

**GIRL SCOUTS OF SOUTH CAROLINA –
MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SC**

AUDITED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

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**GIRL SCOUTS OF SOUTH CAROLINA – MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

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Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Girl Scouts of South Carolina - Mountains to Midlands, Inc.
Greenville, South Carolina

Opinion

We have audited the accompanying financial statements of the Girl Scouts of South Carolina - Mountains to Midlands, Inc. (the "Council") (a nonprofit organization), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 the Council as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Council and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management's 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 the Council'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.

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 Council'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 Council'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.

Greene Finney Cauley, LLP

Greene Finney Cauley, LLP
Mauldin, South Carolina
January 23, 2026

GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA

STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 2,822,427	\$ 2,532,000
Cash - Restricted	139,494	139,815
Accounts Receivable	23,336	15,830
Promises to Give, Net	1,220	9,402
Inventories, Net	97,951	93,816
Prepaid Expenses	83,262	88,406
Cash - Board-Designated	456,807	456,807
Cash - Endowments	74,413	74,340
Investments - Endowments and Board-Designated	3,380,442	3,166,230
Beneficial Interest in Assets Held by Others	146,239	132,102
Property and Equipment, Net	9,508,848	9,990,838
Operating Lease Right-of-Use Asset, Net	485,230	548,241
TOTAL ASSETS	<u>\$ 17,219,669</u>	<u>\$ 17,247,827</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 130,072	\$ 118,164
Accrued Liabilities	170,705	242,790
Deferred Revenue	54,396	33,892
Funds Held for Others	89,481	72,445
Deposits	1,000	1,000
Mortgage Payable	4,850,374	5,206,364
Operating Lease Liability	520,962	579,257
TOTAL LIABILITIES	<u>5,816,990</u>	<u>6,253,912</u>
NET ASSETS		
Without Donor Restrictions:		
Operating	2,546,809	2,235,657
Board-Designated	2,630,052	2,486,328
Net Investment in Property and Equipment	4,658,474	4,784,474
Total Without Donor Restrictions	<u>9,835,335</u>	<u>9,506,459</u>
With Donor Restrictions	1,567,344	1,487,456
TOTAL NET ASSETS	<u>11,402,679</u>	<u>10,993,915</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 17,219,669</u>	<u>\$ 17,247,827</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT			
United Way Support	\$ 43,226	-	\$ 43,226
Grants	77,950	-	77,950
Contributions:			
Individuals	114,726	3,660	118,386
Corporations and Civic Groups	55,929	100	56,029
Foundations	28,325	-	28,325
Planned Giving	25,000	-	25,000
Product Sales:			
Gross Sales	6,633,909	-	6,633,909
Cost of Goods Sold	(1,824,350)	-	(1,824,350)
Retained by Troops	(1,009,276)	-	(1,009,276)
Girl Rewards	(167,156)	-	(167,156)
Net Product Sales	<u>3,633,127</u>	<u>-</u>	<u>3,633,127</u>
Council Shop:			
Gross Sales	267,515	-	267,515
Cost of Goods Sold	(147,334)	-	(147,334)
Net Council Shop Sales	<u>120,181</u>	<u>-</u>	<u>120,181</u>
Program Service Fees	234,084	-	234,084
Rental Income	71,043	-	71,043
Income on Investments	102,556	20,382	122,938
Unrealized Gain/(Loss) on Investments	36,149	49,209	85,358
Realized Gain/(Loss) on Investments	70,368	65,576	135,944
Gain/(Loss) on Insurance Claims	26,432	-	26,432
Gain/(Loss) on Disposal of Assets	513,132	-	513,132
Donated Goods and Services	11,110	-	11,110
Special Fundraising, Net of Direct Costs of \$40,225	37,992	-	37,992
Employee Retention Tax Credits	322,425	-	322,425
Other Income	25,459	-	25,459
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	<u>5,549,214</u>	<u>138,927</u>	<u>5,688,141</u>
Net Assets Released from Restrictions	59,039	(59,039)	-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	<u>5,608,253</u>	<u>79,888</u>	<u>5,688,141</u>
EXPENSES			
Program Services	4,178,552	-	4,178,552
Supporting Services:			
Management and General	449,581	-	449,581
Fundraising	651,244	-	651,244
TOTAL EXPENSES	<u>5,279,377</u>	<u>-</u>	<u>5,279,377</u>
CHANGE IN NET ASSETS	328,876	79,888	408,764
NET ASSETS, BEGINNING OF THE YEAR	<u>9,506,459</u>	<u>1,487,456</u>	<u>10,993,915</u>
NET ASSETS, END OF THE YEAR	<u>\$ 9,835,335</u>	<u>1,567,344</u>	<u>\$ 11,402,679</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT			
United Way Support	\$ 68,598	-	\$ 68,598
Grants	115,027	-	115,027
Contributions:			
Individuals	95,462	6,939	102,401
Corporations and Civic Groups	44,213	55	44,268
Foundations	27,300	4,050	31,350
Product Sales:			
Gross Sales	6,751,414	-	6,751,414
Cost of Goods Sold	(1,635,090)	-	(1,635,090)
Retained by Troops	(1,081,897)	-	(1,081,897)
Girl Rewards	(189,601)	-	(189,601)
Net Product Sales	<u>3,844,826</u>	<u>-</u>	<u>3,844,826</u>
Council Shop:			
Gross Sales	302,522	-	302,522
Cost of Goods Sold	(170,469)	-	(170,469)
Net Council Shop Sales	<u>132,053</u>	<u>-</u>	<u>132,053</u>
Program Service Fees	230,254	-	230,254
Rental Income	52,715	-	52,715
Income on Investments	57,831	21,115	78,946
Unrealized Gain/(Loss) on Investments	310,477	218,669	529,146
Realized Gain/(Loss) on Investments	6,001	4,670	10,671
Donated Goods and Services	11,853	-	11,853
Special Fundraising, Net of Direct Costs of \$48,653	(6,651)	-	(6,651)
Employee Retention Tax Credits	402,955	-	402,955
Other Income	61,681	-	61,681
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	<u>5,454,595</u>	<u>255,498</u>	<u>5,710,093</u>
Net Assets Released from Restrictions	91,424	(91,424)	-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	<u>5,546,019</u>	<u>164,074</u>	<u>5,710,093</u>
EXPENSES			
Program Services	4,245,510	-	4,245,510
Supporting Services:			
Management and General	421,668	-	421,668
Fundraising	652,819	-	652,819
TOTAL EXPENSES	<u>5,319,997</u>	<u>-</u>	<u>5,319,997</u>
CHANGE IN NET ASSETS	226,022	164,074	390,096
NET ASSETS, BEGINNING OF THE YEAR	<u>9,280,437</u>	<u>1,323,382</u>	<u>10,603,819</u>
NET ASSETS, END OF THE YEAR	<u><u>\$ 9,506,459</u></u>	<u><u>1,487,456</u></u>	<u><u>\$ 10,993,915</u></u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED SEPTEMBER 30, 2025

