



# Girl Scout Council of the Nation's Capital

## Financial Statements

Years Ended September 30, 2016 and 2015

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

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## **Financial Statements**

Years Ended September 30, 2016 and 2015

# Girl Scout Council of the Nation's Capital

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## Independent Auditor's Report

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

We have audited the accompanying financial statements of the **Girl Scout Council of the Nation's Capital** (the Council), which comprise the statements of financial position as of September 30, 2016 and 2015, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Girl Scout Council of the Nation's Capital** as of September 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*BDO USA, LLP*

January 25, 2017

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## Financial Statements

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# Girl Scout Council of the Nation's Capital

## Statements of Financial Position

<i>September 30,</i>	2016	2015
<b>Assets</b>		
Cash and cash equivalents	\$ 281,622	\$ 141,957
Accounts receivable, net	80,805	306,432
Contributions receivable, net	417,430	649,979
Inventory	454,756	433,238
Prepaid expenses and deposits	278,981	196,712
Investments	8,814,699	7,114,541
Beneficial interest in perpetual trusts	90,230	90,230
Land, buildings and equipment, net	8,497,171	9,267,051
<b>Total assets</b>	<b>\$ 18,915,694</b>	<b>\$ 18,200,140</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 237,210	\$ 595,428
Accrued annual leave	346,749	458,263
Deferred revenue	-	66,777
Deferred rent	676,318	599,217
Note payable	63,933	70,432
Line-of-credit	625,000	800,000
<b>Total liabilities</b>	<b>1,949,210</b>	<b>2,590,117</b>
<b>Commitments and contingencies</b>		
<b>Net assets</b>		
Unrestricted		
Board designated		
Fund for cash flow	722,551	713,105
Board reserve	6,685,841	6,604,829
Undesignated	5,895,510	5,812,053
<b>Total unrestricted net assets</b>	<b>13,303,902</b>	<b>13,129,987</b>
Temporarily restricted	1,852,126	685,750
Permanently restricted	1,810,456	1,794,286
<b>Total net assets</b>	<b>16,966,484</b>	<b>15,610,023</b>
<b>Total liabilities and net assets</b>	<b>\$ 18,915,694</b>	<b>\$ 18,200,140</b>

*See accompanying notes to financial statements.*

# Girl Scout Council of the Nation's Capital

## Statements of Activities

<i>Years ended September 30</i>	2016			2015
	Operating	Capital	Total	Total
<b>Changes in Unrestricted Net Assets</b>				
Revenue, gains and other support				
Sales	\$ 16,844,004	\$ -	\$ 16,844,004	\$ 16,288,481
Cost of sales	5,191,069	-	5,191,069	4,981,429
Net sales	11,652,935	-	11,652,935	11,307,052
Other support				
Camping and other program fees	1,750,175	-	1,750,175	1,771,782
Foundation and corporate contributions	154,378	-	154,378	669,640
Annual giving campaigns	799,452	-	799,452	906,281
United Way designations	94,445	-	94,445	72,015
Interest and dividends	158,698	-	158,698	254,598
Other income	62,867	-	62,867	36,341
Net realized and unrealized gains (losses) on investments	537,878	-	537,878	(378,809)
Total other support	3,557,893	-	3,557,893	3,331,848
Net assets released from restrictions:				
Satisfaction of program restrictions	981,545	49,332	1,030,877	576,325
Total unrestricted revenue, gains and other support	16,192,373	49,332	16,241,705	15,215,225
Expenses				
Program services				
Troop-type service	5,052,391	223,312	5,275,703	5,298,720
Camping and property	3,269,510	206,075	3,475,585	3,394,852
Day camp and outreach	1,457,013	80,289	1,537,302	1,536,824
Adult/volunteer development	3,079,188	147,068	3,226,256	3,271,236
Total program services	12,858,102	656,744	13,514,846	13,501,632
Supporting services				
Fundraising	1,167,060	62,800	1,229,860	1,172,820
Management and general	1,246,595	76,489	1,323,084	1,214,780
Total supporting services	2,413,655	139,289	2,552,944	2,387,600
Total expenses	15,271,757	796,033	16,067,790	15,889,232
Increase (Decrease) in Unrestricted Net Assets	920,616	(746,701)	173,915	(674,007)
<b>Changes in Temporarily Restricted Net Assets</b>				
Foundation and corporate contributions	733,189	-	733,189	226,000
Individual giving contributions	1,325,732	138,332	1,464,064	380,000
Net assets released from restrictions	(981,545)	(49,332)	(1,030,877)	(576,325)
Increase in Temporarily Restricted Net Assets	1,077,376	89,000	1,166,376	29,675
<b>Changes in Permanently Restricted Net Assets</b>				
Contributions	16,170	-	16,170	4,400
Increase in Permanently Restricted Net Assets	16,170	-	16,170	4,400
Increase (Decrease) in Net Assets	\$ 2,014,162	\$ (657,701)	\$ 1,356,461	\$ (639,932)

