

**JEKYLL ISLAND FOUNDATION, INC.**

**FINANCIAL REPORT**

**JUNE 30, 2022**

**JEKYLL ISLAND FOUNDATION, INC.**

**FINANCIAL REPORT  
JUNE 30, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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**To the Board of Directors  
Jekyll Island Foundation, Inc.  
Jekyll Island, Georgia**

### **Opinion**

We have audited the accompanying financial statements of **Jekyll Island Foundation, Inc.** (a nonprofit organization) (the "Foundation"), which comprise the statement of financial position as of June 30, 2022, 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 Jekyll Island Foundation, Inc. as of June 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 the Foundation 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.

### **Prior Period Financial Statements**

The financial statements of Jekyll Island Foundation, Inc. as of June 30, 2021 were audited by other auditors whose report dated October 8, 2021, expressed an unmodified opinion on those statements.

### **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.

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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 generally accepted auditing standards 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.

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In performing an audit in accordance with generally accepted auditing standards, 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 Foundation'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 Foundation'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.

*Mauldin & Jenkins, LLC*

September 21, 2022  
Atlanta, Georgia

# JEKYLL ISLAND FOUNDATION, INC.

## STATEMENTS OF FINANCIAL POSITION JUNE 30, 2022 AND 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 610,574	\$ 422,289
Promises to give, net of allowance of \$1,700 for 2022 and 2021	25,300	18,744
Other receivables	1,850	10,689
Inventory	884	-
Due from related parties	2,147	-
	<hr/>	<hr/>
<b>Total assets</b>	<b>\$ 640,755</b>	<b>\$ 451,722</b>
	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 2,926	\$ 6,568
Due to related parties	-	234
Deferred revenues	8,500	23,470
Total liabilities	<hr/> 11,426	<hr/> 30,272
	<hr/>	<hr/>
<b>NET ASSETS</b>		
Without donor restrictions	111,510	58,757
With donor restrictions	517,819	362,693
Total net assets	<hr/> 629,329	<hr/> 421,450
	<hr/>	<hr/>
<b>Total liabilities and net assets</b>	<b>\$ 640,755</b>	<b>\$ 451,722</b>
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Financial Statements.

# JEKYLL ISLAND FOUNDATION, INC.

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Totals
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions	\$ 122,861	\$ 170,830	\$ 293,691
In-kind contributions	200,433	-	200,433
Exchange transactions	182,015	-	182,015
Investment income, net	926	-	926
	<u>506,235</u>	<u>170,830</u>	<u>677,065</u>
Net assets released from restrictions	<u>15,704</u>	<u>(15,704)</u>	<u>-</u>
Total revenues and other support	<u>521,939</u>	<u>155,126</u>	<u>677,065</u>
<b>EXPENSES</b>			
Program services	<u>147,561</u>	<u>-</u>	<u>147,561</u>
Supporting services			
Management and general	83,985	-	83,985
Fundraising	<u>237,640</u>	<u>-</u>	<u>237,640</u>
Total expenses	<u>469,186</u>	<u>-</u>	<u>469,186</u>
<b>CHANGE IN NET ASSETS</b>	<u>52,753</u>	<u>155,126</u>	<u>207,879</u>
<b>NET ASSETS, BEGINNING</b>	<u>58,757</u>	<u>362,693</u>	<u>421,450</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 111,510</u>	<u>\$ 517,819</u>	<u>\$ 629,329</u>

See Notes to Financial Statements.