EXPENSES	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL EXPENSES
Salaries	\$ 1,841,114	226,067	420,564	\$ 2,487,745
Employee Health and Retirement Benefits	451,376	89,897	84,968	626,241
Payroll Taxes	156,620	20,770	34,990	212,380
Professional Services and Fees	18,871	26,865	1,693	47,429
Food and Beverage	37,571	719	6,049	44,339
Supplies	35,783	685	5,761	42,229
Printing and Publications	15,765	171	2,964	18,900
Advertising	17,518	191	3,294	21,003
Telecommunications	114,873	2,946	7,054	124,873
Postage and Delivery	3,291	708	464	4,463
Occupancy	326,917	6,752	13,725	347,394
Utilities	148,882	3,075	6,251	158,208
Equipment Purchase, Rental, Repair, & Maintenance	106,558	10,159	20,635	137,352
Taxes, Licenses and Permits	2,506	52	105	2,663
Travel	13,132	1,452	2,027	16,611
Automobile Expense	53,061	5,868	8,189	67,118
Training and Development - Volunteers and Staff	16,943	9,360	8,692	34,995
Assistance and Grants	67,239	-	-	67,239
Membership Dues (In Other Organizations)	2,593	1,433	1,330	5,356
Interest Expense	154,654	1,192	3,696	159,542
Insurance	150,879	20,917	-	171,796
Recruiting Expense	40,221	10,127	-	50,348
Bank Fees	61,168	3,282	199	64,649
Miscellaneous	3,681	27	850	4,558
Cost of Goods Sold - Product Sales	1,824,350	-	-	1,824,350
Cost of Goods Sold - Council Shop	147,334	-	-	147,334
Direct Costs of Special Fundraising Events	-	-	40,225	40,225
Depreciation	337,336	6,866	17,744	361,946
	<u>6,150,236</u>	<u>449,581</u>	<u>691,469</u>	<u>7,291,286</u>
Less Expenses Included With Revenues on the Statement of Activities:				
Cost of Goods Sold - Product Sales	(1,824,350)	-	-	(1,824,350)
Cost of Goods Sold - Council Shop	(147,334)	-	-	(147,334)
Direct Costs of Special Fundraising Events	-	-	(40,225)	(40,225)
TOTAL EXPENSES	<u>\$ 4,178,552</u>	<u>449,581</u>	<u>651,244</u>	<u>\$ 5,279,377</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED SEPTEMBER 30, 2024

EXPENSES	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL EXPENSES
Salaries	\$ 1,866,770	227,987	431,923	\$ 2,526,680
Employee Health and Retirement Benefits	445,304	78,057	72,478	595,839
Payroll Taxes	159,831	20,130	35,752	215,713
Professional Services and Fees	31,532	13,155	2,173	46,860
Food and Beverage	30,067	674	1,476	32,217
Supplies	58,359	1,309	2,865	62,533
Printing and Publications	22,431	119	3,981	26,531
Advertising	17,919	95	3,180	21,194
Telecommunications	150,017	4,629	13,147	167,793
Postage and Delivery	6,065	829	2,001	8,895
Occupancy	301,319	7,901	16,950	326,170
Utilities	135,041	3,541	7,596	146,178
Equipment Purchase, Rental, Repair, & Maintenance	99,770	11,057	19,004	129,831
Taxes, Licenses and Permits	2,842	75	160	3,077
Travel	27,004	2,079	3,909	32,992
Automobile Expense	53,789	4,140	7,787	65,716
Training and Development - Volunteers and Staff	14,387	3,814	5,545	23,746
Assistance and Grants	105,198	-	-	105,198
Membership Dues (In Other Organizations)	3,852	1,021	1,484	6,357
Interest Expense	166,016	-	4,001	170,017
Insurance	134,412	20,832	1	155,245
Recruiting Expense	5,626	13,087	-	18,713
Bank Fees	59,317	2,786	481	62,584
Miscellaneous	64	-	-	64
Cost of Goods Sold - Product Sales	1,635,090	-	-	1,635,090
Cost of Goods Sold - Council Shop	170,469	-	-	170,469
Direct Costs of Special Fundraising Events	-	-	48,653	48,653
Depreciation	348,578	4,351	16,925	369,854
	<u>6,051,069</u>	<u>421,668</u>	<u>701,472</u>	<u>7,174,209</u>
Less Expenses Included With Revenues on the Statement of Activities:				
Cost of Goods Sold - Product Sales	(1,635,090)	-	-	(1,635,090)
Cost of Goods Sold - Council Shop	(170,469)	-	-	(170,469)
Direct Costs of Special Fundraising Events	-	-	(48,653)	(48,653)
TOTAL EXPENSES	<u>\$ 4,245,510</u>	<u>421,668</u>	<u>652,819</u>	<u>\$ 5,319,997</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA - MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

