

**GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.**

**Financial Statements  
as of September 30, 2025  
Together with  
Independent Auditor's Report**

## **INDEPENDENT AUDITOR'S REPORT**

January 16, 2026

To the Board of Directors of  
Girl Scouts of Northeastern New York, Inc.:

### **Opinion**

We have audited the accompanying financial statements of Girl Scouts of Northeastern New York, Inc. (a New York not-for-profit corporation), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities and change in net assets, functional expenses, and cash flows for the year 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 Scouts of Northeastern New York, Inc. as of September 30, 2025, 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.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Girl Scouts of Northeastern New York, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Emphasis of Matter**

As discussed in Note 3 to the financial statements, Girl Scouts of Northeastern New York, Inc.'s financial statements as of and for the year ended September 30, 2025 reflect a restatement of beginning net assets. Our opinion is not modified with respect to this matter.

### **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 Scouts of Northeastern New York, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

(Continued)

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## **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 Scouts of Northeastern New York, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Girl Scouts of Northeastern New York, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Report on Summarized Comparative Information**

We have previously audited Girl Scouts of Northeastern New York, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 28, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

# GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.

## STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2025

(With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u> (As restated)
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,220,071	\$ 1,292,410
Investments	5,985,387	5,712,774
Accounts receivable, net of allowance for credit losses of \$7,064 in 2025 and \$5,993 in 2024, respectively	518	7,575
Grants receivable	-	26,681
Pledges receivable, net	-	225,187
Inventory, net	23,359	14,876
Prepaid expenses and other current assets	114,408	87,637
Assets held for sale	<u>243,745</u>	<u>-</u>
Total current assets	8,587,488	7,367,140
PROPERTY AND EQUIPMENT, net	<u>1,870,184</u>	<u>2,188,142</u>
BENEFICIAL INTERESTS IN PERPETUAL TRUSTS	<u>4,774,685</u>	<u>4,574,757</u>
RIGHT OF USE ASSET - OPERATING LEASES	<u>50,786</u>	<u>62,438</u>
	<u>\$ 15,283,143</u>	<u>\$ 14,192,477</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Current portion of operating lease liabilities	\$ 20,654	\$ 23,755
Lines-of-credit	-	179,602
Accounts payable	25,374	70,656
Accrued liabilities	250,444	315,938
Due to Girl Scouts of USA	1,275	5,779
Deferred revenue	<u>113,020</u>	<u>116,583</u>
Total current liabilities	<u>410,767</u>	<u>712,313</u>
OPERATING LEASE LIABILITIES, net of current portion	<u>31,830</u>	<u>40,405</u>
Total liabilities	<u>442,597</u>	<u>752,718</u>
NET ASSETS:		
Without donor restrictions	9,709,440	8,365,132
With donor restrictions	<u>5,131,106</u>	<u>5,074,627</u>
Total net assets	<u>14,840,546</u>	<u>13,439,759</u>
	<u>\$ 15,283,143</u>	<u>\$ 14,192,477</u>

The accompanying notes are an integral part of these statements.

**GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

(With Comparative Totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2025	2024 (As restated)
<b>SUPPORT AND REVENUE:</b>				
Product sales revenue, net				
Cookie sales revenue (net of cost of sales of \$1,990,879 in 2025 and \$1,797,546 in 2024)	\$ 2,786,082	\$ -	\$ 2,786,082	\$ 2,801,190
Magazine & nut sales revenue (net of cost of sales of \$316,044 in 2025 and \$344,997 in 2024)	250,463	-	250,463	272,836
Sale of merchandise (net of cost of sales of \$12,467 in 2025 and \$14,747 in 2024)	75,924	-	75,924	58,715
Total product sales revenue, net	3,112,469	-	3,112,469	3,132,741
Interest and dividends	174,832	2,708	177,540	155,575
Contributions of cash and other financial assets	551,085	455,246	1,006,331	403,103
Contributions of nonfinancial assets	4,810	-	4,810	2,282
Program service fees	561,137	-	561,137	528,416
Net assets released from restrictions	604,754	(604,754)	-	-
Total support and revenue	5,009,087	(146,800)	4,862,287	4,222,117
<b>EXPENSES:</b>				
Program	2,708,036	-	2,708,036	2,904,463
Management and general	891,215	-	891,215	921,483
Fundraising	305,479	-	305,479	325,777
Total expenses	3,904,730	-	3,904,730	4,151,723
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>1,104,357</b>	<b>(146,800)</b>	<b>957,557</b>	<b>70,394</b>
<b>NON-OPERATING REVENUE (EXPENSE):</b>				
Investment earnings, net				
Investment fees	(26,945)	-	(26,945)	(25,504)
Realized gains on sales of investments, net	394,889	1,440	396,329	54,312
Unrealized gains (losses) on investments, net	(121,765)	1,911	(119,854)	710,179
Gain (loss) on sale of property and equipment	(10,275)	-	(10,275)	3,500
Gain on beneficial interests in perpetual trusts, net	-	199,928	199,928	689,999
Miscellaneous revenue	4,047	-	4,047	26,848
Total non-operating revenue (expense), net:	239,951	203,279	443,230	1,459,334
<b>CHANGE IN NET ASSETS</b>	<b>1,344,308</b>	<b>56,479</b>	<b>1,400,787</b>	<b>1,529,728</b>
<b>NET ASSETS - beginning of year, as restated (Note 3)</b>	<b>8,365,132</b>	<b>5,074,627</b>	<b>13,439,759</b>	<b>11,910,031</b>
<b>NET ASSETS - end of year</b>	<b>\$ 9,709,440</b>	<b>\$ 5,131,106</b>	<b>\$ 14,840,546</b>	<b>\$ 13,439,759</b>

The accompanying notes are an integral part of these statements.

**GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

(With Comparative Totals for 2024)

	Program Services						Management and General	Fundraising	Total	
	Advocacy	Camps	Product and Retail Sales	Membership and Customer Care	Adult Learning	Total			2025	2024
Direct expenses:										
Cost of sales	\$ -	\$ -	\$ 2,319,390	\$ -	\$ -	\$ 2,319,390	\$ -	\$ -	\$ 2,319,390	\$ 2,157,290
Indirect expenses:										
Salaries and wages	176,210	211,513	208,048	540,241	258,245	1,394,257	473,544	197,765	2,065,566	2,176,565
Fringe benefits	42,619	51,157	50,319	130,664	62,460	337,219	114,533	47,832	499,584	511,484
Supplies and recognition awards	16,241	28,159	183,393	11,399	15,028	254,220	5,550	153	259,923	274,012
Depreciation	20,440	24,535	24,133	62,666	29,955	161,729	54,929	22,940	239,598	218,857
Insurance	10,652	12,811	12,577	32,658	15,611	84,309	40,241	11,955	136,505	125,194
Contract services	13,620	8,238	4,264	11,556	8,018	45,696	47,218	4,201	97,115	76,186
Travel and transportation	5,539	34,322	7,794	17,097	8,199	72,951	13,822	872	87,645	92,847
Occupancy	8,253	9,906	12,189	25,302	12,095	67,745	3,914	8,443	80,102	95,893
Maintenance and repairs	8,882	13,390	10,487	27,232	13,018	73,009	3,937	2,049	78,995	129,200
Miscellaneous	5,769	6,925	6,772	17,688	8,455	45,609	10,477	239	56,325	52,648
Licenses and fees	1,708	2,050	2,016	5,236	2,776	13,786	38,327	1,869	53,982	59,284
Professional service fees	-	-	-	-	-	-	40,790	-	40,790	48,144
Camperships and other awards	8,560	7,450	-	20,260	641	36,911	-	-	36,911	53,490
Advertising	1,879	2,353	896	6,791	2,753	14,672	15,600	-	30,272	25,307
Printing, publications, and subscriptions	1,824	4,210	3,120	8,713	2,600	20,467	7,128	3	27,598	38,718
Telephone	2,293	2,752	2,707	7,029	3,360	18,141	2,964	2,351	23,456	49,919
Credit loss expense	-	-	21,210	-	-	21,210	-	-	21,210	10,559
Information technology	1,754	2,106	2,071	5,379	2,571	13,881	3,126	1,293	18,300	1,303
Office supplies and equipment lease	1,168	1,602	1,387	3,606	1,879	9,642	3,350	2,771	15,763	5,101
Small equipment purchases	714	1,870	4,046	2,190	1,047	9,867	52	-	9,919	12,751
Staff recruitment	-	7,333	-	-	-	7,333	276	-	7,609	43,832
Conferences, conventions, meetings, courses	44	1,791	442	240	155	2,672	3,914	70	6,656	27,883
Interest	-	-	-	-	-	-	6,588	-	6,588	19,179
Postage and shipping	203	298	1,346	598	265	2,710	935	673	4,318	3,367
Total indirect expenses	328,372	434,771	559,217	936,545	449,131	2,708,036	891,215	305,479	3,904,730	4,151,723
Total expenses	328,372	434,771	2,878,607	936,545	449,131	5,027,426	891,215	305,479	6,224,120	6,309,013
Less:										
Cost of sales	-	-	(2,319,390)	-	-	(2,319,390)	-	-	(2,319,390)	(2,157,290)
Expenses reported by function	\$ 328,372	\$ 434,771	\$ 559,217	\$ 936,545	\$ 449,131	\$ 2,708,036	\$ 891,215	\$ 305,479	\$ 3,904,730	\$ 4,151,723