*See accompanying notes to financial statements.*

# Girl Scout Council of the Nation's Capital

## Statements of Changes in Net Assets

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net Assets, September 30, 2014	\$ 13,803,994	\$ 656,075	\$ 1,789,886	\$ 16,249,955
Change in net assets	(674,007)	29,675	4,400	(639,932)
Net Assets, September 30, 2015	13,129,987	685,750	1,794,286	15,610,023
Change in net assets	173,915	1,166,376	16,170	1,356,461
Net Assets, September 30, 2016	\$ 13,303,902	\$ 1,852,126	\$ 1,810,456	\$ 16,966,484

*See accompanying notes to financial statements.*



# Girl Scout Council of the Nation's Capital

## Statement of Functional Expenses

Year ended September 30, 2016

	Program Services					Supporting Services			Total Expenses
	Troop- Type Service	Camping and Property	Day Camp and Outreach	Adult/ Volunteer Development	Total	Fund- Raising	Management and General	Total	
<b>Expenses</b>									
Salaries	\$ 2,310,244	\$ 1,028,060	\$ 553,563	\$ 1,360,177	\$ 5,252,044	\$ 459,075	\$ 449,815	\$ 908,890	\$ 6,160,934
Staff health and retirement benefits	586,805	261,990	141,070	346,627	1,336,492	137,071	96,485	233,556	1,570,048
Payroll taxes	167,664	90,234	48,587	119,384	425,869	64,430	50,451	114,881	540,750
<b>Total salaries and related expenses</b>	<b>3,064,713</b>	<b>1,380,284</b>	<b>743,220</b>	<b>1,826,188</b>	<b>7,014,405</b>	<b>660,576</b>	<b>596,751</b>	<b>1,257,327</b>	<b>8,271,732</b>
Professional fees	155,096	477,262	145,247	176,857	954,462	55,840	239,962	295,802	1,250,264
Supplies	441,613	471,362	151,900	178,715	1,243,590	45,716	25,183	70,899	1,314,489
Communication	84,761	66,493	30,047	66,964	248,265	12,636	16,657	29,293	277,558
Postage and shipping	62,819	19,474	6,773	23,130	112,196	33,786	2,615	36,401	148,597
Occupancy	528,693	416,929	195,655	348,180	1,489,457	160,860	158,643	319,503	1,808,960
Rentals and maintenance	62,782	24,165	21,082	47,534	155,563	18,314	17,555	35,869	191,432
Outside printing and artwork	54,663	23,929	5,477	78,222	162,291	11,827	7,752	19,579	181,870
Transportation and related expenses	128,782	194,825	66,471	86,274	476,352	17,790	13,818	31,608	507,960
Adult conferences and conventions	10,455	19,337	7,007	21,820	58,619	6,451	5,985	12,436	71,055
Specific assistance to individual girls and adults	201,807	117,075	49,424	135,698	504,004	-	-	-	504,004
Dues for membership in other organizations	1,207	3,160	1,781	1,261	7,409	5,284	6,598	11,882	19,291
Interest	3,781	5,042	3,781	5,042	17,646	7,563	25,209	32,772	50,418
Bad debt expense	216,280	384	192	45,440	262,296	80,782	-	80,782	343,078
Miscellaneous	34,939	49,789	28,956	37,863	151,547	49,635	129,867	179,502	331,049
<b>Total expenses before depreciation and amortization</b>	<b>5,052,391</b>	<b>3,269,510</b>	<b>1,457,013</b>	<b>3,079,188</b>	<b>12,858,102</b>	<b>1,167,060</b>	<b>1,246,595</b>	<b>2,413,655</b>	<b>15,271,757</b>
Depreciation and amortization	223,312	206,075	80,289	147,068	656,744	62,800	76,489	139,289	796,033
<b>Total expenses</b>	<b>\$ 5,275,703</b>	<b>\$ 3,475,585</b>	<b>\$ 1,537,302</b>	<b>\$ 3,226,256</b>	<b>\$ 13,514,846</b>	<b>\$ 1,229,860</b>	<b>\$ 1,323,084</b>	<b>\$ 2,552,944</b>	<b>\$ 16,067,790</b>