STATEMENTS OF CASH FLOWS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

CASH FLOWS FROM OPERATING ACTIVITIES	2025	2024
Change in Net Assets	\$ 408,764	\$ 390,096
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	361,946	369,854
(Gain)/Loss on Sale of Investments	(135,944)	(10,671)
Unrealized (Gain)/Loss on Investments	(85,358)	(529,146)
(Gain)/Loss on Disposal of Assets	(513,132)	-
(Increase)/Decrease in Assets:		
Accounts Receivable	(7,506)	(4,707)
Promises to Give, Net	8,182	18,034
Inventories, Net	(4,135)	6,198
Prepaid Expenses	5,144	(12,003)
Operating Lease Right-of-Use Asset, Net	63,011	58,797
Increase/(Decrease) in Liabilities:		
Accounts Payable	11,908	56,480
Accrued Liabilities	(72,085)	61,409
Deferred Revenue	20,504	(15,883)
Funds Held for Others	17,036	(4,136)
Operating Lease Liability	(58,295)	(51,135)
Net Cash Provided by Operating Activities	<u>20,040</u>	<u>333,187</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(131,713)	(122,451)
Proceeds from Sale of Property	764,889	-
Purchases of Long-Term Investments	(754,295)	(623,125)
Proceeds from Sales and Maturities of Long-Term Investments	750,575	645,131
Contributions to Beneficial Interest in Assets Held by Others, including Reinvestments	(5,327)	(3,513)
Proceeds from Beneficial Interest in Assets Held by Others	2,000	1,500
Net Cash Provided by/(Used in) Investing Activities	<u>626,129</u>	<u>(102,458)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Mortgage Payable	(355,990)	(345,515)
Net Cash Used In Financing Activities	<u>(355,990)</u>	<u>(345,515)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	290,179	(114,786)
Cash (including Restricted, Board-Designated, & Endowment Cash), Beginning of the Year	<u>3,202,962</u>	<u>3,317,748</u>
Cash (including Restricted, Board-Designated, & Endowment Cash), End of the Year	<u>\$ 3,493,141</u>	<u>\$ 3,202,962</u>
 Supplemental Disclosure:		
Interest Paid	\$ 159,542	\$ 170,017

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**GIRL SCOUTS OF SOUTH CAROLINA – MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Girl Scouts of South Carolina – Mountains to Midlands, Inc. (the “Council”) is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Council’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and have been consistently applied in the preparation of the financial statements. These financial statements do not include financial data for individual Girl Scout troops or service units.

Organization and Nature of Activities

Girl Scouts of South Carolina – Mountains to Midlands, Inc. is chartered by Girl Scouts of the USA. Its purpose is to provide the leadership and financial support to maintain scouting programs for girls aged 5 to 17 in a 22 county area of South Carolina.

Financial Statement Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and are presented in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) *Not-For-Profit Presentation of Financial Statements*.

Cash

Cash does not include bank accounts held by Girl Scout troops and service units, as customary with industry practice. Bank accounts held by troops and service units are established under the Council’s federal identification number, however, the Council has no signature authority over and will not access the funds if the troop or group is functioning according to the Council’s policies and procedures. Individual troops and service units have the responsibility to use funds appropriately for the purposes of Girl Scouting. Accordingly, these funds are not included in these financial statements. If a troop or service unit plans to disband, the group may pay for a final group activity, donate to a cause they consider worthwhile, or designate remaining funds to Council initiatives. If a troop or service unit disbands without specifying a distribution of funds, the funds will revert to the Council for a holding period of twelve months to be used if the troop reforms or members of the troop join other troops within the following year. After this time, the remaining funds are held by the Council to support the establishment of new troops and to support service units. These cash amounts are classified as funds held for others in the Statements of Financial Position.

Restricted cash consists of funds received by the Council that are restricted by donors or other external sources for specific purposes.

**GIRL SCOUTS OF SOUTH CAROLINA – MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments consist primarily of assets invested in marketable equity and debt securities, alternative investments, and commodities. The Council accounts for investments in accordance with FASB ASC 958-320 and subsections. This standard requires that investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value in the Statements of Financial Position. Fair value of marketable equity and debt securities is based on quoted market prices.

Investment income is recorded net of investment expenses. The realized and unrealized gain or loss on investments is reflected in the Statements of Activities.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Financial Position.

Receivables

The Council records product and other accounts receivables on its books at the estimated net realizable value. An allowance for uncollectible receivables is estimated based on past experience and on analysis of collectability.

Promises to Give

Promises to give are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. An allowance for uncollectible promises to give is estimated based on past experience and on analysis of collectability. The majority of the promises to give are received from a broad base of contributors within the Council jurisdictional area.

Inventories

Inventories of Girl Scout merchandise and equipment held for resale are valued at cost determined on average-cost, but not in excess of market value.

**GIRL SCOUTS OF SOUTH CAROLINA – MOUNTAINS TO MIDLANDS, INC.
GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives. The Council capitalizes assets with a cost of \$1,000 or more and an estimated useful life of at least 3 years.

Beneficial Interest in Assets Held by Others

Assets transferred to a recipient organization, the beneficiary of which is the Council, are reported in accordance with FASB ASC 958-605, *Transfers of Assets to a Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others*. Such beneficial interests in assets held by others are valued at their fair value. Unrealized gains and losses are included in the change in net assets.

Endowments

FASB ASC 958-205-50-1A, *Reporting Endowment Funds* provides guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”) and also required disclosures about endowment funds, both donor-restricted endowment funds and board designated endowment funds. South Carolina enacted a version of UPMIFA into the Code of Laws effective July 1, 2008. See Note 10 for further discussion.

Compensated Absences

Paid time off hours (“PTO”) are accumulated by eligible employees. Upon retirement or other termination, eligible employees who satisfy the notification period are paid for unused PTO earned and not taken as of their departure date. The Council accrues a liability for compensated absences which meet the following criteria:

1. The payment of compensation is probable.
2. The amount can be reasonably estimated.

In accordance with the above criteria, as of September 30, 2025 and 2024, the Council has accrued a liability for earned but unused compensated absences (included in accrued liabilities on the Statements of Financial Position) in the amount of \$58,070 and \$77,396, respectively.

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GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

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

Net assets without donor restrictions represent resources whose use is not limited or restricted by donors and are available for use in general operations. All contributions are considered to be available for general use unless specifically restricted by the donor. The Board, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes, such as capital improvements.

Net assets with donor restrictions are those net assets whose use has been limited by donors to specified purposes or to later periods of time. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by the actions of the Council or the passage of time. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. 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 restriction.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions that increase those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Council reports that support as without donor restriction.

Contributions that are restricted for certain programs or restricted by donors for the Council's endowments are recorded as support with donor restrictions. When donor restrictions are met, the net assets with donor restrictions are reclassified to net assets without donor restrictions and are included in net assets released from restrictions in the accompanying Statement of Activities.

