

GEORGIA ASYLUM AND
IMMIGRATION NETWORK, INC.

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2020



GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Georgia Asylum & Immigration Network, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Georgia Asylum & Immigration Network, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2020 and the related statement of activities, functional expenses, and cash flows for the year 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 Georgia Asylum & Immigration Network, Inc. as of December 31, 2020, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of state awards expended on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Brooks, McAnnis & Company, LLC

Atlanta, Georgia
October 22, 2021

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

Cash and cash equivalents	\$ 634,547
Contributions and grants receivable	120,995
Prepaid expenses and other assets	14,356
Security deposit	6,591
Furniture and equipment, net	<u>50,021</u>
Total assets	<u>\$ 826,510</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 20,135
Accrued vacation	11,886
Unearned revenue	15,000
Deferred rent	<u>2,467</u>
Total liabilities	<u>49,488</u>
Net assets:	
Without donor restrictions	707,388
With donor restrictions	<u>69,634</u>
Total net assets	<u>777,022</u>
Total liabilities and net assets	<u>\$ 826,510</u>

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

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in net assets without donor restrictions:	
Revenues and support:	
Contributions	\$ 255,814
Government grants	516,156
In-kind contributions	762,500
Annual Gala, net of direct expenses of \$6,346 and \$73,369 in fiscal 2020 and 2019 respectively	235,549
Program event income	-
Other income	1,148
Total revenues	<u>1,771,167</u>
Net assets released from restrictions	344,852
Total revenues and support without donor restrictions	<u>2,116,019</u>
Expenses:	
Program services:	
Victims of Violence	554,489
Asylum	1,140,006
Total program services	<u>1,694,495</u>
Management and general	95,893
Fundraising	152,230
Total expenses	<u>1,942,618</u>
Increase in net assets without donor restrictions	<u>173,401</u>
Changes in net assets with donor restrictions:	
Contributions	318,377
Net assets released from restrictions	<u>(344,852)</u>
Decrease in net assets with donor restrictions	<u>(26,475)</u>
Increase in net assets	146,926
Net assets at beginning of year	<u>630,096</u>
Net assets at end of year	<u><u>\$ 777,022</u></u>

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

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Victims of Violence	Asylum	Total Program	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 230,821	\$ 203,342	\$ 434,163	\$ 27,479	\$ 87,932	\$ 549,574
Payroll taxes	18,717	16,489	35,206	2,228	7,130	44,564
Employee benefits	23,760	20,932	44,692	2,829	9,052	56,573
Total personnel	<u>273,298</u>	<u>240,763</u>	<u>514,061</u>	<u>32,536</u>	<u>104,114</u>	<u>650,711</u>
Professional fees	15,413	20,165	35,578	53,316	10,809	99,703
Professional fees - in-kind	62,500	700,000	762,500	-	-	762,500
Rent	35,471	31,248	66,719	4,223	13,514	84,456
Depreciation	11,802	10,397	22,199	1,405	4,496	28,100
Travel and meetings	3,091	2,723	5,814	37	117	5,968
Insurance	2,446	2,155	4,601	291	932	5,824
Supplies	10,739	9,461	20,200	1,278	4,092	25,570
Other	1,041	917	1,958	124	395	2,477
Client assistance	113,282	99,796	213,078	-	-	213,078
Bank fees	-	-	-	-	5,173	5,173
Postage	2,828	2,491	5,319	337	1,078	6,734
Printing	1,994	1,757	3,751	237	761	4,749
Telecommunications	12,221	10,766	22,987	1,455	4,656	29,098
Dues and subscriptions	4,951	4,361	9,312	248	793	10,353
Equipment rental and maintenance	<u>3,412</u>	<u>3,006</u>	<u>6,418</u>	<u>406</u>	<u>1,300</u>	<u>8,124</u>
Total expenses	<u>\$ 554,489</u>	<u>\$ 1,140,006</u>	<u>\$ 1,694,495</u>	<u>\$ 95,893</u>	<u>\$ 152,230</u>	<u>\$ 1,942,618</u>
	29%	58%	87%	5%	8%	100%