*See accompanying notes to financial statements.*

# Girl Scout Council of the Nation's Capital

## Statement of Functional Expenses

Year ended September 30, 2015

	Program Services					Supporting Services			Total Expenses
	Troop- Type Service	Camping and Property	Day Camp and Outreach	Adult/ Volunteer Development	Total	Fund- Raising	Management and General	Total	
<b>Expenses</b>									
Salaries	\$ 2,546,234	\$ 1,133,076	\$ 610,109	\$ 1,499,118	\$ 5,788,537	\$ 505,969	\$ 495,763	\$ 1,001,732	\$ 6,790,269
Staff health and retirement benefits	551,260	246,120	132,525	325,631	1,255,536	128,768	90,641	219,409	1,474,945
Payroll taxes	193,424	104,098	56,052	137,726	491,300	74,329	58,202	132,531	623,831
Total salaries and related expenses	3,290,918	1,483,294	798,686	1,962,475	7,535,373	709,066	644,606	1,353,672	8,889,045
Professional fees	59,477	183,023	55,700	67,822	366,022	21,414	92,022	113,436	479,458
Supplies	505,471	539,522	173,865	204,558	1,423,416	52,327	28,824	81,151	1,504,567
Communication	73,425	57,601	26,029	58,008	215,063	10,946	14,429	25,375	240,438
Postage and shipping	54,123	16,778	5,836	19,928	96,665	29,109	2,252	31,361	128,026
Occupancy	513,114	404,643	189,890	337,920	1,445,567	156,120	153,969	310,089	1,755,656
Rentals and maintenance	69,226	26,645	23,246	52,413	171,530	20,194	19,357	39,551	211,081
Outside printing and artwork	67,339	29,478	6,747	96,362	199,926	14,571	9,549	24,120	224,046
Transportation and related expenses	162,254	245,462	83,748	108,698	600,162	22,414	17,408	39,822	639,984
Adult conferences and conventions	15,001	27,746	10,054	31,309	84,110	9,256	8,589	17,845	101,955
Specific assistance to individual girls and adults	206,354	119,714	50,538	138,756	515,362	-	-	-	515,362
Dues for membership in other organizations	917	2,399	1,353	958	5,627	4,012	5,009	9,021	14,648
Interest	2,906	3,874	2,906	3,874	13,560	5,811	19,370	25,181	38,741
Bad debt expense	20,164	36	18	4,236	24,454	7,531	-	7,531	31,985
Miscellaneous	32,899	46,882	27,265	35,652	142,698	46,737	122,284	169,021	311,719
Total expenses before depreciation and amortization	5,073,588	3,187,097	1,455,881	3,122,969	12,839,535	1,109,508	1,137,668	2,247,176	15,086,711
Depreciation and amortization	225,132	207,755	80,943	148,267	662,097	63,312	77,112	140,424	802,521
Total expenses	\$ 5,298,720	\$ 3,394,852	\$ 1,536,824	\$ 3,271,236	\$ 13,501,632	\$ 1,172,820	\$ 1,214,780	\$ 2,387,600	\$ 15,889,232

*See accompanying notes to financial statements.*

# Girl Scout Council of the Nation's Capital

## Statements of Cash Flows

<i>Years ended September 30,</i>	2016	2015
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,356,461	\$ (639,932)
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities</b>		
Bad debt expense	343,078	31,985
Loss on disposal of land, buildings, and equipment	282,406	-
Realized and unrealized (gains) losses on investments and perpetual trusts	(537,878)	378,809
Depreciation and amortization	796,033	802,521
Proceeds from contributions restricted for investment in permanently restricted net assets	(16,170)	(4,400)
<b>(Increase) decrease in assets</b>		
Accounts receivable	23,894	(9,077)
Contributions receivable	91,204	(49,641)
Inventory	(21,518)	12,046
Prepaid expenses and deposits	(82,269)	78,738
<b>Increase (decrease) in liabilities</b>		
Accounts payable and accrued expenses	(358,218)	(58,227)
Accrued annual leave	(111,514)	27,307
Deferred revenue	(66,777)	9,866
Deferred rent	77,101	(42,994)
<b>Net cash provided by operating activities</b>	<b>1,775,833</b>	<b>537,001</b>
<b>Cash flows from investing activities</b>		
Proceeds from sales and maturities of investments	178,522	2,504,027
Purchases of investments	(1,340,802)	(2,685,003)
Capital expenditures	(308,559)	(292,212)
<b>Net cash used in investing activities</b>	<b>(1,470,839)</b>	<b>(473,188)</b>
<b>Cash flows from financing activities</b>		
Proceeds from contributions restricted for investment in permanently restricted net assets	16,170	4,400
Principal payments on note payable	(6,499)	(4,568)
Principal payments on line-of-credit	(3,550,000)	(3,625,000)
Borrowings on line-of-credit	3,375,000	3,575,000
<b>Net cash used in financing activities</b>	<b>(165,329)</b>	<b>(50,168)</b>
<b>Increase in cash and cash equivalents</b>	<b>139,665</b>	<b>13,645</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>141,957</b>	<b>128,312</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 281,622</b>	<b>\$ 141,957</b>
<b>Supplemental disclosures of cash flows information:</b>		
Cash paid for interest	\$ 50,418	\$ 38,741

