.75% which was 7.2% as of September 30, 2023. In April 2024, the line-of-credit was amended to extend the maturity date to April 30, 2025 and to amend the interest rate to SOFR plus 1.75% which was 6.7% as of September 30, 2024. As of September 30, 2024 and 2023, the line-of-credit has not been used.

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Notes to Financial Statements

9. Board designated net assets The Board established a fund called the “Operating Reserve”. In accordance with the guidelines of Girl Scouts of the USA, it is the goal of the Council to build a reserve fund equal to 50% of annual operating expenses. The fund is at 82.3% and 78.4% for the years ended September 30, 2024 and 2023, respectively. During the year ended September 30, 2024, the Board established a fund called the “Outdoor Legacy Fund” which was established to expand outdoor education for future generations of Girl Scouts in the National Capital Area.

10. Net assets with donor restrictions Net assets with donor restrictions were available for the following purposes as of:

	September 30, 2024	2023
Camp programs	\$ 75,000	\$ 190,450
Troop-type service	715,990	484,676
Acquisition of land, building, and equipment	378,386	200,780
Endowment fund – held in perpetuity	2,364,436	2,354,436
Total net assets with donor restrictions	\$ 3,533,812	\$ 3,230,342

11. Net assets released from restrictions Net assets were released from donor restrictions during the years ended September 30, 2024 and 2023 by incurring expenses satisfying the purpose of restrictions specified by donors, as follows:

	September 30, 2024	2023
Camp programs	\$ 98,895	\$ 130,381
Troop-type service	947,609	1,976,064
Acquisition of land, building, and equipment	386,926	245,045
Total net assets released from restrictions	\$ 1,433,430	\$ 2,351,490

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Notes to Financial Statements

12. Net assets with donor restrictions in perpetuity	The Council's endowment fund consists of the following as of:		
	September 30,	2024	2023
	Ewing Fund for Campership	\$ 15,578	\$ 15,578
	Schwartz/Wolff Foundation Fund	18,208	18,208
	Juliette Low Society	840,673	830,673
	Con Corazon/Heart	103,235	103,235
	Phillips Gold Award Fund	250,000	250,000
	Samuel Rosenstock Irrevocable Trust	225,277	225,277
	Pangborn Trust	38,150	38,150
	Shingleton Trust	41,913	41,913
	Eva Woolridge Scholarship Fund	54,864	54,864
	Verhage Campership Fund	759,374	759,374
	Bobby Lerch Endowment Fund	17,164	17,164
Total net assets with donor restrictions in perpetuity	\$ 2,364,436	\$ 2,354,436	

13. Sales	For the year ended September 30, 2024:				
		Cookies	Fall Sale	Girl Scout Shops	Total
	Sales	\$ 24,885,883	\$ 2,639,255	\$ 1,420,686	\$ 28,945,824
	Cost of Sales	11,458,504	1,667,368	710,485	13,836,357
Net Sales	\$ 13,427,379	\$ 971,887	\$ 710,201	\$ 15,109,467	

	For the year ended September 30, 2023:				
	Cookies	Fall Sale	Girl Scout Shops	Total	
Sales	\$ 23,135,702	\$ 2,897,385	\$ 1,513,509	\$ 27,546,596	
Cost of Sales	9,863,096	1,758,349	738,031	12,359,476	
Net Sales	\$ 13,272,606	\$ 1,139,036	\$ 775,478	\$ 15,187,120	

Cookie sales are net of \$4,445,506 and \$4,297,485 retained by troops for the years ended September 30, 2024 and 2023, respectively. Fall sales are net of \$515,703 and \$560,621 retained by troops for the years ended September 30, 2024 and 2023, respectively.

Net revenues from product sales represented 64.1% and 65.4% of operating revenue for the years ended September 30, 2024 and 2023, respectively.

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Notes to Financial Statements

14. Annual giving campaigns

Annual giving campaigns revenue consists of the following:

September 30,	2024	2023
SHARE	\$ 462,996	\$ 552,477
Major Gifts	228,913	440,372
Total annual giving campaigns	\$ 691,909	\$ 992,849

15. Employee benefit plan

The Council participates in the National Girl Scout Council Retirement Plan (NGSCR), a noncontributory defined benefit pension plan sponsored by Girl Scouts of the USA. The National Board of Girl Scouts of the USA voted to freeze the Plan to new entrants and to freeze future benefit accruals for all current participants under the Plan effective July 31, 2010. The Plan covers the majority of the employees of various Girl Scout councils who were eligible to participate in the plan prior to the Plan freeze. Accrued and vested benefits prior to July 31, 2010 are based on years of service and salary levels. This obligation is held at NGSCR. Contributions made by the Council for the years ended September 30, 2024 and 2023 were \$582,939 and \$552,833, respectively.

During the year ended September 30, 2011, as a result of the National Girl Scout Council Retirement Plan being frozen, the Board of Directors appointed an Ad-Hoc Committee to develop a new single employer retirement plan for the Council’s employees. The Committee worked with the Council’s management to design a defined contribution plan that would include a 3% non-discretionary contribution by the Council for all employees who met the eligibility requirements, and in addition, the Council would also match up to 2% of the contribution made by each eligible employee to their retirement savings. The Council’s pension expense and contributions to this plan for the years ended September 30, 2024 and 2023 were \$338,305 and \$292,830, respectively. Employees are fully vested in the Council’s non-discretionary contributions immediately, and are fully vested in the Council’s matching contributions after 3 years of service.

16. Operating leases

The Council evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Council’s right to use underlying assets for the lease term, and the lease liabilities represent the Council’s obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, under the operating leases, were calculated based on the present value of future lease payments over the lease terms. The weighted-average discount rate applied to calculate operating lease liabilities as of September 30, 2024 and 2023, was 3.9% and 3.7%, respectively. As of September 30, 2024 and 2023, the weighted-average remaining lease term for the Organization’s operating leases was approximately 11.5 and 7.6 years, respectively.

