



High-Tech High Heels North Texas

**Financial Statements
December 31, 2021 and 2020**

High-Tech High Heels North Texas

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Independent Accountants' Review Report

To the Board of Directors of
High-Tech High Heels North Texas

We have reviewed the accompanying financial statements of High-Tech High Heels North Texas, (a nonprofit organization) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 (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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of High-Tech High Heels North Texas and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with GAAP.


A Limited Liability Partnership

Arlington, Texas
March 18, 2022

High-Tech High Heels North Texas
Statement of Financial Position
Year Ended December 31, 2021 and 2020

	2021	2020
Assets		
Cash	\$ 900,941	\$ 687,525
Prepaid expense	-	1,998
Beneficial interest in assets held by others	589,241	550,114
Total assets	\$ 1,490,182	\$ 1,239,637
Liabilities and Net Assets		
Liabilities:		
Refundable advance	\$ 250,000	\$ 150,000
Total liabilities	250,000	150,000
Net assets:		
Net assets without donor restrictions	1,013,714	992,568
Net assets with donor restrictions	226,468	97,069
Total net assets	1,240,182	1,089,637
Total liabilities and net assets	\$ 1,490,182	\$ 1,239,637

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas
Statement of Activities
Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions	\$ 223,910	\$ 150,000	\$ 373,910
Special event, net of direct costs of \$47,094	95,802	-	95,802
Income from beneficial interest in assets, net	30,063	-	30,063
Net assets released from restrictions	20,601	(20,601)	-
Total revenue and support	370,376	129,399	499,775
Expenses:			
Program	320,601	-	320,601
General and administrative	23,930	-	23,930
Fundraising	4,699	-	4,699
Total expenses	349,230	-	349,230
Change in net assets	21,146	129,399	150,545
Net assets at beginning of the year	992,568	97,069	1,089,637
Net assets at end of the year	\$ 1,013,714	\$ 226,468	\$ 1,240,182

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas
Statement of Activities
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions	\$ 197,468	\$ 100,000	\$ 297,468
Income from beneficial interest in assets, net	34,354	-	34,354
Net assets released from restrictions	2,931	(2,931)	-
Total revenue and support	234,753	97,069	331,822
Expenses:			
Program	271,008	-	271,008
General and administrative	28,131	-	28,131
Fundraising	4,765	-	4,765
Total expenses	303,904	-	303,904
Change in net assets	(69,151)	97,069	27,918
Net assets at beginning of the year	1,061,719	-	1,061,719
Net assets at end of the year	<u>\$ 992,568</u>	<u>\$ 97,069</u>	<u>\$ 1,089,637</u>

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas
Statement of Functional Expenses
Year Ended December 31, 2021

	Program	General and Administrative	Fundraising	Total
Grants to others	\$ 300,000	\$ -	\$ -	\$ 300,000
Professional fees	-	8,548	8,145	16,693
Contract services	20,601	-	-	20,601
Advertising and marketing	-	-	5,395	5,395
Office	-	6,141	-	6,141
National dues	-	4,469	-	4,469
Insurance	-	2,246	-	2,246
Bank charges and fees	-	543	4,960	5,503
Other	-	1,983	33,293	35,276
Total expenses by function	320,601	23,930	51,793	396,324
Less: direct costs of special event included with revenue on the statement of activities	-	-	(47,094)	(47,094)
	<u>\$ 320,601</u>	<u>\$ 23,930</u>	<u>\$ 4,699</u>	<u>\$ 349,230</u>

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas
Statement of Functional Expenses
Year Ended December 31, 2020

	Program	General and Administrative	Fundraising	Total
Grants to others	\$ 268,077	\$ -	\$ -	\$ 268,077
Advertising and marketing	-	2,000	2,642	4,642
Bank charges and fees	-	956	203	1,159
Other	-	1,850	1,920	3,770
Contract services	2,399	-	-	2,399
National dues	-	7,085	-	7,085
Insurance	-	2,854	-	2,854
Professional fees	532	13,386	-	13,918
	<u>\$ 271,008</u>	<u>\$ 28,131</u>	<u>\$ 4,765</u>	<u>\$ 303,904</u>

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 150,545	27,918
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net gains from beneficial interest in assets held by others	(39,127)	(42,362)
Prepaid expense	1,998	(1,998)
Refundable advance	100,000	150,000
Net cash provided by operating activities and net increase in cash	113,416	133,558
Cash at beginning of year	553,967	553,967
Cash at end of year	<u>\$ 553,967</u>	<u>\$ 553,967</u>

See notes to financial statements and independent accounts' review report.

High-Tech High Heels North Texas

Notes to Financial Statements

1. Organization

High-Tech High Heels – Texas Chapter dba High-Tech High Heels North Texas (Organization) is a nonprofit organization recognized as tax-exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). The mission of the Organization is to increase the number of girls entering into a college-level degree program in Science, Technology, Engineering or Math (STEM).