*See accompanying notes to financial statements.*

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### 1. Organization and Summary of Significant Accounting Policies

#### Organization

The Girl Scout Council of the Nation's Capital (the Council) was incorporated on January 1, 1963 in Virginia. The Council serves girls 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.

#### Basis of Accounting

The financial statements of the Council have been prepared on the accrual basis of accounting.

#### 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.

#### Accounts Receivable

Accounts receivable consists mainly of receivables from the Council's troops for cookie sales.

The allowance method is used to determine doubtful accounts. The allowance for doubtful accounts is based on specifically identified amounts that the Council believes to be uncollectible. The Council also records an additional allowance for doubtful accounts based on certain percentages of aged receivables, which are determined based on management's historical experience and an assessment of general financial conditions. If actual collection experience changes, revisions to the allowance may be required. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. As of September 30, 2016 and 2015, the Council believes that the allowance for doubtful accounts is adequate. However, future write-offs might exceed the recorded allowance.

#### Contributions Receivable

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. As of September 30, 2016 and 2015, the Council believes that the allowance for doubtful accounts is adequate. However, future write-offs might exceed the recorded allowance.

Conditional promises to give are not included as support until the conditions are substantially met.

#### Inventory

Inventory, stated at the lower of cost or market, consists of clothing, supplies and other items sold in the Girl Scout shops. There is no Girl Scout cookie inventory because the cookie sales occur between February and April each year and all of the cookies are sold by year-end.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### Investments

Investments are recorded at readily determinable fair values. The Council utilized readily available market prices to value its investments as of September 30, 2016 and 2015. Therefore, all investments are classified at Level I 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 is 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 trusts 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.

### Financial Instruments and Credit Risk

Financial instruments which potentially subject the Council to concentrations of credit risk consist principally of investments held at creditworthy financial institutions. These investments are kept within limits designed to prevent risks caused by concentration. As of September 30, 2016, the Council had no other significant concentration of credit risk, except as described in Note 3.

### Land, Buildings, 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. Depreciation of buildings and equipment is computed using the straight-line method with the following estimated useful lives:

Camp buildings	20 to 40 years
Camp equipment	5 to 15 years
Vehicles	4 years
Office equipment	3 to 15 years

The Council capitalizes all acquisitions of land, buildings and equipment over \$2,500 and 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 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, 2016 and 2015, \$200,918 and \$293,863 of the prior year's construction in progress was reclassified to building and improvements as the construction was completed. During the years ended September 30, 2016 and 2015, \$192,049 and \$200,417, respectively, were capitalized as construction in progress. During the year ended September 30, 2016, \$282,406 of construction in progress was written off due to abandonment of a project that was not feasible.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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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 unrestricted support as 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.

### Unrestricted Net Assets

Unrestricted net assets are available for use in general operations.

Unrestricted - board designated net assets consist of net assets designated by the Board for a specific use.

### Temporarily and Permanently Restricted Net Assets

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. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction. Expenses are reported as decreases in unrestricted net assets. Gains or losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Temporarily restricted net assets whose restrictions expire in the same year as received are classified as unrestricted revenue in the statements of activities.

Permanently restricted net assets consist of assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of the Council. The restrictions stipulate that resources be maintained permanently but permit the Council to expend the income generated in accordance with the provisions of the agreements.

### 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 temporarily restricted net assets until those amounts are appropriated for expenditure by the Council in a manner consistent with the standard of prudence prescribed by UPMIFA.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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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.

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. The use of the endowment funds is incorporated into the operating budget process.

### Revenue Recognition

Revenue is recognized during the period in which it is earned. Revenue received in advance and not yet earned is deferred to the applicable period.

### Expenses

Expenses are recognized during the period in which they are incurred. Expenses paid in advance and not yet incurred are deferred to the applicable period.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### Functional Allocation of Expenses

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

### Donated Services

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.

### Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Operating Indicator

Operating activities include all revenue and expenses for the year, except for those amounts received or utilized for the acquisition of land, buildings and equipment.