The accompanying notes are an integral part of these statements.

# GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2025 (With Comparative Totals for 2024)

	<u>2025</u>	<u>2024</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,400,787	\$ 1,529,728
Adjustments to reconcile change in net assets to net cash flow from operating activities:		
Credit loss expense	21,210	10,559
Unrealized gains on beneficial interests in perpetual trusts, net	(199,928)	(689,999)
Realized and unrealized gains investments	(276,475)	(764,491)
Depreciation	239,598	218,857
(Gain) loss on sale of property and equipment	10,275	(3,500)
Non-cash lease expense	28,900	26,751
Changes in:		
Accounts receivable	(14,153)	(6,208)
Grants receivable	26,681	(26,681)
Pledges receivable	225,187	(1,249)
Inventory	(8,483)	2,583
Prepaid expenses and other current assets	(26,771)	(2,996)
Operating lease liabilities	(28,924)	(25,952)
Accounts payable	(45,282)	(17,304)
Accrued liabilities	(65,494)	92,630
Due to Girl Scouts of USA	(4,504)	(1,653)
Deferred revenue	(3,563)	(6,092)
Net cash flow from operating activities	<u>1,279,061</u>	<u>334,983</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of investments	(428,853)	(157,425)
Proceeds on sales and maturities of investments	432,715	88,024
Purchases of property and equipment	(175,660)	(134,243)
Proceeds on sale of property and equipment	<u>-</u>	<u>3,500</u>
Net cash flow from investing activities	<u>(171,798)</u>	<u>(200,144)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowings on lines-of-credit	-	487,000
Repayments on lines-of-credit	<u>(179,602)</u>	<u>(547,500)</u>
Net cash flow from financing activities	<u>(179,602)</u>	<u>(60,500)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	927,661	74,339
CASH AND CASH EQUIVALENTS - beginning of year	<u>1,292,410</u>	<u>1,218,071</u>
CASH AND CASH EQUIVALENTS - end of year	<u>\$ 2,220,071</u>	<u>\$ 1,292,410</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 6,588</u>	<u>\$ 19,179</u>

The accompanying notes are an integral part of these statements.

# **GIRL SCOUTS OF NORTHEASTERN NEW YORK, INC.**

## **NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2025**

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### **1. THE ORGANIZATION**

Girl Scouts of Northeastern New York, Inc. (GSNENY) is a not-for-profit organization chartered by Girl Scouts of the USA. GSNENY offers an information education program for girls ages 5 to 18 in the upstate New York counties of Albany, Clinton, Columbia, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, Warren, Washington, and a portion of St. Lawrence.

GSNENY provides opportunities in an accepting and nurturing environment for girls to build character and skill for success in the real world. In partnership with committed adult volunteers, girls develop qualities that should serve them all their lives, like leadership, strong values, social conscience, and conviction about their own potential and self-worth.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of Accounting**

The accompanying financial statements were prepared in conformity with accounting principles generally accepted in the United States of America.

#### **Use of 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include bank demand deposit accounts and money market accounts. GSNENY's cash balances may at times exceed federally insured limits. GSNENY has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash and cash equivalents.