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Notes to Financial Statements

The Council has commitments under operating leases, expiring at various times through the 2027 to 2037, for office space and equipment. Some leases have scheduled rental increases and some contain options to renew. There were two lease modifications and one new storage lease signed during the year ended September 30, 2024.

For the year ended September 30, 2024 and 2023, total operating lease cost was \$1,247,882 and \$1,236,578, respectively.

Cash paid for operating leases for the year ended September 30, 2024 and 2023 was \$1,251,519 and \$1,220,523, respectively. There were no noncash investing and financing transactions related to leasing.

Future maturities of the lease obligation under non-cancellable leases as of September 30, 2024 are as follows:

Years Ending September 30,	Total
2025	\$ 1,188,019
2026	1,225,052
2027	1,170,215
2028	1,137,908
2029	1,166,536
Thereafter	7,558,652
Total	13,446,382
Less: imputed interest	(2,749,843)
Lease liabilities – operating	\$ 10,696,539

17. Finance leases

The Council is obligated for leases of equipment as a lessee under agreements classified as finance leases. The weighted-average discount rate applied to calculate finance lease liabilities as of September 30, 2024 and 2023, was 10% and 10%, respectively, the rate implicit in the lease. As of September 30, 2024 and 2023, the weighted-average remaining lease term for the Organization's finance leases was approximately 2.1 and 3.1 years, respectively.

For the year ended September 30, 2024 and 2023, total finance lease cost was \$38,511 and \$41,894, respectively.

Cash paid for finance leases for the year ended September 30, 2024 and 2023 was \$38,015 and \$38,594, respectively. There were no noncash investing and financing transactions related to leasing.

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Notes to Financial Statements

The following is a schedule by year of the future maturities under the finance leases as of September 30, 2024:

Years Ending September 30,	Total
2025	\$ 33,463
2026	36,837
2027	3,129
Total	73,429
Less: imputed interest	(7,940)
Lease liabilities – finance	\$ 65,489

For the year ended September 30,	2024	2023
Finance lease asset		
Original asset value	\$ 148,503	\$ 148,503
Less: accumulated amortization	(79,201)	(49,501)
Net book value at year end	\$ 69,302	\$ 99,002
Amortization of ROU Asset – finance leases	\$ 29,700	\$ 29,701
Interest on lease liabilities – finance leases	8,811	12,193
Total finance lease cost	\$ 38,511	\$ 41,894

18. Endowments

The Council's endowment consists of contributions with donor restrictions to be held in perpetuity established for the purpose of funding scholarships and financial assistance to Girl Scouts. Net assets associated with the endowment funds are classified and reported on the existence or absence of donor-imposed restrictions.

The endowment net asset composition by type of fund was as follows:

September 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 2,364,436	\$ 2,364,436
Accumulated investment gains	-	-	-
Total endowment funds	\$ -	\$ 2,364,436	\$ 2,364,436

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September 30, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 2,354,436	\$ 2,354,436
Accumulated investment gains	-	-	-
Total endowment funds	\$ -	\$ 2,354,436	\$ 2,354,436

Changes in endowment net assets during the year ended September 30, 2024 are as follows:

Endowments	Without Restrictions	With Restrictions	Total
Endowments, September 30, 2023	\$ -	\$ 2,354,436	\$ 2,354,436
Investment return			
Investment income	78,860	-	78,860
Net gains (realized and unrealized)	212,445	-	212,445
Total investment return	291,305	-	291,305
Contribution and transfers in	-	10,000	10,000
Appropriation of endowment income for expenditure	(291,305)	-	(291,305)
Endowments, September 30, 2024	\$ -	\$ 2,364,436	\$ 2,364,436

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Changes in endowment net assets during the year ended September 30, 2023 are as follows:

Endowments	Without Restrictions	With Restrictions	Total
Endowments, September 30, 2022	\$ -	\$ 2,248,701	\$ 2,248,701
Investment return			
Investment income	63,328	-	63,328
Net losses (realized and unrealized)	142,858	-	142,858
Total investment return	206,186	-	206,186
Contribution and transfers in	-	105,735	105,735
Appropriation of endowment income for expenditure	(206,186)	-	(206,186)
Endowments, September 30, 2023	\$ -	\$ 2,354,436	\$ 2,354,436

19. Employee retention tax credit

The Council applied for the Employer Retention Tax Credit (ERTC) under the provisions of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), which is recorded in government contributions on the accompanying statements of activities in accordance with FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*. The Council was eligible for 70% of the first \$10,000 of qualified wages for the first three quarters of the year ended September 30, 2021. The credit for the first and second quarter was received in full in May 2023 and the credit for the third quarter was received in full in December 2021. The credits for the first quarter and second quarter of 2021, have been recognized in the amounts of \$682,704 and \$692,005, respectively in the year ended September 30, 2023 and are included in government contributions on the statement of activities. Interest payments received totaling \$54,342 were also recognized in the year ended September 30, 2023. The credit for the third quarter of 2021, was recognized in the amount of \$671,505, in the year ended September 30, 2022. Amounts recorded and amounts received under the CARES Act are subject to audit by the Internal Revenue Service.

Girl Scout Council of the Nation's Capital

Notes to Financial Statements

20. Donated services and property

The Council received pro bono legal services valued at \$120,597 and \$174,564 for the years ended September 30, 2024 and 2023, respectively. The donated services are valued at hourly rates established by the attorneys. All donated services were utilized by the Council's supporting activities. There were no donor-imposed restrictions associated with the in-kind contributions.