### New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). The update establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year. The guidance is effective for the fiscal year ending September 30, 2020. Management is still in the process of assessing the impact this new standard will have on the financial statements.

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern* (ASU 2014-15). The amendments in ASU 2014-15 define when and how companies are required to disclose going concern uncertainties, which must be evaluated each period. Specifically, the ASU requires management to determine whether substantial doubt exists regarding the entity's going concern presumption. Substantial doubt about an entity's ability to continue as a going concern exists when relevant conditions and events, considered in the aggregate, indicate that it is probable that the entity will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued (or available to be issued). If substantial doubt exists, certain disclosures are required; the extent of those disclosures depends on an evaluation of management's plans (if any) to mitigate the going concern uncertainty. The new standard applies prospectively to annual periods ending after December 15, 2016. Management is still in the process of assessing the impact this new standard will have on the financial statements.



# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The standard also requires lessors to treat a lease as a sale if it transfers all of the risks and rewards, as well as control of the underlying asset, to the lessee. If risks and rewards are conveyed without the transfer of control, the lease is treated as a financing. If the lessor doesn't convey risks and rewards or control, an operating lease results. The guidance is effective for the fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. Management is still in the process of assessing the impact this new standard will have on the financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) and Health Care Entities (Topic 954) - Presentation of Financial Statements of Not-for-Profit Entities*. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The ASU is effective for the financial statements for fiscal years beginning after December 15, 2017. Early adoption is permitted. The provisions of the ASU must be applied on a retrospective basis for all years presented although certain optional practical expedients are available for periods prior to adoption. Management is still in the process of assessing the impact this new standard will have on the financial statements.

### Reclassifications

Certain 2015 balances were reclassified to conform to the 2016 presentation.

## 2. Income Taxes

The Council has been granted exemption by the Internal Revenue Service (IRS), from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and as an exempt organization by the District of Columbia. In addition, the IRS has determined that the Council is not a "private foundation."

The Council must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The Council's management believes it has no material uncertain tax positions and; accordingly, it will not

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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recognize any liability for unrecognized tax benefits. For the years ended September 30, 2016 and 2015, the Council did not recognize any interest or penalties.

The Council is no longer subject to income tax examinations by federal or state tax authorities for fiscal years prior to 2013.

### 3. Uninsured Cash Balances

The cash balances that the Council maintains at several financial institutions did not exceed federally insured limits at September 30, 2016 and 2015. At times, during the year, these balances may exceed federally insured limits. The Council has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

### 4. Accounts Receivable

Accounts receivable consist of the following at:

<i>September 30,</i>	2016	2015
Cookie receivables	\$ 63,217	\$ 267,687
Other receivables	65,424	126,570
	128,641	394,257
Less: allowance for doubtful accounts	(47,836)	(87,825)
Net accounts receivable	\$ 80,805	\$ 306,432

### 5. Contributions Receivable

Contributions receivable consist of the following unconditional promises to give at:

<i>September 30,</i>	2016	2015
Unconditional promises to give before unamortized discount	\$ 477,275	\$ 649,979
Less: allowance for doubtful accounts	(59,845)	-
Less: unamortized discount	-	-
Net unconditional promises to give	\$ 417,430	\$ 649,979

No discount has been recorded for the year ended September 30, 2016 and 2015 as the overall amount would be immaterial to the financial statements.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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

<i>September 30,</i>	2016	2015
Amounts due in:		
Less than one year	\$ 281,975	\$ 408,979
One to five years	195,300	241,000
<b>Unconditional promises to give before allowance for doubtful accounts and discount</b>	<b>\$ 477,275</b>	<b>\$ 649,979</b>

### 6. Investments

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

<i>September 30,</i>	2016	2015
Corporate securities	\$ 1,202,586	\$ 990,624
Corporate bonds	69,049	908,467
Mutual funds	6,804,589	5,146,448
Money market funds	738,475	69,002
	<b>\$ 8,814,699</b>	<b>\$ 7,114,541</b>

The following schedule summarizes the investment return for the years ended:

<i>September 30,</i>	2016	2015
Interest and dividends, net	\$ 158,698	\$ 254,598
Net realized and unrealized (losses) gains	537,878	(378,809)
	<b>\$ 696,576</b>	<b>\$ (124,211)</b>

Investment expenses that are offset against interest and dividends were \$75,180 and \$68,618 for the years ended September 30, 2016 and 2015, respectively.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

### 7. Land, Buildings, and Equipment

Land, buildings and equipment consists of the following at September 30, 2016:

	Book Value, Beginning of Year	Net Change During Year	Book Value, End of Year
<b>Land</b>	<b>\$ 1,837,677</b>	<b>\$ -</b>	<b>\$ 1,837,677</b>
<b>Building and Improvements</b>			
Potomac Woods	2,280,009	52,530	2,332,539
Brighton Woods	2,525,447	-	2,525,447
Crowell	1,515,731	-	1,515,731
Winona	5,004,505	8,636	5,013,141
May Flather	739,339	12,182	751,521
Aquasco	560,576	-	560,576
Coles Trip	2,006,589	12,249	2,018,838
White Rock	956,684	84,819	1,041,503
Leasehold improvements - headquarters	1,061,307	-	1,061,307
Leasehold improvements - equipment center	7,254	-	7,254
Frederick County Office Space	200,000	-	200,000
Shenandoah Office Space	247,643	-	247,643
<b>Total buildings and improvements</b>	<b>17,105,084</b>	<b>170,416</b>	<b>17,275,500</b>
<b>Equipment</b>			
Office equipment	2,726,243	82,816	2,809,059
Equipment under capital lease	84,844	-	84,844
Vehicles	568,577	24,530	593,107
Camp and program equipment	189,804	-	189,804
Potomac Woods	123,968	39,491	163,459
Brighton Woods	11,645	-	11,645
Crowell	28,496	-	28,496
Winona	115,131	175	115,306
May Flather	103,531	-	103,531
Aquasco	4,579	-	4,579
Coles Trip	103,989	-	103,989
White Rock	144,194	-	144,194
<b>Total equipment</b>	<b>4,205,001</b>	<b>147,012</b>	<b>4,352,013</b>
<b>Construction in progress</b>	<b>474,527</b>	<b>(291,275)</b>	<b>183,252</b>
<b>Total land, buildings, and equipment</b>	<b>23,622,289</b>	<b>26,153</b>	<b>23,648,442</b>
Less: accumulated depreciation and amortization	14,355,238	796,033	15,151,271
<b>Total</b>	<b>\$ 9,267,051</b>	<b>\$ (769,880)</b>	<b>\$ 8,497,171</b>

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

Land, buildings and equipment consists of the following at September 30, 2015:

	Book Value Beginning of Year	Net Change During Year	Book Value End of Year
<b>Land</b>	\$ 1,837,677	\$ -	\$ 1,837,677
<b>Building and Improvements</b>			
Potomac Woods	2,181,814	98,195	2,280,009
Brighton Woods	2,525,447	-	2,525,447
Crowell	1,515,731	-	1,515,731
Winona	4,986,322	18,183	5,004,505
May Flather	712,548	26,791	739,339
Aquasco	555,730	4,846	560,576
Coles Trip	1,910,952	95,637	2,006,589
White Rock	906,473	50,211	956,684
Leasehold improvements - headquarters	1,061,307	-	1,061,307
Leasehold improvements - equipment center	7,254	-	7,254
Frederick County office space	200,000	-	200,000
Shenandoah office space	247,643	-	247,643
<b>Total buildings and improvements</b>	<b>16,811,221</b>	<b>293,863</b>	<b>17,105,084</b>
<b>Equipment</b>			
Office equipment	2,699,034	27,209	2,726,243
Equipment under capital lease	84,844	-	84,844
Vehicles	508,801	59,776	568,577
Camp and program equipment	189,804	-	189,804
Potomac Woods	123,968	-	123,968
Brighton Woods	11,645	-	11,645
Crowell	28,496	-	28,496
Winona	115,131	-	115,131
May Flather	103,531	-	103,531
Aquasco	4,579	-	4,579
Coles Trip	103,989	-	103,989
White Rock	139,384	4,810	144,194
<b>Total equipment</b>	<b>4,113,206</b>	<b>91,795</b>	<b>4,205,001</b>
<b>Construction in progress</b>	<b>567,973</b>	<b>(93,446)</b>	<b>474,527</b>
<b>Total land, buildings, and equipment</b>	<b>23,330,077</b>	<b>292,212</b>	<b>23,622,289</b>
Less: accumulated depreciation and amortization	13,552,717	802,521	14,355,238
<b>Total</b>	<b>\$ 9,777,360</b>	<b>\$ (510,309)</b>	<b>\$ 9,267,051</b>

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.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### 8. 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 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 issued 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 statements 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, 2016 and 2015, principal payments of \$6,418 and \$4,568, respectively, have been made.