#### **Accounts Receivable**

Accounts receivable primarily includes GSNENY's share of revenue due from various troops relating to cookie sales. Accounts receivable are written off when deemed uncollectible, and recoveries of accounts receivable previously written off are recorded when received. The estimated allowance for credit losses is based on historical, current, and expected future conditions. The historical component is derived from a review of the GSNENY's historical losses based on aging of receivables. Management has determined that future economic conditions have not deteriorated or improved as compared with economic conditions included in the historical information. As a result, the allowance for credit losses percentage has not been adjusted. The allowance for credit losses was \$7,064 and \$5,993 at September 30, 2025, and 2024, respectively.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Grants Receivable

GSNENY recognizes grant revenue, dependent on the terms of each contract to the extent grant conditions have been satisfied.

### Pledges Receivable

Pledges receivable represent unconditional promises to give by donors. Pledges receivable that are expected to be collected during the next year are recorded at net realizable value. Pledges receivable expected to be collected after one year are recorded at fair value, which is measured as the present value of estimated future cash flows discounted at an adjusted risk-free rate. Amortization of the discount is reflected as contributions. Pledges receivable are also net of an estimate made for doubtful accounts based on review of outstanding items. The allowance for doubtful accounts was \$4,812 at September 30, 2024. Management determined no allowance for doubtful accounts was necessary at September 30, 2025.

Pledges receivable are written off when deemed uncollectible. Recoveries of accounts previously written off are recorded when received. Pledges receivable are considered to be past due if any portion of the receivable balance has been outstanding for more than 90 days.

### Investments

All investments are stated at fair value. Fair value is determined using quoted market prices. All realized and unrealized gains and losses are reported directly in the accompanying statement of activities within investment income. Interest income is recognized on the accrual basis. Dividends are recorded on the ex-dividend date and purchases and sales of securities are recorded on a trade date basis (the date the order to buy or sell is executed).

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

### Inventory

GSNENY's inventory consists of Girl Scout merchandise for sale and is stated principally at cost on the first-in, first-out (FIFO) method, which is not in excess of market. The reserve for obsolete inventory was \$16,500 at September 30, 2024. Management determined no reserve for obsolete inventory was necessary at September 30, 2025.

### Assets Held for Sale

Assets held for sale represents building, related improvement, and land held by the GSNENY that is no longer used in operations. The assets held for sale are measured at the lower of net book value or fair value less costs to sell. The assets held for sale are not depreciated while classified as held for sale.

### Property and Equipment

Property and equipment are stated at cost at the date of acquisition or at fair value if acquired by donation, net of accumulated depreciation computed on a straight-line basis over the estimated useful lives of the respective assets, which range from 3 to 39 years.

Estimated useful lives are as follows:

	<u>Years</u>
Land and improvements	15 years
Building and improvements	15 – 39 years
Furniture and equipment	5 – 10 years
Vehicles	5 years
Computer hardware and software	3 – 5 years

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property and Equipment (Continued)

Repairs and maintenance are charged to operations as incurred while significant additions and improvements with a cost of \$1,000 or greater and an estimated useful life of more than one year are capitalized. When assets are sold, retired, or otherwise disposed of, the applicable costs and accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized.

### Impairment of Long-Lived Assets

GSNENY assesses its long-lived assets for impairment when events or circumstances indicate their carrying amounts may not be recoverable. This is accomplished by comparing the expected undiscounted future cash flows of the long-lived assets with the respective carrying amount as of the date of assessment. If the expected undiscounted future cash flows exceed the respective carrying amount as of the date of assessment, the long-lived assets are considered not to be impaired. If the expected undiscounted future cash flows are less than the carrying value, an impairment loss is recognized and measured as the difference between the carrying value and the fair value of the long-lived assets. No impairment of long-lived assets was recognized in 2025 and 2024.

### Beneficial Interests in Perpetual Trusts

GSNENY is the irrevocable beneficiary of perpetual charitable trusts held by trustees. The beneficial interests in the trusts is reported at their fair value, which is estimated as the fair value of the underlying trust assets.

Distributions of income from the trust assets are without donor restrictions. The value of beneficial interests in the trusts is adjusted annually for the change in their estimated fair values. Those changes in value are reported as increases or decreases in permanently restricted net assets because the trust assets will never be distributed to GSNENY.

### Due to Girl Scouts of USA

Amounts due to Girl Scouts of the United States of America (GSUSA) represent amounts owed for membership merchandise purchased.