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GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Revenue from Exchange Transactions: The Council recognizes revenue in accordance with FASB ASU 2014-09, *Revenue from Contracts with Customers*, as amended ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Council records the following exchange transaction revenue in its Statement of Activities:

- *Council store sales* – The Council operates Council stores, which sell scouting-related merchandise on a retail basis to customers. The Council recognizes revenue as the customer pays and takes possession of the merchandise.
- *Product sales* – To help Girl Scout troops raise the money needed to fund programs and activities throughout the year, the Council sponsors a product sales program. Girl Scout troops purchase cookies, candies, and nuts from the Council, which they then resell to customers. Revenue recognition occurs when the product has been delivered. The Council presents separately in its Statement of Activities the gross revenue from product sales, costs of goods sold, proceeds retained by troops, and girl rewards.
- *Camping and activity revenue* – The Council conducts program-related experiences such as day camps, day hikes, weekend overnights, and summer camps where the performance obligation is delivery of the program. Fees collected in advance of delivery of the camp or activity are initially recognized as liabilities (deferred revenue) and are only recognized in the Statement of Activities after delivery of the program has occurred.
- *Special fundraising event revenue* – The Council conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event – the exchange component, and a portion represents a contribution to the Council. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Council. The direct costs of special events, which ultimately benefit the donor rather than the Council, are recorded as costs of direct benefit in the Statement of Activities. Special event fees collected by the Council in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event.

Income Taxes

The Council has obtained exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization which is not a private foundation as well as an eleemosynary corporation recognized in South Carolina. Therefore, no provision for income taxes has been included in the financial statements.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

FASB ASC 740-10 prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the Council has taken or expects to take on a tax return. The Council recognizes the tax benefits from uncertain tax positions only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Council’s income tax filings for the past three years are subject to audit by various taxing authorities.

Reclassifications

Certain reclassifications have been made to the 2024 financial statement information to conform to the current year presentation. These reclassifications had no effect on the change in net assets for the year ended September 30, 2024.

Estimates

Management uses estimates and assumptions in preparing financial statements in conformity with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Accordingly, actual results could differ from those estimates.

NOTE 2 – LIQUIDITY AND AVAILABILITY

The Council’s 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, are as follows:

	<u>September 30, 2025</u>
Cash	\$ 2,822,427
Promises to Give - for General Operations	1,220
Accounts Receivable	<u>23,336</u>
Total Financial Assets Available to Meet General Expenditures Within the Next 12 Months	<u>\$ 2,846,983</u>

The Council’s Endowment Fund includes donor-restricted endowments and funds designated by the Board of Directors to function as endowments (referred to as “quasi-endowments”). Income from donor-restricted endowment gifts may, or may not be available for general expenditure, subject to donor restrictions. The method of calculating distributable income from the Endowment Fund is described in Note 10.

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GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 2 – LIQUIDITY AND AVAILABILITY (CONTINUED)

As part of the Council’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. In addition, the Council invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Council has a secured revolving line of credit, with total availability of \$1,000,000, which it could draw upon. See Note 15 for further discussion. Additionally, the Council has Board-designated funds of \$2,630,052. Although the Council does not intend to spend from the Board-designated funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts without donor restrictions from the Board-designated funds could be made available if necessary.

NOTE 3 – FAIR VALUE MEASUREMENT

The accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to measurements involving significant unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

Level 1 – financial instruments with quoted prices in active markets for identical assets or liabilities.

Level 2 – financial instruments with valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – financial instruments that are not actively traded on a market exchange and require using significant unobservable inputs in determining fair value. The inputs into the determination of fair value require significant judgment or estimation by the investment manager.

Inputs refer broadly to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. Accounting standards require that the fair value determination be based on maximum use of observable inputs (Levels 1 and 2) and minimum use of unobservable inputs (Level 3). The Council considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments measured at fair value. There have been no changes in the methodologies used at September 30, 2025 and 2024.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 3 – FAIR VALUE MEASUREMENT (CONTINUED)

Short-term Investments

The fair value of short-term investments, consisting primarily of money market funds, is classified as Level 1. The money market mutual fund consists primarily of domestic commercial paper and other cash management instruments, such as repurchase agreements and master notes, U.S. government and corporate obligations and other securities of foreign issuers. The fund seeks to maintain a stable net asset value of \$1. Short-term investments are part of larger investment portfolios and are included in investments in the accompanying financial statements.

Debt Investments

Investments in debt vehicles are comprised of U.S. Treasury obligations, corporate bonds and notes and residential mortgage-backed securities, which are classified as Level 2, based on multiple sources of information. These sources may include market data for assets from markets that are not active and/or quoted market prices for the same or similar assets in active markets. To estimate the fair value, the Council used an industry standard valuation model which is based on a market approach. Investments in fixed income daily traded mutual funds are classified as Level 1.

Equity Investments

Investments in equity vehicles are comprised of corporate stocks and daily traded mutual funds. Securities held in corporate stocks and daily traded mutual funds are generally valued based on quoted market prices in active markets obtained from exchange or dealer markets for identical assets, and are accordingly categorized as Level 1, with no valuation adjustments applied. Corporate stocks that are traded in inactive markets are categorized as Level 2.

Beneficial Interests in Assets Held by Others

The Council's interest in assets held by others represent investments held by Central Carolina Community Foundation and the Spartanburg County Foundation, which are comprised of pooled investments and are valued using the fair value of the investment assets held by the foundations as a practical expedient, unless facts and circumstances indicate that the fair value of the assets held by the foundations differ from the fair value of the beneficial interest. The Council classifies its beneficial interest in the assets held by others as Level 3.

While the Council believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 4 – CASH AND CASH EQUIVALENTS

Concentration of Credit Risk

The Federal Deposit Insurance Corporation (“FDIC”) currently insures up to \$250,000 of substantially all depository accounts held at each financial institution. At various times during the year, the Council’s cash deposits may exceed the federally insured limits and at September 30, 2025 and 2024, its uninsured deposits totaled \$2,756,623 and \$2,566,203, respectively. The Council has implemented a collateralized deposit policy that allows the Council to maintain excess balances at banks with capital ratios that meet or exceed the FDIC definition for a “well capitalized” institution. The Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash and cash equivalents due to additional controls involving the oversight of the Council’s Finance Committee.

NOTE 5 – ACCOUNTS RECEIVABLES

Receivables represent amounts due for programs and camp, grants and donations, and returned checks/ACH drafts. Accounts receivable consist of the following at September 30:

	<u>2025</u>	<u>2024</u>
Accounts Receivable	\$ 23,336	\$ 15,830
Total	<u>\$ 23,336</u>	<u>\$ 15,830</u>

All receivables are considered collectible within the next year.

