The Global Network for Women in the News Media
March 2008

Dear Friends and Supporters,

As a global network the IWMF supports women journalists throughout the world by honoring their courage, cultivating their leadership skills, and joining with them to pioneer change in the news media.

Our global commitment is reflected in the activities documented in this annual report. In 2006-2007 we celebrated the bravery of Courage in Journalism honorees from China, the United States, Lebanon and Mexico. We sponsored an Iraqi journalist on a fellowship that placed her in newsrooms with American counterparts in Boston and New York City.

In the summer we convened journalists and top media managers from 14 African countries in Johannesburg to examine best practices for increasing and improving reporting on HIV/AIDS, TB and malaria. On the other side of the world in Chicago we simultaneously operated our annual Leadership Institute for Women Journalists, training mid-career journalists in skills needed to advance in the newsroom.

These initiatives were carried out in the belief that strong participation by women in the news media is a crucial part of creating and maintaining freedom of the press. Because our mission is as relevant as ever, we also prepared for the future. We welcomed a cohort of new international members to the IWMF’s governing board. We geared up for the launch of leadership training for women journalists from former Soviet republics. And we added a major new journalism training initiative on agriculture and women in Africa to our agenda.

We are truly grateful to all of our partners who, by providing generous support, shared in the IWMF’s commitment to strengthen the role of women in the news media worldwide.

Sincerely,

From the IWMF Executive Director and Co-Chairs

Co-Chair

Co-Chair

Executive Director
Founded in 1990, the International Women's Media Foundation is a vibrant global network dedicated to strengthening the role of women in the news media worldwide as a means to further freedom of the press. At the core of the IWMF’s work is a network of women in the news media, which enables women journalists across the globe to support each other.

The IWMF has a track record of developing innovative training that engages journalists in reporting on global issues that improves lives, developing leadership in the media, supporting press freedom and honoring courage in reporting the news.

The IWMF’s programs have been held in close to 30 countries. By pioneering change in the news media, the IWMF provides opportunities for women to participate fully in their profession. The network of men and women who support our mission is constantly expanding; the IWMF network is now more than 5,000 women and men in some 130 countries worldwide.

HONORING COURAGE

Each year the IWMF highlights the importance of freedom of the press and the courage required in many countries to report the news by presenting Courage in Journalism Awards to women from around the world. Following a worldwide call for nominations, a panel of prominent women journalists selects winners from a pool of some 50 nominations.

Recipients of Courage in Journalism Awards risk their lives to report the news. Braving political pressure, war and violence, they write stories that unearth corruption and human rights abuses and that give voice to victims of war and other atrocities.

The 2006 Courage and Lifetime Achievement Award winners were recognized at programs in New York, Los Angeles and Washington, D.C. They were:

JILL CARROLL, UNITED STATES
The Christian Science Monitor
Carroll was abducted on January 7, 2006 in Iraq after she was attacked along with her driver and an interpreter. She was held captive for 82 days. Her interpreter, Alan Enwiya, was killed.

MAY CHIDIAC, LEBANON
Lebanese Broadcasting Corporation
In September 2005, May Chidiac lost her left hand and leg when a bomb exploded under the driver’s seat of her car. She had just hosted a show addressing Syria’s possible involvement in former Lebanese prime minister Rafik Hariri’s assassination. Chidiac resumed her job at the LBC in July 2006. She hosts a current events program called Bikol Joraa (With Audacity).

GAO YU, CHINA
Freelance Reporter
An economic and political journalist, Gao Yu has twice been jailed for her reporting. Her writing about the 1989 pro-democracy movement and her willingness to jeopardize her safety in the service of freedom and human rights significantly contributed to the free press movement. Gao received a Courage Award in 1995 but was unable to accept it because she was serving a jail term.

ELENA PONIATOWSKA, MEXICO
Lifetime Achievement Award
Renowned journalist and author Elena Poniatowska Amor has been dedicated to equality, human rights and women’s rights throughout her career.