### Leases

#### Lessee

GSNENY determines if an arrangement is a lease at inception. Right of use (ROU) assets represent GSNENY's right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The lease may include renewal and termination options, which are included in the lease term when GSNENY is reasonably certain to exercise these options.

For all underlying classes of assets, GSNENY has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that GSNENY is reasonably certain to exercise. GSNENY recognizes fixed short-term lease cost on a straight-line basis over the lease term and variable lease cost in the period in which the obligation is incurred.

GSNENY elected for all classes of underlying assets, to use the risk-free rate as the discount rate if the implicit rate in the lease contract is not readily determinable.

GSNENY elected for all classes of underlying assets to not separate the lease and non-lease components of a contract and to account for as a single lease component.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Leases (Continued)

#### Lessor

GSNENY determines if an arrangement is a lease at inception. GSNENY reassesses the determination of whether an arrangement is a lease if the terms and condition of the contract are changed.

GSNENY recognizes revenue on a straight-line basis over the lease term which is representative of the pattern in which the benefit is expected to be derived for use of the underlying asset. Variable lease payments are generally immaterial and consist of items such as late fees, which are charged to tenants in certain circumstances. GSNENY recognizes variable lease payments as revenue in the period incurred.

GSNENY elected for all classes of underlying assets to not separate the lease and non-lease components of a contract and to account for as a single lease component. The single lease component is accounted for under ASC 842.

### Deferred Revenue

Deferred revenue represents advances received from girls or their families for which the GSNENY has not yet fulfilled its contractual and grant obligations related to camp rentals and programs. Deferred revenue is recognized as revenue when these obligations have been satisfied.

### Financial Reporting

Net assets, revenues, public and other support, and gains and losses are classified based on existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – which include resources which are available for the support of the GSNENY’s operating activities and not subject to donor or restrictions. This category may include resources designated by the Board for specific purposes.

Net Assets With Donor Restrictions – which include amounts that have donor-imposed restrictions that expire when the donor-imposed restrictions have been satisfied by actions of GSNENY. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. GSNENY reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

### Contract Revenue Recognition

Revenue from contracts with customers is recognized in accordance with a five-step model as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligation(s) in the contract
- Recognize revenue when or as performance obligations are satisfied

The majority of the GSNENY revenue is generated by selling products (cookies, magazines, nuts, and merchandise) to the general public. GSNENY also receives revenues through camping fees generated through the operation of several summer camp scouting programs. In addition, GSNENY receives income from sponsoring events.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Contract Revenue Recognition (Continued)**

Cookie, magazine/nut, and merchandise sale – GSNENY records the sale of products upon delivery to the customer, which is when the performance obligation is satisfied, and collection of payment is expected. Product sales revenue is reported net of the cost of goods sold.

Camping fees and other program revenues – Revenues from camping fees and events are recognized at the point in time when the event happens. Payment of the fee by each participant is expected at the time of registration. Any amounts received in advance are deferred.

### **Contributions, Grants, and Fundraising**

GSNENY recognizes contributions, sponsorships, and grants when cash, securities, or other assets when earned. Conditional contributions and grants, that is, those with measurable performance or other barrier and a right of return, are not recognized until those conditions on which they depend have been met.

Support arising from donated services is recognized if the services received require specialized skills, are provided by the individual possessing those skills and would typically need to be purchased if not provided by donation. A substantial number of volunteers have donated significant amounts of their time to GSNENY's program services and fundraising activities; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Donated goods are considered contributions of nonfinancial assets. GSNENY values contributions of nonfinancial assets based on estimated fair value on the date of donation. All donated items are accepted and utilized in accordance with the intent to follow the donor's wishes, in accordance with GSNENY's Gift Acceptance Policy.

### **Functional Allocation of Expenses**

Expenses that are directly identifiable are charged directly to the identified functional column. Expenses related to more than one function are charged to program services and other functions using specific allocation methods. The expenses that are allocated based on time and effort include salaries, benefits and payroll taxes, contract services, depreciation, insurance, and telephone.

The expenses that are allocated based upon square footage include information technology, maintenance, and repairs, rent and utilities, office supplies and equipment lease, postage and shipping, and telephone.