The Organization funds hands-on learning opportunities for K-12 girls to inspire and prepare them to pursue STEM degrees and provides resources to inspire and mentor the next generation. The Organization also improves STEM education by funding programs for K-12 teachers and counselors. The Organization is supported by contributions from corporations, foundations and individuals.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Financial Statement Presentation

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

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a board of directors approved spending policy. No such net asset restrictions existed at December 31, 2021 and 2020.

Revenues are reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

High-Tech High Heels North Texas

Notes to Financial Statements

Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Financial Instruments and Credit and Market Risk Concentrations

Financial instruments which are potentially subject to concentrations of credit risk consist principally of cash. Cash is placed with high credit quality financial institution to minimize risk.

At December 31, 2021, cash balances exceeded federally insured limits by \$647,867. The Organization monitors credit worthiness of each financial institution with which it conducts business and has not experienced any losses in its accounts. The Organization believes it is not exposed to any significant risk on cash.

During the years ended December 31, 2021 and 2020, contributions from three donors accounted for 52% and 61% of total revenue and support.

Revenue Recognition

The Organization recognizes contributions when cash, securities, other assets or an unconditional promise to give is received. 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 met. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Contributions of services are recorded at estimated fair value if the services received create or enhance nonfinancial assets or require specialized skills and would typically need to be purchased if not provided by donation. Numerous individuals donate significant amounts of time to the Organization. No donated services were utilized that met the criteria to be recorded as support on the Organization's financial statements.

Grants to Others

The Organization records unconditional grants to others when approved by the grant committee and acceptance of the grant terms by the recipient organization.

High-Tech High Heels North Texas

Notes to Financial Statements

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 revenues and expenses during the reporting period. Actual results could differ from those estimated.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. The Organization did not have unrelated business income for the years ended December 31, 2021 and 2020. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2021, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Functional Allocation of Expenses

The costs of providing program services and supporting activities have been summarized on a functional basis in the statements of activities. The expenses can be directly identified with the program or supporting service to which they relate and are charged accordingly.

3. Beneficial Interest in Assets Held by Others

The Organization has a beneficial interest in assets held by the Communities Foundation of Texas (CFT) valued at \$589,241 and \$550,114 at December 31, 2021 and 2020, respectively. These consists of funds contributed by the Organization and donors and include earnings thereon, net of distributions received. Distributions of the income earned from beneficial interests and principal amounts thereof are received at various times throughout the year based on grant requests to CFT.

High-Tech High Heels North Texas

Notes to Financial Statements

Fair value of the Organization’s beneficial interest in assets held by CFT is based on the value of the Organization’s portion of the underlying investments in the funds using valuation methods that are appropriate for those investments as determined by third-party trustees. These values are based on unobservable inputs and are considered Level 3 assets in the fair value hierarchy. Withdrawals are permitted from the fund as requested by the Organization. Any funds unspent in one year may remain in the portfolio and may be appropriated in the following fiscal year.

	2021	2020
Balance at beginning of year	\$ 550,114	\$ 507,752
Contributions	9,064	8,008
Total gains (realized/unrealized) included in change in net assets	35,762	39,428
Fees	(5,699)	(5,074)
Balance at end of year	\$ 589,241	\$ 550,114

4. Refundable Advance

The Organization is the recipient of a \$500,000 grant that is conditioned upon meeting performance requirements and incurring specific costs. The purpose of the grant is to create an educational ecosystem and pipeline centered around STEM in the Dallas Independent School District. Upon receipt, the funds are recorded as a refundable advance until such time as the performance obligations are met. The activity in the refundable advance account for the years ended December 31, 2021 and 2020 is as follows:

	2021	2020
Balance, beginning of year	\$ 150,000	\$ -
Grant funds received	250,000	250,000
Revenue recognized	(150,000)	(100,000)
Balance, end of year	\$ 250,000	\$ 150,000

5. Net Assets With Donor Restrictions

At December 31, 2021 and 2020, net assets with donor restrictions totaled \$226,468 and \$97,069 and are restricted for the purpose of creating an educational ecosystem and pipeline centered around STEM in the Dallas Independent School District.

High-Tech High Heels North Texas

Notes to Financial Statements

6. Liquidity and Availability of Resources

At December 31, 2021, the Organization has \$1,490,182 of financial assets available to be used within one year of the date of the statement of financial position to meet cash needs for general expenditure consisting of cash of \$900,941 and a beneficial interest in assets held by others of \$589,241. As a part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

7. Subsequent Events

The Organization evaluated subsequent events through the date the financial statements were available to be issued and concluded that no additional disclosures are required.