

**BOY WITH A BALL GLOBAL, INC.**

**FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**with  
INDEPENDENT AUDITORS' REPORT**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors  
Boy with a Ball Global, Inc.**

### **Opinion**

We have audited the accompanying financial statements of Boy with a Ball Global, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, 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 the Organization as of December 31, 2021, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; 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.

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 the Organization's ability to continue as a going concern for one year after the date of this report.

### **Auditors' 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 auditors' 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 GAAS 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 can arise from fraud or error and 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.

## **Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

In performing an audit in accordance with GAAS, 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 the Organization'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 the Organization'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.

*Smith and Howard*

May 26, 2022

**BOY WITH A BALL GLOBAL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**

**ASSETS**

Cash	\$ 302,157
Promises to give, no allowance necessary	9,658
Other assets	760
Property and equipment, net of accumulated depreciation of \$31,230	<u>7,755</u>
 Total Assets	 <u><u>\$ 320,330</u></u>

**LIABILITIES AND NET ASSETS**

Liabilities	
Accounts payable and accrued expenses	\$ 53,785
 Net Assets Without Donor Restriction	 <u>266,545</u>
 Total Liabilities and Net Assets	 <u><u>\$ 320,330</u></u>

The accompanying notes are an integral part of these financial statements.

**BOY WITH A BALL GLOBAL, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2021**

Support and revenue:	
Contributions	\$ 646,047
In-kind contributions	11,100
Membership fees and program administration	42,901
Investment income	75
Forgiveness of Paycheck Protection Program loan	<u>43,917</u>
Total Revenues and Support	<u>744,040</u>
Expenses:	
Program services	639,950
Management and administration	29,834
Fundraising	<u>26,558</u>
Total Expenses	<u>696,342</u>
Change in Net Assets	47,698
Net Assets, Beginning of Year	<u>218,847</u>
Net Assets, End of Year	<u><u>\$ 266,545</u></u>

The accompanying notes are an integral part of these financial statements.

**BOY WITH A BALL GLOBAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2021**

	Program Services	Management and Administrative	Fundraising	Total
Payroll and related	\$ 294,425	\$ 3,628	\$ 25,247	\$ 323,300
Grants	241,820	-	-	241,820
Professional services	5,979	17,993	-	23,972
Office expenses	27,739	356	-	28,095
Facility and equipment	10,424	112	-	10,536
Travel and meetings	55,775	-	1,044	56,819
Other expenses	1,167	101	-	1,268
Business expenses	36	7,644	267	7,947
Depreciation	<u>2,585</u>	<u>-</u>	<u>-</u>	<u>2,585</u>
	<u><u>\$ 639,950</u></u>	<u><u>\$ 29,834</u></u>	<u><u>\$ 26,558</u></u>	<u><u>\$ 696,342</u></u>

The accompanying notes are an integral part of these financial statements.

**BOY WITH A BALL GLOBAL, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2021**

Cash Flows from Operating Activities:	
Change in Net Assets	\$ 47,698
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	2,585
Forgiveness of Paycheck Protection Program loan	(43,917)
In-kind contributions	(11,100)
Change in assets and liabilities:	
Promises to give	22,515
Accounts payable and accrued expenses	14,549
Net Cash Provided by Operating Activities	<u>32,330</u>
Net Increase in Cash	32,330
Cash at Beginning of Year	<u>269,827</u>
Cash at End of Year	<u><u>\$ 302,157</u></u>

The accompanying notes are an integral part of these financial statements.



**BOY WITH A BALL GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1 – ORGANIZATION AND PURPOSE**

Nature of Operations

Boy with a Ball Global, Inc. (the “Organization”), a 501(c)(3) nonprofit organization, was incorporated in 2002. The Organization's primary support is from contributions from individuals, other organizations and foundations.

The Organization supports the development of teams in cities and countries throughout the world. These teams operate as independent organizations, but under the Boy with a Ball name, to better cities by reaching at-risk youth and equipping them as leaders who turn and transform their communities.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The Organization follows accounting standards set by the Financial Accounting Standards Board (“FASB”). The FASB sets accounting principles generally accepted in the United States of America (“GAAP”).

Basis of Presentation

The Organization classifies its net assets and revenues and expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expanded for any purpose in performing the primary objective of the Organization. These net assets may be used at the discretion of management and the board of directors.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity. Any contributions with donor-imposed restrictions where the restriction is met is in the same year are treated as contributions without donor restrictions. There were no net assets with donor restrictions at December 31, 2021.

Promises to Give

Promises to give are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on the review of current status of promises to give. It is reasonably possible that management's estimate of the allowance will change. At December 31, 2021, no allowance was necessary.

**BOY WITH A BALL GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue Recognition

Revenue, other than contributions, is recognized when earned. Membership fees are charged to teams associated with processing of transactions on behalf of the teams as well as administrative costs incurred on behalf of the teams.

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Unconditional pledges receivable that are expected to be collected in the future years are recorded at fair value. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Risk and Uncertainties

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and promises to give. At times, cash balances exceed federally insured amounts. The Organization believes it reduces risks associated with balances in excess of federally insured amounts by maintaining its cash with major financial institutions with sound financial standing. Management continually monitors promises to give and believes that its exposure to credit risk is limited. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying financial statements.

The Organization has experienced a disruption of normal business operations caused from COVID-19. The overall financial impact cannot be determined through the date of this report; however, it is reasonably possible that changes in risks in the near term could occur which could result in a material change to the financial statements.

Property and Equipment

Property and equipment are recorded at cost and consisted of furniture, fixtures and equipment at December 31, 2021. Depreciation is provided using the straight-line method over its estimated useful life, which ranges from 3-10 years. Depreciation on leasehold improvements will be over the life of the lease.

Income Taxes

The Organization is exempt from federal and state income taxes under applicable provisions of the Internal Revenue Code and state tax laws. Accordingly, no provision for income taxes has been made.

**BOY WITH A BALL GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Income Taxes (Continued)

The Organization annually evaluates all federal and state income tax positions. This process includes an analysis of whether these income tax positions the Organization takes meet the definition of an uncertain tax position under the Income Taxes Topic of the Financial Accounting Standards Codification. In general, the Organization is no longer subject to tax examinations for the years ending before July 31, 2018.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing program and other activities are summarized on a functional basis on the statement of functional expenses. All expenses are stated on the accrual basis and presented in the statement of activities and the statement of functional expenses. Expenses directly attributable to a specific functional category are reported as expenses of those functional categories. Expenses attributable to more than one functional category are allocated across program services, management and administration and fundraising based on staff level time and effort.

Subsequent Events

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued.

**NOTE 3 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position includes cash and promises to give totaling \$311,815.

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. As part of liquidity management, the Organization monitors the status and collectability of grants and contributions receivable. Grants and contributions are solicited on a regular basis to increase support and revenue.

**BOY WITH A BALL GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 4 – PAYCHECK PROTECTION PROGRAM LOAN**

In May 2020, the Organization obtained a SBA loan under the Paycheck Protection Program (“PPP”) in the amount of \$43,917. The PPP loan bore interest at 1% and may have required monthly payments of principal and interest through March 2026, at which time the outstanding balance was due in full. Under the terms of Coronavirus Aid, Relief, and Economic Securities Act (the “CARES Act”), the Organization applied for PPP loan proceeds used within a specified time period to be forgiven, as the proceeds were used to cover certain payroll and other expenses as defined by the CARES Act. During 2021, the Organization received full forgiveness with its SBA lender and recorded within support and revenue in the accompanying statement of activities.