

GEORGIA TUITION AID PROVIDERS, INC.

INDEPENDENT AUDITORS' REPORT
and
FINANCIAL STATEMENTS

December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Georgia Tuition Aid Providers, Inc.

We have audited the financial statements of Georgia Tuition Aid Providers, Inc. ("the Organization"), which comprise the Statement of Financial Position– Liquidation Basis as of December 31, 2021, and the related Statements of Activities and Change in Net Assets – Liquidation Basis and Cash Flows – Liquidation Basis for the year then ended and the related Notes to Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets in liquidation of the Organization as of December 31, 2021, the changes in its net assets in liquidation for the year then ended, 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 ("GAAS") and if applicable, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. 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 [Entity Name] 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.

[REDACTED]

[REDACTED]

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Auditor's 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 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 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 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.

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.

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.

Report on Other Legal and Regulatory Requirements

As discussed in Note 1, the Organization has complied with all requirements of Code Section 20-2A-2 including, but not limited to, financial requirements for the tax year ending December 31, 2021.

Marshall Jones

Atlanta, Georgia
June 30, 2022

GEORGIA TUITION AID PROVIDERS, INC.
STATEMENT OF FINANCIAL POSITION – LIQUIDATION BASIS
December 31, 2021

ASSETS		
Cash and cash equivalents		
TOTAL ASSETS		
LIABILITIES AND NET ASSETS		
Net Assets		
Net assets without donor restrictions		
Net assets with donor restrictions		
Total Net Assets		
TOTAL LIABILITIES AND NET ASSETS		

This financial statement should be read only in connection with the accompanying
independent auditors' report and notes to financial statements.

GEORGIA TUITION AID PROVIDERS, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS – LIQUIDATION BASIS
For the Year Ended December 31, 2021

	Without Donor Restriction	With Donor Restriction	Total
Revenues			
Contributions			
Net assets released from restriction			
Total Revenues			
Expenses			
Program Services			
Scholarship awards			
Total Program Services			
Supporting services			
Accounting fees			
Office expenses			
Advertising expenses			
Total Supporting Services			
Total Expenses			
Change in Net Assets			
Net Assets-Beginning of Year			
Net Assets-End of Year			

This financial statement should be read only in connection with the accompanying
independent auditors' report and notes to financial statements.

GEORGIA TUITION AID PROVIDERS, INC.
STATEMENT OF CASH FLOWS – LIQUIDATION BASIS
For the Year Ended December 31, 2021

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Cash Flows From Operating Activities	
Change in net assets	
Adjustment to reconcile increase in net assets to net cash provided by operating activities:	
(Decrease) in liabilities:	
Accounts payable	
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Net Cash Used By Operating Activities	
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Net decrease in cash	
Cash - Beginning of Year	
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Cash - End of Year	
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This financial statement should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

GEORGIA TUITION AID PROVIDERS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Georgia Tuition Aid Providers, Inc., (“the Organization”) is a non-profit organization, as defined in section 501(c)(3) of the Internal Revenue Code, and was incorporated in 2012 under the laws of the state of Georgia pursuant to the Georgia Nonprofit Corporation Code. The Organization was established to provide education scholarships or tuition grants for eligible students to attend any qualified Georgia private school of their choice. The Organization’s only source of revenue consists of donations from the general public, including individuals and corporations.

The Organization operates as a Georgia Student Scholarship Organization (“SSO”). The state of Georgia has approved the existence of SSOs for the purpose of providing student scholarships to parents that will help cover the cost of a private school education for their children in the state of Georgia. Georgia taxpayers (individuals and corporations) are able to make contributions to SSOs and receive a dollar for dollar tax credit, within limits prescribed by the law, against their Georgia state income tax liability. As an approved SSO, the Organization is permitted to take administrative assessments of 8% against the first \$1,500,000 of tax credit contributions received and any interest earned on such funds prior to distribution. Also, an approved SSO must designate available amounts to particular students prior to December 31 of the calendar year in which the available amounts were received. The following shows this transactional flow:

Support and revenue received for scholarships:	
Tax credit contributions	
Amounts released for administration assessments	
Amount eligible for scholarships, subject to the previously listed distribution requirements	
Net assets with donor restriction for scholarships, beginning of year	
Amount available for scholarships in the current year	
Amounts released for scholarship expense	
Net assets with donor restriction for scholarships, end of year	

As of December 31, 2021, the Organization was in compliance with these requirements, and the requirements set forth by Code Section 20-2A-2 of the Georgia Code that established the requirements for student scholarship organizations.

(continued)

GEORGIA TUITION AID PROVIDERS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION (continued)

Basis of Presentation

In accordance with GAAP, the Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions – Subject to self-imposed limits by the action of the governing board. Board-designated net assets may be earmarked for future programs, investments, contingencies, purchase or construction of fixed assets, or other uses.

Net assets with donor restrictions – Composition of net assets with donor restrictions at the end of the period and how the restrictions affect the use of resources. The Organization had net assets with donor restriction on December 31, 2021.



NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization prepares its financial statements in accordance with Generally Accepted Accounting Principles (“GAAP”), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor-restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends, or a 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.

(continued)

GEORGIA TUITION AID PROVIDERS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions (continued)

The Organization recognizes contributions and grant income in the accompanying Statements of Activities, in accordance with ASC Topic 958.

Use of Estimates

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

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

The Organization only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the Organization operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows.

Revenues from certain activities not related to the Organization's tax-exempt purpose are subject to taxation as unrelated business income.

The Organization is subject to routine audits by taxing jurisdictions

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

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GEORGIA TUITION AID PROVIDERS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent Events

The Organization has evaluated subsequent events through the filing date of this report. Any significant events that have occurred through that date are included in these notes.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of operations. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Grants	Time and Effort
Salaries and benefits	Time and Effort
Other	Time and Effort

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restriction at December 31, 2021, consisted of the following:

	<u>2021</u>
Subject to expenditure for specified purpose:	
Student Scholarships	
<u>Total net assets with donor restrictions</u>	

The following net assets were released from restriction during the year ended December 31, 2021:

	<u>2021</u>
Releases from restrictions:	
Student Scholarships	
Administration	
<u>Total net assets with donor restrictions released</u>	

(continued)

GEORGIA TUITION AID PROVIDERS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization has a goal to maintain financial assets, which consist of cash, on hand to meet 90 days of normal operating expense, [REDACTED]

[REDACTED] The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The following represents the financial assets available to meet cash needs within one year as of December 31, 2021:

Cash and cash equivalents	[REDACTED]
Total Liquid Assets	
Net assets with restriction	
Financial assets available for campaign funded trails and general operations	

NOTE 5 – CONTINGENCY

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak may have an impact on the operations of the Organization. The extent of the impact to the financial performance of the Organization will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted. If the financial performance of the Organization is impacted because of these things for an extended period, the Organization's financial results may be adversely affected. Final results of the relief measures are not currently known.

These notes should only be read in connection with the accompanying
financial statements and independent auditors' report.