(For more information on the Courage in Journalism Awards and the IWMF’s support of press freedom, go to the HONORING COURAGE section of the CD.)
CULTIVATING EFFECTIVE LEADERS

Women have reached the proverbial glass ceiling in the media. A study done by the American Society of Newspaper Editors in 2006 showed that the number of women executives hasn’t budged since 2000; they are only 29 percent of newspaper executives. Part of the reason could be that women are frustrated with their progress. A 2002 study by the American Press Institute and the Pew Center for Civic Journalism documented a “brain drain” among women who didn’t anticipate moving up in their organizations and thought they might leave journalism. The study also called for more “mentoring and coaching” for women journalists.

By training women journalists, the IWMF provides them with the skills they need to succeed in their careers and become leaders in their newsrooms. An intensive, week-long course is held each year for women journalists in the U.S., allowing them to network with other women journalists while boosting their leadership skills and learning to advocate for themselves in the newsroom. In July 2006, the IWMF held its Leadership Institute for Women Journalists in Chicago with support from the Robert R. McCormick Tribune Foundation.

In Africa, the IWMF has built a successful track record of leadership training in both English and French and plans to conduct leadership training again in 2008. In addition, working with the Kazickas Family Foundation and Internews Network, the IWMF will offer leadership training for women journalists from the former Soviet Republics, to be held in Lithuania in April 2008.

(For more information on IWMF leadership programs, go to the CULTIVATING EFFECTIVE LEADERS section of the CD.)

BUILDING A VIBRANT NETWORK

The IWMF’s growing global network enables women who work in the news media to join together in new ways and share ideas, resources, strategies and career advice. The IWMF held networking events with The Boston Globe in March 2007 and the Chicago Chapter of the Association for Women Journalists in July 2007. The events coincided with other IWMF programs and provided opportunities for women journalists to gather outside their newsrooms to learn tips for success from prominent women in the news media and form ongoing support networks.

(For more information on the IWMF network, go to the BUILDING A VIBRANT NETWORK section of the CD.)

PIONEERING CHANGE

The IWMF’s Maisha Yetu project has revolutionized newsroom training. The project, created in 2002 with a grant from the Bill & Melinda Gates Foundation, worked with six news media companies in Botswana, Kenya and Senegal to enhance the quality and consistency of reporting on HIV/AIDS, tuberculosis and malaria. The Maisha Yetu project increased the number of stories on these topics from an average of 684 a year before the project to more than 1,100 after the project. It also trained some 1,000 journalists – half of whom were women – in better standards of health reporting and in investigative reporting techniques that the journalists used to expose corruption in government and non-governmental organizations. The Maisha Yetu project also led to the development of an online network of more than 450 journalists who collaborate and continue their dedication to better quality health reporting.

Using the Maisha Yetu training model, the IWMF has begun a new project to enhance coverage of agriculture, rural development and women in African media. Funded by the Howard G. Buffett Foundation, the project will increase and enhance reporting on agriculture and rural development, including women’s roles in agriculture and rural economics. The IWMF is currently conducting a baseline study and needs assessment in several African countries and will announce the results of the study in 2008. Following the needs assessment, African media houses will be selected to partner with the IWMF on the project.

The IWMF also pioneers change by creating opportunities for women journalists to grow and expand their careers. Perpetuating the memory of Elizabeth Neuffer, a 1998 Courage Award winner who was killed in Iraq in 2003, the IWMF, working with the friends and family of Elizabeth Neuffer, created the Elizabeth Neuffer IWMF Fund. In March 2007, the fund sponsored the Elizabeth Neuffer Forum on Human Rights and Journalism in Boston with the title Women and Islam: Understanding and Reporting. The Elizabeth Neuffer Fellowship provides a woman journalist with the opportunity to focus on human rights journalism for an academic year. Huda Ahmed, an Iraqi journalist in McClatchy’s Baghdad bureau, was the 2006-2007 fellow. Sally Sara, an Australian journalist, is the 2007-2008 fellow.