# JEKYLL ISLAND FOUNDATION, INC.

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Totals
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions	\$ 70,494	\$ 86,044	\$ 156,538
In-kind contributions	191,775	-	191,775
Exchange transactions	124,516	-	124,516
Investment income, net	2,195	-	2,195
	<u>388,980</u>	<u>86,044</u>	<u>475,024</u>
Net assets released from restrictions	<u>55,368</u>	<u>(55,368)</u>	<u>-</u>
Total revenues and other support	<u>444,348</u>	<u>30,676</u>	<u>475,024</u>
<b>EXPENSES</b>			
Program services	<u>205,770</u>	<u>-</u>	<u>205,770</u>
Supporting services			
Management and general	72,060	-	72,060
Fundraising	<u>206,268</u>	<u>-</u>	<u>206,268</u>
Total expenses	<u>484,098</u>	<u>-</u>	<u>484,098</u>
<b>CHANGE IN NET ASSETS</b>	<u>(39,750)</u>	<u>30,676</u>	<u>(9,074)</u>
<b>NET ASSETS, BEGINNING</b>	<u>98,507</u>	<u>332,017</u>	<u>430,524</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 58,757</u>	<u>\$ 362,693</u>	<u>\$ 421,450</u>

See Notes to Financial Statements.

# JEKYLL ISLAND FOUNDATION, INC.

## STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2022

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	<u>Program Services</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries and benefits	\$ 60,025	\$ 30,012	\$ 110,046	\$ 200,083
Office and occupancy	773	16,156	7,060	23,989
Services and other	71,058	37,817	120,534	229,409
GSTC	2,700	-	-	2,700
Conservation project	83	-	-	83
Historic resources	6,523	-	-	6,523
Other CPE campaign disbursements	6,399	-	-	6,399
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 147,561</u>	<u>\$ 83,985</u>	<u>\$ 237,640</u>	<u>\$ 469,186</u>

See Notes to Financial Statements.

**JEKYLL ISLAND FOUNDATION, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021**

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	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total</b>
		<b>Management and General</b>	<b>Fundraising</b>	
Salaries and benefits	\$ 46,844	\$ 23,422	\$ 85,881	\$ 156,147
Office and occupancy	1,595	13,883	7,652	23,130
Services and other	101,963	34,755	112,735	249,453
GSTC	23,315	-	-	23,315
Conservation project	7,678	-	-	7,678
Historic resources	2,470	-	-	2,470
Museum campaign disbursements	14,438	-	-	14,438
Other CPE campaign disbursements	5,501	-	-	5,501
Plover patrol	1,966	-	-	1,966
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	\$ 205,770	\$ 72,060	\$ 206,268	\$ 484,098

**See Notes to Financial Statements.**

# JEKYLL ISLAND FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 207,879	\$ (9,074)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in:		
Promises to give	(6,556)	38,214
Other receivables	8,839	(6,243)
Inventory	(884)	-
Prepaid expenses	-	2,000
(Decrease) increase in:		
Accounts payable	(3,642)	5,568
Due to/from related party	(2,381)	(23,661)
Deferred revenues	(14,970)	23,470
Net cash provided by operating activities	<u>188,285</u>	<u>30,274</u>
Net increase in cash and cash equivalents	188,285	30,274
Cash and cash equivalents at beginning of year	<u>422,289</u>	<u>392,015</u>
Cash and cash equivalents at end of year	<u><u>\$ 610,574</u></u>	<u><u>\$ 422,289</u></u>

See Notes to Financial Statements.

**JEKYLL ISLAND FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of activities:**

The Jekyll Island Foundation, Inc. (the “Foundation”) is a not-for-profit organization organized for charitable, educational, and scientific purposes, including the raising, managing and disbursing of funds to support the work of the Jekyll Island Authority (the “Authority”) in its stewardship of the natural and developed resources of Jekyll Island.

**Significant accounting policies:**

**Basis of presentation:**

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

The Foundation presents its financial statements in accordance with Financial Accounting Standards Board (FASB) ASC 958, *Financial Statements of Not-For-Profit Organization* presentation and disclosure guidance. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two categories of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Basis of presentation:**

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

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor-imposed restrictions which are used to account for resources available to carry out the purposes of the Organization in accordance with the limitations of its bylaws. Board designated net assets without donor restrictions but are designated by the Board to be spent for specific purposes. At June 30, 2022 and 2021, the Foundation does not have any board designated net assets.

*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 resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restriction has been fulfilled, or both.