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

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cash flows from operating activities:	
Increase in net assets	\$ <u>146,926</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation expense	28,101
Decrease in:	
Contributions and grant receivable	207,094
Prepaid expenses	13,525
Increase (decrease) in:	
Accounts payable	(3,773)
Accrued vacation	5,447
Unearned revenue	(25,000)
Deferred rent	<u>(4,815)</u>
Total adjustments	<u>220,579</u>
Net cash provided by operating activities	<u>367,505</u>
Net increase in cash and cash equivalents	367,505
Cash and cash equivalents, beginning of year	<u>267,042</u>
Cash and cash equivalents, end of year	<u><u>\$ 634,547</u></u>

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

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. Nature of Organization and Significant Accounting Policies

Organization

Georgia Asylum & Immigration Network, Inc. (the Organization) was founded as the Atlanta Bar Asylum Project in 2005 and earned its 501(c)(3) status in 2009. Its mission is to protect and empower immigrant survivors of crime and persecution. The Organization assists immigrant survivors and their family members through the provision of immigration legal services and holistic support services. The Asylum program serves immigrants fleeing harm and persecution abroad, such as female genital mutilation (FGM), gender-based violence, wrongful imprisonment, and torture. The Victims of Violence program supports the needs of immigrants who have been victims of crime in the U.S., including survivors of human trafficking, domestic violence, sexual abuse, and other crimes. The Organization is primarily supported by public and private grants and contributions. Through direct representation as well as a pro bono program which partners with law firms in the Metro Atlanta area, The Organization's small staff of 10 served over 500 clients in 2020. The Organization also transitioned their traditionally in-person legal work to a virtual model of service. Additionally, the Organization provided an unprecedented surge of emergency relief to their clients in the early days of the pandemic, which provided rent for over 50 families, as well as laptops for remote school, gift cards to address food insecurity, and more.

Basis of Accounting and Presentation

The accounts are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). This basis of accounting requires recording revenues and gains when earned and expenses and losses when incurred.

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions based on stipulations made by the donor.

Revenue

In accordance with GAAP, contributions are recognized as revenue in the year they are received or promised, with allowances provided for unconditional promises to give estimated to be uncollectible. 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. Amortization of the discounts (if any) is included in contributions in the accompanying statements of activities and changes in net assets.

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. Nature of Organization and Significant Accounting Policies - Continued

Revenue - Continued

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. There were no conditional promises to give for the year ended December 31, 2020.

Depending on the existence and/or nature of any donor restrictions, contributions are recorded as support with donor restrictions or support without donor restrictions. Time and capital donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated Equipment, Material, Supplies and Services

All non-cash gifts are recorded at their estimated fair value at date of receipt. Contributed legal services are reflected in the financial statements at the fair value of the services received. In accordance with GAAP, contributions of services are recognized at fair value if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Accordingly, contributed professional services of \$762,500 were recognized during the year ended December 31, 2020.

No amounts have been reflected in the financial statements for general donated services; however, a substantial number of volunteers have donated significant amounts of their time to the Organization's ministry and supporting services. If donated services either created or enhanced non-financial assets or required specialized skills that would need to be purchased if not donated, the value of those donated services would be recorded in accordance with generally accepted accounting principles.

Property and Equipment

Property and equipment are stated at cost or estimated fair value at time of donation. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. Beginning in 2020, the Organization increased this threshold to \$2,500. Depreciation is computed by the straight-line method over the estimated useful lives as follows:

Buildings and improvements	10 - 40 years
Furniture, fixtures and equipment	5 years
Computers and software	3 years

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. Nature of Organization and Significant Accounting Policies – Continued

Unearned Revenue

For the year ended December 31, 2020, unearned revenue consists of special event revenue paid in advance of \$15,000. Event revenue is recognized in the period the event is held.