NOTE 6 – PROMISES TO GIVE

The Council discounts promises to give due in excess of one year based on the year the contribution was recorded. At September 30, 2025 and 2024, there were no promises to give in excess of one year. In prior years, an allowance for doubtful accounts of 15% had been established. In fiscal year 2025, the Council adjusted its policy to establish an allowance for doubtful accounts of 10%. Promises to give at September 30 are as follows:

	<u>2025</u>	<u>2024</u>
Promises to Give Expected to be Collected in:		
Less Than One Year	\$ 1,355	\$ 11,061
Allowance for Uncollectible Promises to Give	<u>(135)</u>	<u>(1,659)</u>
Total	<u>\$ 1,220</u>	<u>\$ 9,402</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 7 – INVESTMENTS

Investments are summarized as follows as of September 30:

	Fair Value Hierarchy	2025		2024	
		Cost	Fair Value	Cost	Fair Value
Short-Term Investments					
Money Market Funds	Level 1	\$ 75,525	75,525	61,926	\$ 61,926
Fixed Income Securities					
Corporate Bonds					
Domestic	Level 2	733,723	669,672	688,848	622,671
International	Level 2	12,486	12,143	18,473	18,054
Global	Level 2	165,949	152,027	117,849	102,725
Equity Securities					
Domestic	Level 1	921,687	1,328,696	859,391	1,240,027
International	Level 1	619,204	807,259	609,331	749,919
Global	Level 1	32,970	34,149	38,930	44,340
Commodities and Alternative Strategies	Level 1	266,520	300,971	294,346	326,568
Total Investments		<u>\$ 2,828,064</u>	<u>3,380,442</u>	<u>2,689,094</u>	<u>\$ 3,166,230</u>

Investment income from cash equivalents and investments comprise the following for the years ended September 30, 2025 and 2024:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and Interest	\$ 123,273	36,247	\$ 159,520
Investment Expense & Bank Fees	(20,717)	(15,865)	(36,582)
	<u>102,556</u>	<u>20,382</u>	<u>122,938</u>
Realized Gains	70,368	65,576	135,944
Unrealized Gains	36,149	49,209	85,358
	<u>106,517</u>	<u>114,785</u>	<u>221,302</u>
Total Investment Income, Net	<u>\$ 209,073</u>	<u>135,167</u>	<u>\$ 344,240</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 7 – INVESTMENTS (CONTINUED)

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and Interest	\$ 76,827	35,686	\$ 112,513
Investment Expense & Bank Fees	(18,996)	(14,571)	(33,567)
	<u>57,831</u>	<u>21,115</u>	<u>78,946</u>
Realized Gains	6,001	4,670	10,671
Unrealized Gains	310,477	218,669	529,146
	<u>316,478</u>	<u>223,339</u>	<u>539,817</u>
Total Investment Income, Net	<u>\$ 374,309</u>	<u>244,454</u>	<u>\$ 618,763</u>

Investment restrictions and designations at September 30 are summarized as follows:

	2025	2024
Without Donor Restrictions		
Board-Designated:		
Girl Scouts Trust Fund Endowment	\$ 1,097,945	\$ 1,038,610
Congaree Area Property Fund	1,075,300	990,911
	<u>2,173,245</u>	<u>2,029,521</u>
With Donor Restrictions		
Endowments:		
Pearl Society Endowment	1,147,693	1,080,047
Scholarship Endowments	59,504	56,662
	<u>1,207,197</u>	<u>1,136,709</u>
Total Investments	<u>\$ 3,380,442</u>	<u>\$ 3,166,230</u>

NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of September 30:

	2025	2024
Land	\$ 2,644,274	\$ 2,894,274
Buildings and Improvements	9,930,977	9,841,388
Furniture and Equipment	1,308,763	1,270,503
Vehicles	195,309	195,309
	<u>14,079,323</u>	<u>14,201,474</u>
Less: Accumulated Depreciation	(4,570,475)	(4,210,636)
Property and Equipment, Net	<u>\$ 9,508,848</u>	<u>\$ 9,990,838</u>

Depreciation expense for the years ended September 30, 2025 and 2024 was \$361,946 and \$369,854, respectively.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 9 – BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

At various times in prior years, donors have transferred assets to establish various funds for the benefit of the Council at the Central Carolina Community Foundation (“CCCF”) and the Spartanburg County Foundation (“SCF”). Likewise, in prior years, the Council has transferred assets to the same CCCF and SCF funds. These amounts are reported on the Council’s Statements of Financial Position as a beneficial interest in assets held by others. CCCF and SCF have variance power over these assets; however, the Council is the sole beneficiary as long as the Council is in existence.

Beneficial interests in assets held by others represent investments held by the foundations which are comprised of pooled accounts. The fair value of the asset is based on the fair value of the investment assets held by the Foundations for the benefit of the Council. Dividends, interest, realized and unrealized gains and losses and administrative fees are included in the Statements of Activities.

The fair value of these assets consists of the following as of September 30:

	<u>2025</u>	<u>2024</u>
Funds Held at CCCF:		
Chandler-Burns Scholarship Endowment	\$ 30,389	\$ 27,670
Myrtle Lasley Endowment	12,877	11,747
Funds Held at SCF:		
Girl Scouts Endowment Fund	62,561	56,311
Camp Ponderosa Fund	40,412	36,374
	<u>\$ 146,239</u>	<u>\$ 132,102</u>

The following table summarizes the changes in the Council’s beneficial interest in assets held by others to reflect the same categories as those used in the Statements of Activities.

	<u>2025</u>	<u>2024</u>
Balance, Beginning of Year	\$ 132,102	\$ 110,147
Contributions	2,100	2,200
Investment Income	2,958	2,595
Net Realized Gains	2,059	355
Net Unrealized Gains	10,810	19,942
Administrative Fees	(1,790)	(1,637)
Scholarships Granted	(2,000)	(1,500)
Balance, End of Year	<u>\$ 146,239</u>	<u>\$ 132,102</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS

See Note 3 for discussions of the methodologies and assumptions used to determine the fair value of the Council's investments.

The Council's endowment consists of 14 individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Council has interpreted UPMIFA, which was enacted July 1, 2008 in the State of South Carolina, as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Council considers donor-restricted net assets to be perpetual in nature that are comprised of (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulation of earnings required to be added to the permanent endowment as stipulated by the donor-applicable donor gift instrument.