(For more information on these and other IWMF programs, go to the PIONEERING CHANGE section of the CD.)
| $1,000,000 and up | Howard G. Buffett Foundation | DEAR ABBY, a.k.a. Jeanne Phillips |
| $250,000–$999,999 | Bank of America | The Diller-Von Furstenberg Family Foundation |
| $100,000–$249,999 | The New York Times | Dow Jones |
| $50,000–$99,999 | Disney-ABC Television Group | Dow Jones Foundation |
| $25,000–$49,999 | The Annenberg Foundation | El Networks |
| $10,000–$24,999 | The Boston Globe | Ernst & Young / Casey Sayre & Williams |
| $1,000–$2,499 | John and Jody Arnhold | Ford Foundation |
| | Elaine Attias | Freedom Forum |
| | Attias Family Foundation | HBO |
| | David Brown and Helen Gurley Brown | Deborah Howell |
| | Kathy Bushkin Calvin | IMAX Corporation |
| | Eleanor Clift | David A. Jones, Sr. |
| | Barbara Cochran | Katten Muchin Rosenman LLP / Susan Grode, Esq. |
| | Christian Science Publishing | Carolyn Lee* |
| | Daffy’s Corporation | Marcia Brady Tucker Foundation, Inc.* |
| | Mary Anne Dolan | Martha Stewart Living Omnimedia Inc. |
| | Ysabel Duron | The McGraw-Hill Companies / BusinessWeek |
| | Endeavor | Merrill Lynch & Co., Inc. |
| | Glenn Finn* | NBC4/Telemundo |
| | Ernest Ray Gonzales | Newsweek |
| | Zuade Kaufman | Reuters |
| | Rita J. Kessler | Robert K. Steel Family Foundation |
| | Joan Konner | Sabin, Berman & Gould |
| | Lifetime Networks | First Lady Maria Shriver |
| | The Suzanne Nora Johnson & David G. Johnson Foundation | Michael and Nancy Strick / Strick And Company |
| | Cynthia Tucker / The Atlanta Journal-Constitution | Sony Corporation of America |
| | United Nations Foundation | Straus Newspapers, Inc. |
| | Univision Communications Inc. | The Washington Post |
| | The Vanguard | Wells Fargo |
| | Verizon Communications | Judy Woodruff |
| | Viacom | Women and Company / Citigroup Inc. |
| | The Whitehead Foundation | Wyeth |
| | $2,500–$4,999 | Gannett Foundation |
| | Susan King | Sheila and Bill Lambert |
| | Mark Neuffer* | The Whitehead Foundation |
| | $1,000–$2,499 | John and Jody Arnhold |
| | Elaine Attias | Attias Family Foundation |
| | David Brown and Helen Gurley Brown | Kathy Bushkin Calvin |
| | Barry Cochnar | Eleanor Clift |
| | Barbara Cochran | Daffy’s Corporation |
| | MaryAnne Dolan | The Suzanne Nora Johnson & David G. Johnson Foundation |
| | Ysabel Duron | Cynthia Tucker / The Atlanta Journal-Constitution |
| | Endeavor | Sony Corporation of America |
| | Glenn Finn* | Straus Newspapers, Inc. |
| | Ernest Ray Gonzales | The Washington Post |
| | Zuade Kaufman | Wells Fargo |
| | Rita J. Kessler | Judy Woodruff |
| | Joan Konner | Women and Company / Citigroup Inc. |
| | Lifetime Networks | Wyeth |
Supporters (continued)

Renee Loth*
Vincent Mai
mPRm Public Relations
Paradigm
Saban Family Foundation
Sid and Lorraine Sheinberg
The Sherry Lansing Foundation
D. Ellen Shuman
Steven Rattner & P. Maureen White Foundation
Barbara Streisand
Julia Steinmetz*
The Woodhull-Watson-Welch Family

$250–$999
Allegro Foundation
Cecilia Alvear
Andrea Van De Kamp
Consulting Services
Bonnie Angelo
Bloom Herghott Diemer
Rosenthal & LaViolette, LLP
Anne Taylor Board
Bonnie Bogin
Corie Brown
George and Jean Canellos*
Diane Carmony
Ellen Clegg
Anne Cooper
Sean Daniel
Mary Evelyn Davis
Kay Delaney
Elizabeth Dolan
Jane Donaldson
Stefan Fatisis*
Gillian Flaccus
Julie Feinsilver
John Firestone*
Kim Flodin
Susan Friedman
Liza Gross
Grossman Family Common Property Trust
Lucy Himstedt
Carol Jenkins
Edward Lawlor
Geraldine Laybourne
L’Orient Le Jour
Carol Kaufman
Gail Koff
Marlene Media Consultants
Brigitte McCray
Marcy McGinnis
Lori McTavish
Beatrice Murail*
Gina Nahai
Bill Nash*
Susan Nimoy
Larry Olmstead
Susan Osnos
Philadelphia Inquirer

