

GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED SEPTEMBER 30, 2022

**NTRC, PC
CERTIFIED PUBLIC ACCOUNTANTS**

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INC. SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Georgia Tax Credit
Scholarship Program , Inc.

Opinion

We have audited the accompanying financial statements of Georgia Tax Credit Scholarship Program, Inc. (a nonprofit organization), which comprise of the statement of financial position as of September 30, 2022, and the related statements of activities, 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 Georgia Tax Credit Scholarship Program, Inc. as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about [REDACTED] ability to continue as a going concern with one year after the date that the financial statements are available to be issued.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from a fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Georgia Tax Credit Scholarship Program, Inc's internal control. Accordingly, not 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Georgia Tax Credit Scholarship Program, Inc. 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.

NTRC, P.C.



Lithonia, Georgia

January 6, 2022

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GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022

ASSETS

Cash
Prepaid expenses

TOTAL ASSETS

LIABILITIES AND NET ASSETS

LIABILITIES

Scholarship payable
TOTAL LIABILITIES

NET ASSETS

Unrestricted net assets
Temporarily restricted net assets
TOTAL NET ASSETS

TOTAL LIABILITIES AND NET ASSETS



**GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Revenue			
Interest income			
TOTAL SUPPORT AND REVENUE			
Net assets released from restrictions			
EXPENSES			
Scholarship awards			
Professional fees			
Legal Fees			
Taxes			
Office expenses			
Marketing			
Consulting			
TOTAL EXPENSES			
CHANGE IN NET ASSETS			
NET ASSETS, BEGINNING OF YEAR			
NET ASSETS, END OF YEAR			

See auditor's report and accompanying notes to the financial statements

**GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase/(decrease) in net assets
Adjustments to reconcile to net cash provided by
(used in) operating activities:
Changes in assets and liabilities:
(Increase) decrease in :
 Prepaid expenses
Increase (decrease) in :
 Scholarship payable

NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES

NET CHANGE IN CASH

BEGINNING CASH

ENDING CASH



GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE A - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Georgia Tax Credit Scholarship Program, Inc., (the Organization) is a Georgia Student Scholarship Organization registered with the Department of Education to receive contributions under the Tuition Tax Credit Scholarship. The Organization provides tax credit scholarships for public school students to attend the private school of their parent's choice. It is the Organization's mission to ensure that every child, grades K-12, has access to quality education. They provide economically disadvantaged parents the opportunity to choose the school they feel best meets the educational needs of their child.

Method of Reporting

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

The Organization categorizes net assets as unrestricted, temporarily restricted, or permanently restricted based on stipulations made by the donor and the Tuition Tax Credit Scholarship. When a 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 statement of activities as net assets released from restrictions.

Cash

As required by the Tuition Tax Credit Scholarship, the Organization must maintain separate bank accounts for scholarship funds and operating funds. The scholarship funds are restricted and are to be distributed as scholarships for eligible students. Restricted cash at September 30, 2022 totaled [REDACTED].

Income Tax

The organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and therefore, requires no provision for income taxes.

Management of the Organization considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur, including changes to the Organization's status as a not-for-profit entity. Management believes the Organization met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax, [REDACTED]

Estimates

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

GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

**NOTE A - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Concentration of Credit Risk

Cash consists of demand deposits with financial institutions. The balances in the Organization's bank accounts, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2022, [REDACTED] of the Organization's cash balances were uninsured.

NOTE B - ECONOMIC DEPENDENCY

The Organization was formed for the express purpose of providing tax credit scholarships. As such, they rely on funding derived under the Tuition Tax Credit Scholarship. Accordingly, the continued existence and level of service provided by the Organization is dependent upon the continued receipt of these contributions. A substantial percentage of the Organization's revenue for the year ended September 30, 2020 was received from one donor.

NOTE C - COMMITMENTS AND CONTINGENCIES

Continued participation in the Tuition Tax Credit Scholarship requires the fulfillment of certain conditions as set forth in the Georgia Code Section 20-2A. Failure to fulfill the conditions could result in the Organization not being able to receive future contributions. Management has complied with all requirements of the Code section, including but not limited to the following:

- Management has obligated the annual revenue received from donations for scholarships as required by the paragraph 1 of Code Section 20-2A-2. [REDACTED]
- Obligated revenues were designated for specific student recipients within the time frame required by paragraph 1 of Code Section 20-2A-2.
- All obligated and designated revenue distributed to a qualified school or program for the funding of multiyear scholarships complied with all applicable Department of Revenue rules.

NOTE D – DONATED FACILITIES AND SERVICES

The Organization records the value of donated goods, facilities, and services when there is an objective basis available to measure their value.

GEORGIA TAX CREDIT SCHOLARSHIP PROGRAM, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE F – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 6, 2022, the date which the financial statements were available to be issued and has determined that there are no additional adjustments and/or disclosures required.

The September 30, 2022 financial statement audit of the Georgia Tax Credit Scholarship Program, Inc. was performed by:

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