**Contributions:**

Contributions, including unconditional promises to give, are recognized as revenue in the period the contributions are received, or the unconditional promise to give is made. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Contributions are recorded in the statements of activities as with or without donor restrictions based on donor stipulations. When donor restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction. Contributions with donor restrictions received during the year for which the restrictions are met during the same year are recorded as contributions with donor restrictions and net assets released from restriction in the statements of activities.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Significant accounting policies: (Continued)

##### Contributions: (Continued)

Non-monetary contributions are recorded at estimated fair value at the date of receipt.

Unconditional promises to give are reported at their net realizable value. Management has estimated an allowance for uncollectible promises to give of \$1,700 at both June 30, 2022 and 2021.

##### Revenue recognition:

The Foundation recognizes multiple revenue streams as exchange transactions in accordance with FASB's *Revenue from Contracts with Customers* (ASC Topic 606) including memberships, corporate sponsorships, bench and tree tribute gifts, and sales-based royalties. Revenue is recognized when control of the promised goods or services are transferred to customers, in an amount that reflects the consideration the Foundation expects to be entitled in exchange for those goods or services. Other than royalties, payments are generally due at the execution of the agreement.

Royalty revenues are related to certain licensing of the Foundation's trademarks. Royalty revenue is recognized at the point in time payment is received.

The Foundation offers memberships and corporate sponsorships for a period of 12 months from the date paid. These revenues are recognized in the year received. Since the Foundation's performance obligation is related to contracts with a duration of less than one year, the Foundation has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and therefore is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Contract liabilities are related to deferred revenues. The Foundation receives advance payments for bench and tree tribute gifts, which results in deferred revenue (contract liabilities) on the statements of financial position. Deferred revenues represent consideration received from the patron prior to the satisfaction of the related performance obligation. Upon satisfaction of the performance obligation the liability is relieved and revenue is recorded.

##### Cash and cash equivalents:

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

##### Donated equipment, materials, facilities, and services:

The Foundation records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Authority, a related party, pays general and administrative costs on behalf of the Foundation including salaries and employee benefits costs. The Authority's support is included in in-kind contributions revenue, as well as program, fundraising and general expense. Further, the Foundation employees occupy space in a building owned by the Authority for a minimal monthly fee.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Significant accounting policies: (Continued)

##### Donated equipment, materials, facilities, and services: (Continued)

Foundation employees do use equipment and furniture owned by the Authority at no cost. Any assets purchased by the Foundation are purchased on behalf of the Authority and are transferred to the Authority. Therefore, no fixed assets are recorded on the accompanying statements of financial position.

##### Functional expense allocation:

The costs of providing the Foundation's various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets and functional expenses. The Foundation reports certain categories of expenses that are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries, payroll taxes, employee benefits, office expenses, services, and miscellaneous items include certain expenses that are allocated on the basis of estimates of time and effort. Occupancy is allocated among functional areas based on square footage.

##### Management use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### Income taxes:

The Foundation qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3) and has been classified by the Internal Revenue Service as a publicly supported organization and not as a private foundation. The Foundation follows the statutory requirements for its income tax accounting and generally avoids risks associated with potentially problematic tax positions that may be challenged upon examination.

Management evaluated the Foundation's tax positions and concluded that the Foundation has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provision on accounting for uncertainty in income taxes.

The Foundation files Form 990 in the U.S. federal jurisdiction and the state of Georgia.

##### Recent accounting pronouncements:

In September 2020, FASB issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* to increase transparency of contributed nonfinancial assets through enhancements to presentation and disclosure. For the year ending June 30, 2022, the Foundation adopted ASU 2020-07 and has adjusted the presentation in these financial statements accordingly. The adjustment did not have an effect on total net assets or the change in net assets for 2022 or 2021.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position as of June 30, 2022 and 2021, comprise the following:

	2022	2021
Cash and cash equivalents	\$ 118,756	\$ 59,596
Promises to give	1,000	-
Other receivables	1,850	10,689
Due from related parties, net	2,147	-
	\$ 123,753	\$ 70,285

Jekyll Island Foundation, Inc. is supported by both restricted and unrestricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation maintains sufficient resources to meet those responsibilities to its donors. Funds raised through unrestricted contributions are available for general expenditures. As part of the Foundation's liquidity management, it has a policy to budget general expenses not to exceed unrestricted revenue. Additionally, unrestricted financial assets are structured to be available as general expenditures, liabilities, and other obligations come due in the event that unrestricted revenue is insufficient to cover general expenses.