### 9. Line-of-Credit

During the years ended September 30, 2016 and 2015, the Council had an unsecured \$4,000,000 and \$3,400,000, respectively, line-of-credit with Capital One Bank. During 2016, the Council borrowed \$3,375,000 and subsequently repaid \$3,550,000 on this line-of-credit, of which the \$175,000 was borrowed from previous year. During 2015, the Council borrowed \$3,575,000 and subsequently repaid \$3,625,000 on this line-of-credit, of which the \$50,000 was borrowed from previous year. The interest rate on this line-of-credit as of September 30, 2016 and 2015 was LIBOR plus 2.5%, which was 3.03% and 2.73% as of September 30, 2016 and 2015, respectively. The Council is also subject to, and is in full compliance with, certain financial, affirmative, and negative covenants under this arrangement as of September 30, 2016 and 2015.

During the years ended September 30, 2016 and 2015, the Council had an unsecured \$400,000 line-of-credit with BB&T Bank which expired on February 10, 2016, and was not renewed. During the years ended September 30, 2016 and 2015, the Council did not have borrowings from this line. The interest rate on this line-of-credit as of September 30, 2015 and the expiration date was 3.25%. The Council was also subject to, and was in full compliance with certain financial, affirmative, and negative covenants under this arrangement as of September 30, 2015 and the expiration date.

### 10. Board Designated Net Assets

The Fund for Cash Flow provides the working capital due to the seasonal nature of product sales, the Council's primary source of revenue.

The Board also established a fund called the "Board 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 currently at 44% of the operating expenses for the years ended September 30, 2016 and 2015.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

### 11. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets consist of the following at September 30, 2016:

Temporarily Restricted	September 30, 2015	Contributions	Released From Restrictions	September 30, 2016
Day camps	\$ 25,050	\$ 202,200	\$ 207,200	\$ 20,050
Troop-type service	645,700	1,856,721	774,345	1,728,076
Acquisition of land, building and equipment	15,000	138,332	49,332	104,000
	<b>\$ 685,750</b>	<b>\$ 2,197,253</b>	<b>\$ 1,030,877</b>	<b>\$ 1,852,126</b>

During the year ended September 30, 2016, the Council received a temporarily restricted contribution from the Robert E. Lutz Charitable Trust in the amount of \$1,090,600, which is included in the troop-type service line item above.

Permanently Restricted	September 30, 2015	Contributions	September 30, 2016
Ewing Fund for Campership	\$ 15,578	\$ -	\$ 15,578
Schwartz/Wolff Foundation Fund	18,208	-	18,208
Juliette Low Society	378,983	16,170	395,153
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	754,149	-	754,149
Bobby Lerch Endowment Fund	17,164	-	17,164
	<b>\$ 1,794,286</b>	<b>\$ 16,170</b>	<b>\$ 1,810,456</b>

Temporarily and permanently restricted net assets consist of the following at September 30, 2015:

Temporarily Restricted	September 30, 2014	Contributions	Released From Restrictions	September 30, 2015
Day camps	\$ 84,075	\$ 25,000	\$ 84,025	\$ 25,050
Troop-type service	490,500	571,000	415,800	645,700
Acquisition of land, building and equipment	81,500	10,000	76,500	15,000
	<b>\$ 656,075</b>	<b>\$ 606,000</b>	<b>\$ 576,325</b>	<b>\$ 685,750</b>

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

Permanently Restricted	September 30, 2014	Contributions	September 30, 2015
Ewing Fund for Campership	\$ 15,578	\$ -	\$ 15,578
Schwartz/Wolff Foundation Fund	18,208	-	18,208
Juliette Low Society	374,983	4,000	378,983
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	754,149	-	754,149
Bobby Lerch Endowment Fund	16,764	400	17,164
	<b>\$ 1,789,886</b>	<b>\$ 4,400</b>	<b>\$ 1,794,286</b>

### 12. Sales

For the year ended September 30, 2016:

	Cookies	Fall Sale	Girl Scout Shops	Total
Sales	\$ 14,130,297	\$ 918,888	\$1,794,819	\$ 16,844,004
Cost of sales	3,934,047	290,761	966,261	5,191,069
Net sales	<b>\$ 10,196,250</b>	<b>\$ 628,127</b>	<b>\$ 828,558</b>	<b>\$ 11,652,935</b>

For the year ended September 30, 2015:

	Cookies	Fall Sale	Girl Scout Shops	Total
Sales	\$ 13,844,111	\$ 783,390	\$1,660,980	\$ 16,288,481
Cost of sales	3,784,958	323,126	873,345	4,981,429
Net sales	<b>\$ 10,059,153</b>	<b>\$ 460,264</b>	<b>\$ 787,635</b>	<b>\$ 11,307,052</b>

Cookie sales are net of \$2,997,254 and \$2,887,235 retained by troops for the years ended September 30, 2016 and 2015, respectively. Fall sales are net of \$215,760 and \$155,220 retained by troops for the years ended September 30, 2016 and 2015, respectively.