The remaining portion of the donor-restricted endowment fund that is not considered perpetual in nature is classified as donor-restricted net assets until those amounts are appropriated for expenditure by the Council in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, the Council considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund,
2. The purposes of the Council and the donor-restricted endowment fund,
3. General economic conditions,
4. The possible effect of inflation and deflation,
5. The expected total return from income and the appreciation of investments,
6. Other resources of the Council, and
7. The investment policies of the Council.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS (CONTINUED)

Endowment Assets

Endowment net assets for the following purposes consist of the following at September 30, 2025:

	Without Donor Restriction	With Donor Restrictions		Total
		Available for Appropriation	Perpetual in Nature	
Donor-Restricted Endowment Funds:				
Operations:				
Juliette Low Endowment	\$ -	658	24,186	\$ 24,844
Pearl Society Endowment	-	589,884	557,810	1,147,694
Education Scholarships:				
Pauline Patterson Trust	-	40,358	-	40,358
Sarah Brown Cannon Scholarship Fund	-	19,146	-	19,146
Chandler-Burns Scholarship Endowment	-	19,389	11,000	30,389
Capital/Programming:				
Girl Scouts Endowment Fund	-	62,561	-	62,561
Camp Ponderosa Fund	-	40,412	-	40,412
Penny Cooper Girl Tech Fund	-	871	12,487	13,358
Member Financial Assistance:				
Lillian Holley Martin Endowment	-	97	15,663	15,760
Bobbie Hagins Scholarship Fund	-	(229)	10,560	10,331
Lois Graves Wider Opportunity Fund	-	2,053	-	2,053
Myrtle Lasley Endowment	-	8,027	4,850	12,877
Volunteer Training:				
Becky Johnson Fund	-	193	7,874	8,067
Total Donor-Restricted Endowment Funds	-	783,420	644,430	1,427,850
Board-Designated Endowment Funds:				
Operations:				
Girl Scouts Trust Fund	1,097,945	-	-	1,097,945
Total Board-Designated Endowment Funds	1,097,945	-	-	1,097,945
Endowment Net Assets, September 30, 2025	\$ 1,097,945	783,420	644,430	\$ 2,525,795

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS (CONTINUED)

Endowment net assets for the following purposes consist of the following at September 30, 2024:

	Without Donor Restriction	With Donor Restrictions		Total
		Available for Appropriation	Perpetual in Nature	
Donor-Restricted Endowment Funds:				
Operations:				
Juliette Low Endowment	\$ -	634	24,186	\$ 24,820
Pearl Society Endowment	-	522,237	557,810	1,080,047
Education Scholarships:				
Pauline Patterson Trust	-	38,157	-	38,157
Sarah Brown Cannon Scholarship Fund	-	18,505	-	18,505
Chandler-Burns Scholarship Endowment	-	16,670	11,000	27,670
Capital/Programming:				
Girl Scouts Endowment Fund	-	56,311	-	56,311
Camp Ponderosa Fund	-	36,374	-	36,374
Penny Cooper Girl Tech Fund	-	858	12,487	13,345
Member Financial Assistance:				
Lillian Holley Martin Endowment	-	81	15,663	15,744
Bobbie Hagins Scholarship Fund	-	(239)	10,560	10,321
Lois Graves Wider Opportunity Fund	-	2,051	-	2,051
Myrtle Lasley Endowment	-	6,997	4,750	11,747
Volunteer Training:				
Becky Johnson Fund	-	185	7,874	8,059
Total Donor-Restricted Endowment Funds	-	698,821	644,330	1,343,151
Board-Designated Endowment Funds:				
Operations:				
Girl Scouts Trust Fund	1,038,610	-	-	1,038,610
Total Board-Designated Endowment Funds	1,038,610	-	-	1,038,610
Endowment Net Assets, September 30, 2024	<u>\$ 1,038,610</u>	<u>698,821</u>	<u>644,330</u>	<u>\$ 2,381,761</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS (CONTINUED)

Changes in endowment net assets for the year ending September 30, 2025 are as follows:

	2024 Balance	Change in Market Value	Contributions	Appropriations and Releases from Restrictions	2025 Balance
Donor-Restricted Endowment Funds:					
Operations:					
Juliette Low Endowment	\$ 24,820	24	-	-	\$ 24,844
Pearl Society Endowment	1,080,047	115,646	-	(48,000)	1,147,693
Education Scholarships:					
Pauline Patterson Trust	38,157	3,701	-	(1,500)	40,358
Sarah Brown Cannon Scholarship Fund	18,505	1,641	-	(1,000)	19,146
Chandler-Burns Scholarship Endowment	27,670	2,719	2,000	(2,000)	30,389
Capital/Programming:					
Girl Scouts Endowment Fund	56,311	6,250	-	-	62,561
Camp Ponderosa Fund	36,374	4,038	-	-	40,412
Penny Cooper Girl Tech Fund	13,345	13	-	-	13,358
Member Financial Assistance:					
Lillian Holley Martin Endowment	15,744	16	-	-	15,760
Bobbie Hagins Scholarship Fund	10,321	10	-	-	10,331
Lois Graves Wider Opportunity Fund	2,051	2	-	-	2,053
Myrtle Lasley Endowment	11,747	1,030	100	-	12,877
Volunteer Training:					
Becky Johnson Fund	8,059	8	-	-	8,067
Total Donor-Restricted Endowment Funds	1,343,151	135,098	2,100	(52,500)	1,427,849
Board-Designated Endowment Funds:					
Operations:					
Girl Scouts Trust Fund	1,038,610	106,135	-	(46,800)	1,097,945
Total Board-Designated Endowment Funds	1,038,610	106,135	-	(46,800)	1,097,945
Total Endowment Net Assets	\$ 2,381,761	241,233	2,100	(99,300)	\$ 2,525,794

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GREENVILLE, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS (CONTINUED)

Changes in endowment net assets for the year ending September 30, 2024 are as follows:

	2023 Balance	Change in Market Value	Contributions	Appropriations and Releases from Restrictions	2024 Balance
Donor-Restricted Endowment Funds:					
Operations:					
Juliette Low Endowment	\$ 24,795	25	-	-	\$ 24,820
Pearl Society Endowment	915,504	212,543	-	(48,000)	1,080,047
Education Scholarships:					
Pauline Patterson Trust	32,502	7,155	-	(1,500)	38,157
Sarah Brown Cannon Scholarship Fund	16,157	3,348	-	(1,000)	18,505
Chandler-Burns Scholarship Endowment	22,361	4,809	2,000	(1,500)	27,670
Capital/Programming:					
Girl Scout Endowment Fund	47,500	8,811	-	-	56,311
Camp Ponderosa Fund	30,683	5,691	-	-	36,374
Penny Cooper Girl Tech Fund	13,306	14	25	-	13,345
Member Financial Assistance:					
Lillian Holley Martin Endowment	15,728	16	-	-	15,744
Bobbie Hagins Scholarship Fund	10,311	10	10	(10)	10,321
Lois Graves Wider Opportunity Fund	2,049	2	-	-	2,051
Myrtle Lasley Endowment	9,603	1,944	200	-	11,747
Volunteer Training:					
Becky Johnson Fund	8,051	8	-	-	8,059
Total Donor-Restricted Endowment Funds	<u>1,148,550</u>	<u>244,376</u>	<u>2,235</u>	<u>(52,010)</u>	<u>1,343,151</u>
Board-Designated Endowment Funds:					
Operations:					
Girl Scouts Trust Fund	882,927	202,483	-	(46,800)	1,038,610
Total Board-Designated Endowment Funds	<u>882,927</u>	<u>202,483</u>	<u>-</u>	<u>(46,800)</u>	<u>1,038,610</u>
Total Endowment Net Assets	<u>\$ 2,031,477</u>	<u>446,859</u>	<u>2,235</u>	<u>(98,810)</u>	<u>\$ 2,381,761</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Council to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in net assets with donor restrictions were \$229 and \$239 as of September 30, 2025 and 2024, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of contributions with donor restrictions and continued appropriation for certain programs that was deemed prudent by the Board of Directors. Subsequent gains that restore the fair value of the assets of the endowment funds to the required level will be classified as an increase in net assets with donor restrictions.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 10 – ENDOWMENT ASSETS (CONTINUED)

Return Objectives and Risk Parameters

The Council has adopted investment and spending policies for endowment assets that attempt to provide a relatively predictable, stable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Council must hold in perpetuity or for a donor-specified period as well as Board-designated funds. As authorized by Board-approved policies, these assets are invested to maximize long-term returns, while simultaneously mitigating risk through maintaining a diversified portfolio. A multi-generational window not only allows for the typical diversification across asset classes, but also for time diversification across both up and down markets. The assets are invested in a manner that is intended to produce results that meet or exceed the composite return and are within the risk parameters of an appropriate benchmark that corresponds to each fund goal. The long-term objective is to attain, within acceptable risk parameters, an average annual total return that exceeds the sum of the Council's approved payout rate plus inflation, plus investment management and related fees. The objective is expected to be obtained over time but not in each and every reporting period.

Strategies Employed for Achieving Objectives

To address its long-term rate-of-return objectives, the Council relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Council targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Council's spending policy appropriates for distribution each year a certain percentage of its endowment funds' average fair value for the prior three years through the fiscal year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Council considered the expected return on its endowment. The goal of such spending policy is to allow the endowment to maintain its purchasing power, achieve a reasonable degree of stability and predictability in income availability for operations and to achieve a balance between present and future needs. Real growth is achieved through new gifts and any excess investment return.

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NOTES TO FINANCIAL STATEMENTS

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NOTE 11 – BOARD-DESIGNATED FUNDS

As of September 30, the Board approved the designations of net assets without donor restrictions as follows:

	<u>2025</u>	<u>2024</u>
Girl Scouts Trust Fund	\$ 1,097,945	\$ 1,038,610
Congaree Area Property Fund	1,075,300	990,911
She Sees the Future Fund	456,807	456,807
	<u>\$ 2,630,052</u>	<u>\$ 2,486,328</u>

During the years ended September 30, 2025 and 2024, the Girl Scouts Trust Fund released \$46,800 of earnings for general operating use by the Council per year.

NOTE 12 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at September 30, 2025 are restricted for the following purposes or periods:

<u>Subject to Expenditure for a Specific Purpose:</u>	
Susan Phifer-Johnson Leadership Fund	\$ 66,335
CME & Me Program - Capital Expenditures	69,204
Other	3,955
Total Purpose Restrictions	<u>139,494</u>
<u>Endowment:</u>	
Perpetual in Nature:	
Juliette Low Endowment	24,186
Pearl Society Endowment	557,810
Chandler-Burns Scholarship Endowment	11,000
Penny Cooper Girl Tech Fund	12,487
Lillian Holley Martin Endowment	15,663
Bobbie Hagins Scholarship Fund	10,560
Myrtle Lasley Endowment	4,850
Becky Johnson Fund	7,874
Total Perpetual in Nature Endowments	<u>644,430</u>
Subject to Endowments Spending Policy and Appropriation:	783,420
Total Net Assets With Donor Restrictions	<u>\$ 1,567,344</u>

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GREENVILLE, SOUTH CAROLINA**

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YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 12 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions at September 30, 2024 are restricted for the following purposes or periods:

<u>Subject to Expenditure for a Specific Purpose:</u>	
Susan Phifer-Johnson Leadership Fund	\$ 66,268
Promises to Give - Capital Expenditures	4,250
CME & Me Program - Capital Expenditures	66,594
Other	6,953
Total Purpose Restrictions	<u>144,065</u>
<u>Endowment:</u>	
Perpetual in Nature:	
Juliette Low Endowment	24,186
Pearl Society Endowment	557,810
Chandler-Burns Scholarship Endowment	11,000
Penny Cooper Girl Tech Fund	12,487
Lillian Holley Martin Endowment	15,663
Bobbie Hagins Scholarship Fund	10,560
Myrtle Lasley Endowment	4,750
Becky Johnson Fund	7,874
Total Perpetual in Nature Endowments	<u>644,330</u>
Subject to Endowments Spending Policy and Appropriation:	699,061
Total Net Assets With Donor Restrictions	<u>\$ 1,487,456</u>

Net assets released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrence of other events specified by donors were \$59,039 and \$91,424 for the years ended September 30, 2025 and 2024, respectively.

NOTE 13 – LEASE OBLIGATIONS

The Council has entered into an operating lease for office space which houses the Council’s operations. The lease is scheduled to expire July 31, 2031, and includes a one-time right by the Council to terminate the lease effective any time after July 31, 2028.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 13 – LEASE OBLIGATIONS (CONTINUED)

Future payments due under the lease obligations are as follows:

<u>September 30,</u>	
2026	\$ 104,196
2027	107,322
2028	110,542
2029	113,858
2030	117,274
Thereafter	100,159
Total Lease Payment	<u>653,351</u>
Less: Amounts Representing Interest	<u>132,389</u>
Present Value of Operating Lease Liability	<u>\$ 520,962</u>

As of September 30, 2025, right-of-use asset relating to operating leases were as follows:

Right-of-Use Assets	
Cost	\$ 722,321
Less: Accumulated Amortization	(237,091)
Total	<u>\$ 485,230</u>

Management has evaluated all lease contracts held by the Council and determined that no other current leases result in a material impact on the financial statements.