Pittman Family Foundation
Anita Saunders
Peggy Scott Schiff
Heidi Schulman
Beth Sheehan
Francis Seghers
Sara Shepard
Sarah Spitz
Mary Ann Sternberg
Steven Vincent Foundation
Matthew Storin*
Jean Strauss
Yael Sverdlov
Georgia Tredennick
TV Guide
Christine Moore Vassallo*
Jean Gaddy Wilson
Michael Winerip*
Narda Zacchino
Patricia Zohn

*All or a portion of this contribution was made to the Elizabeth Neuffer IWMF Fund.

Board of Directors

Akwe Amosu, Co-Chair
Open Society Institute
Liza Gross, Co-Chair
The Miami Herald
Ysabel Duron, Vice Chair
KRON4-TV, San Francisco
Theodore J. Boutrous Jr., Secretary
Gibson, Dunn & Crutcher LLP
Peggy White, Treasurer
Christianne Amanpour
CNN
Campbell Brown
CNN
Merrill Brown
MBM Media LLC
Maureen Bunyan
WJLA-TV, Washington, D.C.
Eleanor Clift
Newsweek
Raghibi Dergham
Al Hayat/LBC
Ferial Haffajee
Mail & Guardian, Johannesburg
Deborah Howell
The Washington Post
Marjorie Miller
Los Angeles Times
Jennifer Moyer
Washingtonpost.Newsweek Interactive
Tom Mshindi
Monitor Publications Ltd., Kampala

Lyin Povich
Linda Peek Schacht
Emerson College
Carole Simpson
Emerson College/NPR
Kerry Smith
ABC News
Carolan K. Stiles
Blue Creek Foundation
Judy Woodruff
The NewsHour with Jim Lehrer

Advisory Council

Bonnie Angelo
Kathy Bushkin Calvin
Barbara Cochran
Susan King
Carolyn Lee
Marcy McGinnis
Bailey Morris-Eck
Emily Nwankwo
Larry Olmstead
Margaret Scott Schiff
Cynthia Tucker
Narda Zacchino

IWMF Staff

Jane B. Ransom
Executive Director
Tiffany Brooks
Web Site Manager
Kathleen Currie
Deputy Director
Tara Hayward
Coordinator, Executive and Development Office
Elisa Munoz
Director of Research and Training
Gifti Nadi
Senior Africa Program Officer
Kimberly Robinson
Director of Finance and Administration
Samantha White
Research and Training Assistant
Lindsey Wray
Communications Coordinator
Other Information in Documents Containing Audited Financial Statements

In connection with the Company's annual report, we did not perform any procedures or corroborate other information included in the annual report. However, we read the Company's annual report and considered whether the information or the manner in which it was presented was materially inconsistent with information or the manner of presentation of the financial statements. Based on our reading, we concluded that the information did not require revision.

Report of Independent Auditors

To the Board of Trustees
International Women's Media Foundation
Washington, DC

We have audited the accompanying balance sheets of the International Women's Media Foundation (the Foundation) as of June 30, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP
Gaithersburg, Maryland
November 26, 2007
Report of Independent Auditors

BALANCE SHEETS
June 30, 2007 and 2006

Assets

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$31,165</td>
<td>$1,507,554</td>
</tr>
<tr>
<td>Investments</td>
<td>$3,963,815</td>
<td>$471,423</td>
</tr>
<tr>
<td>Promises To Give</td>
<td>$406,121</td>
<td>$22,175</td>
</tr>
<tr>
<td>Prepaid and Other Assets</td>
<td>$48,496</td>
<td>$79,091</td>
</tr>
<tr>
<td>Furniture and Equipment, Net</td>
<td>$41,365</td>
<td>$38,140</td>
</tr>
<tr>
<td></td>
<td><strong>$4,771,402</strong></td>
<td><strong>$2,118,383</strong></td>
</tr>
</tbody>
</table>