Net revenues from product sales represented approximately 71.7% and 74.3% of unrestricted revenues and other support for the years ended September 30, 2016 and 2015, respectively.



# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### 13. Annual Giving Campaigns

Annual giving campaigns revenue consists of the following:

<i>September 30,</i>	2016	2015
SHARE	\$ 720,374	\$ 687,999
Major gifts	79,078	218,282
	<u>\$ 799,452</u>	<u>\$ 906,281</u>

The annual giving campaign for the Women of Distinction is included in temporarily restricted revenue in the statements of activities for the current year as the amounts are collected each year for the upcoming year. The amounts are recognized as unrestricted revenue in the following year and shown in the net assets released from restrictions.

### 14. Description of Program and Supporting Services

The following program and supporting services are included in the accompanying statements of activities:

#### *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 girls and adults and the formation of Girl Scout troops throughout the region. The Council develops programs for girls 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 education experiences that teach teamwork, cooperation, self-reliance and leadership while enhancing girls' skills in numerous sports, crafts, arts and outdoor related activities. The Council maintains seven area 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 girls.

#### *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 these 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 girls in the region. The Council also provides financial support for day camps through camperships to girls.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### *Adult/Volunteer Development*

The Council facilitates volunteer involvement in scouting 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.

### *Fund-raising*

The Council also secures private financial support, grants and in-kind gifts from families, individuals, foundations and corporations, and the United Way and Combined Federal Campaigns. The Council coordinates the Girl Scout alumni and 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 for all the volunteer policy-making arms of the organization. The Council maintains competent legal services for program administration and manages the financial and budgetary responsibilities of the Council.

## **15. Employee Retirement 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 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. Although net Plan assets grew during the year, net Plan assets available for Plan benefits continue to be less than the actuarial present value of accumulated Plan benefits as of January 1, 2016. Contributions made in fiscal year 2016 and 2015 were \$789,693 and \$717,644, 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 Ad Hoc 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. This retirement plan was started in April 2011; however, the Board of Directors approved a retro-active January 1, 2011 effective date for all eligible employees. The Council's pension expense and contributions to the new plan for the years ended September 30, 2016 and 2015 were \$281,925 and \$253,236, 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.

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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### 16. Commitments and Contingencies

#### *Operating Leases*

The Council has commitments under operating leases, expiring at various times through the year 2027, for office space and equipment. Some leases have scheduled rental increases and some contain options to renew.

Minimum rental payments under non-cancelable operating leases are as follows:

#### *Years Ending September 30,*

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2017	\$	991,893
2018		1,048,682
2019		1,052,926
2020		1,002,762
2021		348,982
Thereafter		1,059,972
		<hr/>
		\$ 5,505,217

Rent expense under these leases amounted to \$1,150,238 and \$1,067,962 for the years ended September 30, 2016 and 2015, respectively.

### 17. Endowments

The Council's endowment consists of donor endowed contributions 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.

Changes in endowment net assets for the year ended September 30, 2016 are as follows:

<i>Endowments</i>	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowments, September 30, 2015	\$ -	\$ -	\$ 1,794,286	\$ 1,794,286
Investment return:				
Investment income	49,263	-	-	49,263
Net appreciation (realized and unrealized)	87,947	-	-	87,947
Total investment return	137,210	-	-	137,210
Contributions and transfers in	-	-	16,170	16,170
Appropriation of endowment income for expenditure	(137,210)	-	-	(137,210)
Endowments, September 30, 2016	\$ -	\$ -	\$ 1,810,456	\$ 1,810,456

# Girl Scout Council of the Nation's Capital

## Notes to Financial Statements

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Changes in endowment net assets for the year ended September 30, 2015 are as follows:

<i>Endowments</i>	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowments, September 30, 2014	\$ -	\$ -	\$ 1,789,886	\$1,789,886
Investment return:				
Investment income	88,221	-	-	88,221
Net depreciation (realized and unrealized)	(88,970)	-	-	(88,970)
Total investment return	(749)	-	-	(749)
Contributions and transfers in	-	-	4,400	4,400
Appropriation of endowment income for expenditure	749	-	-	749
Endowments, September 30, 2015	\$ -	\$ -	\$ 1,794,286	\$1,794,286

### 18. Subsequent Events

The Council evaluated subsequent events through January 25, 2017, which is the date the financial statements were available to be issued. There were no events noted that required adjustment to or disclosure in these financial statements subsequent to year end.