### **Advertising**

Advertising costs are expensed as incurred and amounted to \$30,272 and \$25,307 during the years ended September 30, 2025 and 2024, respectively.

### **Income Taxes**

GSNENY is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as an entity that is not a private foundation.

### **Comparative Financial Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class and functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with GSNENY's financial statements as of and for the year ended September 30, 2024.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fair Value Measurement – Definition and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and generally accepted accounting principles provide a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methodology used for GSNENY's assets measured at fair value is to value the investments at quoted market prices on the last business day of the fiscal year.

GSNENY has financial instruments in the accompany financial statements including cash and equivalents and investments including money market funds, mutual funds, and U.S. government notes and bonds. The carrying value of cash and equivalents and investments in money market funds, non-publicly traded funds, equities, and U.S. government notes and bonds are a reasonable approximation of fair value due to the short-term nature of the instruments are considered a level 1 measurement. The fair value of the beneficial interests in perpetual trusts is determined to be a level 3 measurement using the market approach as the carrying amount of these investments approximates fair value based on the value of similar assets at which GSNENY could invest.

### Reclassification

Certain reclassifications have been made to the 2024 financial statements to conform to the current year presentation.

## 3. RESTATEMENT OF NET ASSETS

GSNENY's financial statements as of September 30, 2024 excluded \$134,522 in releases of with donor restricted net assets that should have been previously recognized. Accordingly, GSNENY restated beginning net assets in the accompanying financial statements. The cumulative effect of the correction was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net assets as of September 30, 2024, as previously stated	\$ 8,230,610	\$ 5,209,149	\$ 13,439,759
Cumulative effect of restatement	<u>134,522</u>	<u>(134,522)</u>	<u>-</u>
Net assets as of September 30, 2024, as restated	<u>\$ 8,365,132</u>	<u>\$ 5,074,627</u>	<u>\$ 13,439,759</u>

#### 4. LIQUIDITY

GSNENY's has certain financial assets available within one year to meet cash needs for general expenditures. The following reflects GSNENY's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	<u>2025</u>	<u>2024</u> (As restated)
Financial assets:		
Cash and cash equivalents	\$ 2,220,071	\$ 1,292,410
Investments	5,985,387	5,712,774
Accounts receivable, net	518	7,575
Grants receivable	<u>-</u>	<u>26,681</u>
Total financial assets	8,205,976	7,039,440
Less: those unavailable for general expenditures within one year, due to:		
Net assets with donor restrictions	<u>(356,421)</u>	<u>(499,870)</u>
	<u>\$ 7,849,555</u>	<u>\$ 6,539,570</u>

As part of GSNENY's liquidity management, GSNENY has a policy to structure their financial assets to be available as their general expenditures, other liabilities, and other obligations come due. GSNENY's ability to meet its cash needs is dependent on timely collection of its accounts receivable and grants receivable. GSNENY employs procedures specifically designed to collect from these payers as quickly as possible. However, the timeliness of payment from these payers varies and is sometimes difficult to predict.

#### 5. INVESTMENTS AND FAIR VALUE MEASUREMENT

Investments are measured at fair value on a recurring basis using the following input levels as of September 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 5,959,135	\$ -	\$ -	\$ 5,959,135
U.S. government notes and bonds	26,252	-	-	26,252
Beneficial interest in perpetual trusts	<u>-</u>	<u>-</u>	<u>4,774,685</u>	<u>4,774,685</u>
	<u>\$ 5,985,387</u>	<u>\$ -</u>	<u>\$ 4,774,685</u>	<u>\$ 10,760,072</u>

## 5. INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

Investments are measured at fair value on a recurring basis using the following input levels as of September 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 5,686,428	\$ -	\$ -	\$ 5,686,428
U.S. government notes and bonds	26,346	-	-	26,346
Beneficial interest in perpetual trusts	<u>-</u>	<u>-</u>	<u>4,574,757</u>	<u>4,574,757</u>
	<u>\$ 5,712,774</u>	<u>\$ -</u>	<u>\$ 4,574,757</u>	<u>\$ 10,287,531</u>

There were no changes in valuation techniques during 2025 and 2024.