NOTE 14 – MORTGAGE NOTE PAYABLE

In December 2021, the Council refinanced a previous long-term construction loan and a furniture, fixtures, and equipment loan with a 15-year amortizing mortgage in the amount of \$6,150,000. The loan is payable in 180 equal payments of \$42,961 determined on a fixed interest rate of 3.12% and has a maturity date of December 28, 2036. The Cathy Novinger Girl Scout Leadership Center in Columbia serves as collateral.

Scheduled principal payments of the new loan for the next five years are as follows:

<u>September 30,</u>	
2026	\$ 367,415
2027	379,208
2028	391,032
2029	403,929
2030	416,894
Thereafter	2,891,896
	<u>\$ 4,850,374</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 15 – LINE OF CREDIT

In December 2021, the Council obtained a \$1,000,000 revolving line of credit. Interest on amounts drawn will be payable monthly at a rate equal to the *Wall Street Journal Prime Rate*, but not more than 18.00% and not less than 3.75%. The Council renewed the line of credit on April 1, 2025, and the maturity date is April 1, 2026. The furniture, fixtures and equipment owned by the Council serve as collateral. The balance on the line of credit at September 30, 2025 and 2024 was \$0.

NOTE 16 – DONATED SERVICES

The Council receives a significant amount of donated services from unpaid volunteers who assist in programming, fundraising, and special projects. The value of these contributions is not susceptible to objective measurement and does not meet the criteria for recognition of in-kind contributions, and, accordingly, is not recognized in the financial statements. Gifts in-kind represent donated services from vendors, supplies, materials, and fixed assets and are recognized at their estimated fair value, if readily determinable, in the Statements of Activities.

NOTE 17 – RETIREMENT EXPENSES

The Council provides a 401(k) Plan for its employees. Participation in the 401(k) Plan is open to substantially all employees of the Council subject to length of employment, age, and hours worked per year. The 401(k) Plan is a safe harbor contributory plan where the Council matches the participant's contributions up to a maximum of 3% of the participant's wages and an additional one-half of the participant's contributions up to a maximum Council contribution of 4% of the participant's wages. Accordingly, the Council incurred employer-match contribution expenses of \$54,628 and \$47,716 for the years ended September 30, 2025 and 2024, respectively.

The Council participates in the National Girl Scout Council Retirement Plan ("NGSCR"), a noncontributory defined benefit pension plan sponsored by Girl Scouts of the USA. The National Board of Girl Scouts of the USA voted to freeze this plan to new entrants and to freeze future benefit accruals for all current participants under the plan effective July 31, 2010. This plan covers substantially all of the employees of various Girl Scout councils who were eligible to participate in the plan prior to the plan freeze. Accrued and vested benefits prior to July 31, 2010 are based on years of service and salary levels.

Net plan assets decreased during the year and are less than the actuarial present value of accumulated plan benefits as of January 1, 2025. On April 8, 2014, President Obama signed H.R. 4275 into law, a relief package unanimously passed by Congress that gives NGSCR the flexibility to adopt the Pension Protection Act ("PPA") funding requirements immediately or not at all. NGSCR has elected to adopt this relief and not be subject to PPA. In September 2020, the National Board of Girl Scouts of the USA approved to lower the contributions from \$30 million to \$26 million starting in calendar year 2023 until the plan is fully funded on a market basis. Aggregate annual contributions for the plan made in fiscal years 2024 and 2025 were \$27.4 million and \$29.7 million, respectively. Aggregate contributions to be made in fiscal 2026 are expected to be \$24 million, a decrease from \$26 million given the annuity purchases that occurred in 2024 and 2025 for a select group of councils. Contributions made by the Council in fiscal years 2025 and 2024 were \$231,792.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 18 – STATEMENT OF FUNCTIONAL EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statements of Functional Expenses. Costs that are not directly associated with providing specific services have been allocated based upon the relative time spent by employees of the Council providing those services.

NOTE 19 – COMMITMENTS

The Council’s Wistagoman Lodge is constructed on land leased from the Secretary of the Army. The terms of the lease include the following:

1. Total cost for the current ten-year lease expiring June 30, 2028 is \$1,000 plus “any sum which may have to be expended after termination of the lease in restoring the premises to a condition satisfactory to the District of Engineer, U.S. Army District, Savannah, Georgia.”
2. “This lease may be revoked by the Secretary of the Army in the event the lessee violates any of the terms and conditions of this lease and continues and persists therein for a period of 30 days after notice thereof in writing by the said officer or in the event the said officer determined the premises are required for project purposes of/for a higher priority use.”

In management’s opinion, no conditions exist which would cause this lease to be revoked by the Secretary of the Army.

NOTE 20 – EMPLOYEE RETENTION TAX CREDITS

In March 2023, the Council filed amended quarterly federal tax returns to claim refunds under the Employee Retention Tax Credit (“ERTC”) program offered by the IRS to organizations that were affected during the COVID-19 pandemic. Management of the Council determined it was eligible for the credits for 3 quarters in 2021, totaling \$598,751, plus accrued interest. Due to the nature of this program and delays in processing by the IRS, the Council did not recognize any revenue associated with the ERTC until confirmation of acceptance of the returns or the refunds were received by the Council. During the years ended September 30, 2025 and 2024, the Council received and recognized revenue of \$322,425 and \$402,955 from the program, respectively.

NOTE 21 – VENDOR CONCENTRATION

The Council relies on a limited number of suppliers for the Girl Scout Cookie Program, which generates approximately 61% of Council revenues. A significant disruption in supply from these vendors could materially impact the Council’s financial position and future operations.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

NOTE 22 – SUBSEQUENT EVENTS

On October 23, 2025, the National Board of Directors of the Girl Scouts of the United States approved the termination of the NGSCR. The termination process is expected to be completed in 2027 when all liabilities under the NGSCR will be settled through the payment of lump sums or the purchase of annuity contracts. The Council's monthly contributions are expected to continue until the settlement of all NGSCR liabilities.

Subsequent events have been evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.