### NOTE 3. PROMISES TO GIVE

The Foundation's promises to give at June 30, 2022 and 2021 consists of the following:

	2022	2021
Unconditional promises expected to be collected in:		
Less than one year	\$ 25,000	\$ 17,444
One to five years	2,000	3,000
Total unconditional promises to give	27,000	20,444
Less allowance for uncollectible promises to give	(1,700)	(1,700)
Net unconditional promises to give	\$ 25,300	\$ 18,744

### NOTE 4. NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions are available for the following purposes at June 30, 2022 and 2021:

	2022	2021
Georgia Sea Turtle Center	\$ 285,136	\$ 213,522
CPE Campaign	2,250	7,054
Museum Campaign	88,258	86,127
Other	142,175	55,990
	\$ 517,819	\$ 362,693

Net assets with donor restrictions consist of the following at June 30:

	2022	2021
Cash and cash equivalents	\$ 27,850	\$ 362,693
Promises to give	489,969	-
	\$ 517,819	\$ 362,693

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. NET ASSETS RELEASED FROM RESTRICTION

Net assets with donor restrictions were released from restriction for the following purposes during the year ended June 30, 2022 and 2021:

	2022	2021
Georgia Sea Turtle Center	\$ 2,700	\$ 23,315
CPE Campaign	4,804	7,467
Museum Campaign	-	14,438
Other	8,200	10,148
	<u>\$ 15,704</u>	<u>\$ 55,368</u>

### NOTE 6. RELATED PARTY TRANSACTIONS

The Foundation serves as the official fundraising entity for the Jekyll Island Authority. The Foundation and Authority have recurring transactions between the organizations to support their respective missions.

The Authority paid general and administrative costs on behalf of the Foundation of \$200,083 and \$164,375 during the years ended June 30, 2022 and 2021, respectively. These costs were reported as in-kind contributions by the Foundation. The Authority paid general and administrative costs on behalf of the Foundation. These costs were reimbursed by the Foundation and totaled \$8,917 and \$7,850 during the years ended June 30, 2022 and 2021, respectively.

As of June 30, 2022, the Foundation has \$2,147 due from the Authority. This balance represents donations due from the Authority. As of June 30, 2021, the Foundation has \$234 due to the Authority. This balance is due for reimbursement of certain operational activity paid by the Authority.

The Foundation also made contributions to the Authority of \$69,373 and \$100,000 for the years ended June 30, 2022 and 2021, respectively.

### NOTE 7. IN-KIND CONTRIBUTIONS

For the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statements of activities include:

	2022	2021
Services	\$ 200,433	\$ 183,548
Insurance	-	3,147
Utilities	-	3,657
Equipment	-	1,423
	<u>\$ 200,433</u>	<u>\$ 191,775</u>

The Foundation recognized contributed nonfinancial assets within revenue, including contributed services, insurance, utilities, equipment, and supplies. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

All contributed nonfinancial assets were used in general and administrative, fundraising, and program support.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 8. CONCENTRATION OF CASH**

The Foundation maintains cash at a commercial bank in a deposit account which at various days throughout the year, exceeded the Federal Deposit Insurance Corporation (FDIC) federally insured limits of \$250,000. The Foundation has not experienced any losses of such funds and management believes the Foundation is not exposed to significant risk on cash. The amount in excess of the FDIC limit approximated \$330,977 and \$169,300 at June 30, 2022 and 2021, respectively.

### **NOTE 9. SUBSEQUENT EVENTS**

The Foundation evaluated its June 30, 2022 financial statements for subsequent events through September 21, 2022, the date the financial statements were available to be issued.