## 6. ACCOUNTS RECEIVABLE

Accounts receivable, net consisted of the following at September 30:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>\$ 518</u>	<u>\$ 7,575</u>	<u>\$ 11,926</u>

## 7. PLEDGES RECEIVABLE

Pledges receivable, net consisted of the following at September 30, 2024:

	<u>2024</u>
In one year or less	\$ -
More than one year	<u>250,000</u>
Total financial assets	250,000
Less:	
Allowance for uncollectible pledges	(4,812)
Discount, 8%	<u>(20,001)</u>
Total pledges receivable, net	<u>\$ 225,187</u>

There was no outstanding balance at September 30, 2025.

## 8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30:

	<u>2025</u>	<u>2024</u>
Land	\$ 132,123	\$ 171,316
Building and improvements	4,644,752	5,335,461
Furniture and equipment	671,222	919,577
Vehicles	414,634	471,128
Computer hardware and software	91,716	764,060
Construction-in-progress	<u>21,476</u>	<u>1,001</u>
	5,975,923	7,662,543
Less: Accumulated depreciation	<u>(4,105,739)</u>	<u>(5,474,401)</u>
	<u>\$ 1,870,184</u>	<u>\$ 2,188,142</u>

In 2025, GSNENY committed to a plan to sell certain property and equipment located in Albany, New York. GSNENY classified these assets as assets held for sale with a net book value of \$243,745 and ceased depreciation. The finalization of the sale of these assets are expected to be completed in fiscal year 2026.

## 9. BENEFICIAL INTERESTS IN PERPETUAL TRUSTS

GSNENY is the beneficiary of perpetual irrevocable trusts held and administered by independent trustees. Under the terms of the trusts, GSNENY has the irrevocable right to receive distributions and the income earned (net of brokerage fees) on the trust assets in perpetuity, some of which is restricted for specific uses. The fair value of the beneficial interests in a trust is recognized as an asset and as a contribution with donor restrictions at the date the trust is established. GSNENY's estimate of fair value is based on fair value information received from the trustees. These assets are not subject to the control or direction of GSNENY.

The following table summarizes the trusts' activity for the years ended September 30:

	<u>2025</u>	<u>2024</u>
Beneficial interests in perpetual trusts - beginning of year	\$ 4,574,757	\$ 3,884,758
Change in beneficial interests in perpetual trusts	353,508	875,840
Amounts distributed to GSNENY	<u>(153,580)</u>	<u>(185,841)</u>
	<u>\$ 4,774,685</u>	<u>\$ 4,574,757</u>

## 10. LINES-OF-CREDIT

GSNENY has a \$3,000,000 working capital line-of-credit with NBT Bank, of which no amounts were outstanding as of September 30, 2025 and 2024, respectively. The line-of-credit will expire March 31, 2026. Interest is variable and charged at the 30-day average SOFR plus 1.86448%, which was 6.17205% and 7.02782% as of September 30, 2025 and 2024, respectively.

GSNENY also has a \$500,000 capital improvements line-of-credit with NBT Bank, of which \$179,602 was outstanding as of September 30, 2024. No amounts were outstanding as of September 30, 2025. The line-of-credit will expire March 31, 2026. Interest is charged at the one-year weekly average T-Bill rate plus 1.75% with this fixed rate expiring in January 2026, which was 5.96% as of September 30, 2025 and 2024.

Both lines-of-credit are secured by the NBT Financial Group investment account. The borrowings under the lines-of-credit must not exceed 75% of the account value. In connection with the lines-of-credit, the GSNENY is required to meet certain reporting requirements. The working capital line-of-credit requires GSNENY to maintain a zero balance for 30 consecutive days during the loan year. GSNENY was in compliance with these requirements as of and for the years ending September 30, 2025 and 2024.

## 11. DEFERRED REVENUE

Deferred revenue consisted of the following at September 30:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	\$ 113,020	\$ 116,583	\$ 122,675

## 12. LEASES

GSNENY is committed under noncancelable operating leases for commercial space, internet services, and equipment. The leases require monthly payments ranging from \$75 to \$1,400 and expire at various times ranging through September 2030. The components of total lease cost for the year ended September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 28,900	\$ 26,751

Supplemental cash flow information related to leases for the year ended September 30, 2025 and 2024 are as follows:

Cash paid for amounts included in the measurement of lease liabilities:	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases	\$ 28,590	\$ 25,952
Right-of-use assets obtained in exchange for operating lease obligations	\$ 13,995	\$ 2,492