Income Taxes

Georgia Asylum & Immigration Network, Inc. is a not-for-profit organization exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3) of the Internal Revenue Code. Income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. For the year ended December 31, 2020, the Organization did not have any unrelated business income, and accordingly, no unrelated business income tax. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Internal Revenue Service filings for the previous three years remain subject to examination.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the various programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated on a square foot basis include rent, depreciation, and equipment rental and maintenance. Salaries and wages, payroll taxes, employee benefits, supplies, insurance, printing, postage, and telecommunications are allocated on the basis of estimates of time and effort.

Estimates

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

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. Nature of Organization and Significant Accounting Policies - Continued

Cash and Cash Equivalents

The Organization considers all cash investments and highly liquid investments with maturities of three months or less to be cash equivalents. The balances in the Organization's bank accounts, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization places its cash with high credit quality financial institutions. At December 31, 2020, the amount of uninsured balances was \$382,739. Based on the strength of these financial institutions, management believes the credit risk related to these balances is not significant.

New Accounting Policies

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of Topic 606 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance requires retrospective application.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This new standard clarifies and improves the scope and the accounting guidance for contributions received and contributions made. The guidance in this update should be applied on a modified prospective basis. Retrospective application is permitted.

Previously, the Organization followed the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. Beginning in 2020, the Organization increased this threshold to \$2,500.

The Organization adopted these accounting policies for the year ended December 31, 2020. These new accounting policies did not affect total net assets for either the year ended December 31, 2020.

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. Liquidity and Availability of Financial Assets

The Organization is substantially supported by contributions and grants with and without donor restrictions, in-kind donations, and special event revenues. As a donor's restrictions require funds to be used in a particular manner or in a future period, the Organization maintains those restricted funds so that they are available to meet those responsibilities as they are required to be met. Accordingly, related financial assets are not available to the Organization for its general expenditures. The Organization considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures may be incurred for program, fundraising, or administrative purposes.

The Organization's financial assets at December 31, 2020 (reduced by amounts that are not available for general use because of contractual, donor-imposed, or internal restrictions) available within one year after this date to satisfy liabilities at this date and for future general expenditure are as follows:

Cash and cash equivalents	\$ 634,547
Contributions and grants receivable	<u>120,995</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 755,542</u></u>

For the year ended December 31, 2020, restricted contributions of \$69,634 were included in financial assets available to meet cash needs for general expenditures within one year. The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition to financial assets available to meet general expenditures over the next twelve months, the Organization utilizes an operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. In addition, the Statement of Cash Flows shows positive cash generated by operations for the year ended December 31, 2020.

During 2020, the global coronavirus pandemic threatened to deeply harm global growth. This has affected the U.S. and global equity markets, as well as consumer confidence, and the broad U.S. and global stock markets have experienced extreme volatility during 2020. It is uncertain how this downturn in the financial markets and consumer confidence may affect the operations, investments, funding, and contribution income of nonprofit organizations in the near future.

The Organization depends heavily on contributions and government grants to support its operations. The ability of contributors to continue giving may be dependent on current and future overall economic conditions. While the Organization believes it has the resources to continue its programs, its ability to do so, and the extent to which it continues, may be dependent on many interdependent factors.

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

3. Contributions and Grants Receivable

Contributions and grants receivable consist of the following at December 31, 2020:

Grants and government contracts	\$ 100,995
Contributions receivable	<u>20,000</u>
Total contributions and grants receivable	<u><u>\$ 120,995</u></u>

The Organization has determined that all amounts recorded as contributions and grants receivable are collectible; accordingly, no allowance for doubtful accounts has been established. All amounts are expected to be collected within one year.

4. Furniture and Equipment, Net

Furniture and equipment, net consisted of the following at December 31, 2020:

Computer equipment and software	\$ 81,927
Furniture and equipment	14,419
Less accumulated depreciation	<u>(46,325)</u>
Total furniture and equipment, net	<u><u>\$ 50,021</u></u>

For the year ended December 31, 2020, depreciation expense was \$28,101.