Other information related to leases as of September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Weighted-average remaining lease term in years for operating leases	2.70	2.94
Weighted-average discount rate for operating leases	4.65%	4.03%

## 12. LEASES (Continued)

Maturities of lease liabilities as of September 30, 2025 were as follows:

Years Ending September 30:

2026	\$ 22,552
2027	20,769
2028	8,289
2029	3,112
2030	<u>1,297</u>
Total lease payments	56,019
Less: present value discount	<u>(3,535)</u>
Total present value of lease liabilities	52,484
Current portion of operating lease liability	<u>(20,654)</u>
Operating lease liability, net of current portion	<u><u>\$ 31,830</u></u>

## 13. RETIREMENT PLANS

GSNENY sponsors a 403(b) plan covering substantially all employees. Employer voluntary contributions are equal to 3% of eligible compensation per pay period, per employee, and made for employees who meet certain eligibility requirements. GSNENY expense related to the plan was approximately \$48,100 and \$48,300 for the years ended September 30, 2025 and 2024, respectively.

GSNENY 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 substantially all 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.

Net Plan assets decreased during the year and are less than the actuarial present value of accumulated Plan benefits as of January 1, 2025. On April 8, 2014, President Obama signed H.R. 4275 into law, a relief package unanimously passed by Congress that gives NGSCR the flexibility to adopt the Pension Protection Act (PPA) funding requirements immediately or not at all. NGSCR has elected to adopt this relief and not be subject to PPA. In September 2020, the National Board of Girl Scouts of the USA approved to lower the contributions from \$30 million to \$26 million starting in calendar year 2023 until the Plan is fully funded on a market basis. Aggregate annual contributions made in fiscal years 2024 and 2025 were \$27.4 million and \$29.7 million, respectively. Aggregate contributions to be made in fiscal 2026 are expected to be \$24 million, a decrease from \$26 million given the annuity purchases that occurred in 2024 and 2025 for a select group of councils. GSNENY contributions related to the plan was approximately \$169,804 and \$169,668 for the years ended September 30, 2025 and 2024, respectively.

#### 14. CONTRIBUTED NON-FINANCIAL ASSETS

GSNENY accepted in-kind contributions in the following categories during the years ended June 30:

	<u>2025</u>	<u>2024</u>
Auction items	\$ 2,724	\$ -
Equipment	2,086	1,100
Supplies	-	1,082
Professional services	-	100
	<u>\$ 4,810</u>	<u>\$ 2,282</u>

GSNENY received “equipment”, i.e. durable goods, for utilization during its operations. Donated equipment is used for purposes as defined by the donor but without restriction to a department or location.

GSNENY utilizes donor-designated goods or services designated as “auction items” as part of events held with the purpose of generating revenue. The donor authorizes GSNENY to sell the auction items at a price determined by the organization. Items not sold as part of the auction are returned to the donor or sold at a future event at the donor’s discretion.

GSNENY received and utilized non-durable goods or “supplies” for operational events or programs during the calendar year. Value is determined at the time of donation.

GSNENY received “professional services” for operational or program services during the calendar year. Value is determined at the time of donation.

#### 15. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following:

	<u>2025</u>	<u>2024</u> (As restated)
Capital campaign	\$ 251,906	\$ 347,187
Maintaining and improving GSNENY's facilities for outdoor activities	11,806	63,224
Various GSNENY programs	38,866	35,616
Beneficial interest in perpetual trusts	4,774,685	4,574,757
Net assets, held in perpetuity	<u>53,843</u>	<u>53,843</u>
	<u>\$ 5,131,106</u>	<u>\$ 5,074,627</u>

## **16. SUBSEQUENT EVENTS**

On October 23, 2025, the National Board of Directors of the Girl Scouts of the United States approved the termination of the National Girl Scout Council Retirement Plan (Plan). The termination process is expected to be completed in 2027 when all liabilities under the Plan will be settled through the payment of lump sums or the purchase of annuity contracts. Monthly contributions are expected to continue until the settlement of all Plan liabilities, however any liabilities related to the funding of the plan and its impact on GSNENY cannot be reasonably estimated at this time.

Subsequent events have been evaluated through January 16, 2026, which is the date the financial statements were available to be issued.