5. Paycheck Protection Program Loan

In April 2020, the Organization obtained a loan from the United States Small Business Administration's (SBA) Paycheck Protection Program (PPP) to assist with operating cash flow during the pandemic. The total received in 2020 was \$106,800 and has been recorded as a contribution in the statement of activities. Management spent the proceeds on eligible amounts that qualified for loan forgiveness and the loan was formally forgiven in May 2021.

In February 2021, the Organization obtained a second loan from the SBA totaling \$124,733. Management intends to spend the proceeds on eligible amounts that will qualify for loan forgiveness. Any portion of the loan not forgiven will require repayment to the SBA within five years at an interest rate of 1.0%.

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

6. Net Assets With Donor Restrictions

Net assets with donor restrictions are comprised of funds the Organization has received subject to donor-imposed restrictions consisting of the following at December 31, 2020:

Victims of Violence	\$	10,000
Asylum		29,158
COVID Assistance		7,891
Client Empowerment		<u>22,585</u>
Total net assets with donor restrictions	\$	<u><u>69,634</u></u>

7. Net Assets Released from Restrictions

Net assets with donor restrictions were released from donor restrictions by incurring expenditures satisfying the restricted purposes or by occurrence of other events specified by donors as follows for the year ended December 31, 2020:

Victims of Violence	\$	79,504
Asylum		52,447
COVID Assistance		17,108
Client Empowerment		191,013
Other		<u>4,780</u>
Total net assets released from donor restrictions	\$	<u><u>344,852</u></u>

8. Operating Lease Commitments

The Organization leases office space for its operations. The future annual minimum lease payments for all leases at December 31, 2020 are as follows:

For Year Ended December 31,	Amount
2021	\$ 81,678
2022	76,338
2023	78,624
2024	80,987
2025	83,423
Thereafter	<u>42,434</u>
	<u><u>\$ 443,484</u></u>

Total rental and lease expense for all leases for the year ended December 31, 2020 was \$88,713.

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

9. Commitments and Contingencies

Certain government funded programs are routinely subject to special audit. The audit reports are prepared by the governmental auditors for the Organization pursuant to specific regulatory requirements. Such agencies performing these audits have the authority to determine liabilities as well as to limit, suspend, or terminate the federal programs. Since the Organization does not expect claims to arise as a result of such audits, no provision for liabilities has been provided in the financial statements. Governmental grants are subject to renewal each year and funding is not guaranteed for future periods.

10. Retirement Plan

Starting in 2020, the Organization began providing a voluntary 403(b) retirement plan which is open to all full-time employees. The 403(b) plan is an employee contribution tax deferred annuity plan to be used for retirement benefits. For all participants in the plan, the Organization makes a 2% matching contribution. The Organization made contributions to employees' plans totaling \$3,337 for the year ended December 31, 2020.

11. Subsequent Events

Management has evaluated events and transactions which occurred through October 22, 2021, which was the date the financial statements were available to be issued. Except the forgiveness of the Paycheck Protection Program loan and the receipt of a second Paycheck Protection Program loan as further discussed in Note 5, there were no significant subsequent events requiring recognition or disclosure in the financial statements.

GEORGIA ASYLUM AND
IMMIGRATION NETWORK, INC.

OTHER INFORMATION AS REQUIRED
BY THE STATE OF GEORIGIA

GEORGIA ASYLUM & IMMIGRATION NETWORK, INC.
 SCHEDULE OF STATE AWARDS EXPENDED
 FOR THE YEAR ENDED DECEMBER 31, 2020

<u>State Contract Number</u>	<u>Earned Revenues</u>	<u>Receipts</u>	<u>Due From State Agency</u>
Office of the Governor Criminal Justice Coordinating Council 2018 VOCA Victim Assistance Formula Grant Contract # C18-8-472	\$ 100,995	\$ -	\$ 100,995
Office of the Governor Criminal Justice Coordinating Council 2017 VOCA Victim Assistance Formula Grant Contract # C18-8-264	415,161	415,161	-
Total	\$ 516,156	\$ 415,161	\$ 100,995