Liabilities And Net Assets

Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$71,509</td>
<td>$101,558</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$8,250</td>
<td>$54,932</td>
</tr>
<tr>
<td></td>
<td><strong>$79,759</strong></td>
<td><strong>156,490</strong></td>
</tr>
</tbody>
</table>

Commitments

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$1,644,698</td>
<td>$1,353,236</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>$2,652,519</td>
<td>$608,657</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>$394,426</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td><strong>4,691,643</strong></td>
<td><strong>1,961,893</strong></td>
</tr>
</tbody>
</table>

See Notes To Financial Statements.

STATEMENTS OF ACTIVITIES
Years Ended June 30, 2007 and 2006

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support and revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Event revenue</td>
<td>$1,536,925</td>
<td>$1,047,950</td>
</tr>
<tr>
<td>Contributions</td>
<td>$319,285</td>
<td>$42,794</td>
</tr>
<tr>
<td>Other</td>
<td>$705,959</td>
<td>$813,315</td>
</tr>
<tr>
<td>Investment income</td>
<td>$92,389</td>
<td>$73,813</td>
</tr>
<tr>
<td></td>
<td><strong>2,654,558</strong></td>
<td><strong>1,985,981</strong></td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>$1,766,880</td>
<td>$1,316,899</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>$90,121</td>
<td>$127,828</td>
</tr>
<tr>
<td>General and administrative</td>
<td>$506,095</td>
<td>$429,227</td>
</tr>
<tr>
<td></td>
<td><strong>596,216</strong></td>
<td><strong>557,055</strong></td>
</tr>
</tbody>
</table>

Net assets:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning</td>
<td>$1,353,236</td>
<td>$1,241,209</td>
</tr>
<tr>
<td>Ending</td>
<td><strong>$1,644,698</strong></td>
<td><strong>$1,182,720</strong></td>
</tr>
</tbody>
</table>

See Notes To Financial Statements.
the estimated useful lives of the assets, which are generally three to seven years. Accumulated depreciation. Depreciation is calculated on a straight-line basis over Furniture and equipment are stated at cost, net of

Unrealized gains and losses recorded in the statement of activities as a component of investment income are included in income for the period. The Foundation accounts for the valuation of long-

Net unrealized (gain) loss on investments 12,726 (528)
Net realized (gain) on investments (6,397) (27,854)
Changes in assets and liabilities: Increase (decrease) in:
Promises to give (384,946) 538,426
Prepaid and other assets 530,595 (372,231)
(Decrease) increase in:
Accounts payable and accrued expenses (30,049) 27,354
Deferred revenue (46,692) (264,434)
Net cash used in operating activities (535,744) (307,068)

Cash Flows From Investing Activities
Purchase of furniture and equipment (18,354) (12,382)
Purchase of investments (3,681,680) (89,937)
Proceeds from sales of investments 5,039,839 97,795
Net cash used in financing activities (680,195) (4,520)
Net decrease in cash and cash equivalents (1,195,939) (311,588)

Cash and Cash Equivalents
Beginning 1,507,554 1,819,142
Ending $ 311,615 $ 1,507,554

Supplemental Schedule of Noncash Investing and Financing Activities
In December 2006, the Foundation received 106 shares of stock from a donor with a value of $2,462,454. This contribution is temporarily restricted.

In May 2007, the Foundation received 680 shares of stock from a donor with a value of $2,462,454. This contribution is temporarily restricted for a specific program.

See Notes To Financial Statements.

NOTES TO FINANCIAL STATEMENTS
Note 1: Nature Of Activities And Significant Accounting Policies
Nature of activities: The International Women’s Media Foundation (the Foundation) was established in 1990. The Foundation is a private nonprofit organization dedicated to enhancing the role of the women in the media worldwide through education and training and promoting freedom of the press.

A summary of the Foundation’s significant accounting policies follows:

Basis of accounting: The accounts of the Foundation are maintained on the accrual basis of accounting.

Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: Short-term, highly liquid investments that have original maturities of 90 days or less are considered cash and cash equivalents. The carrying value of cash and cash equivalents approximates fair value.

Investments: The investments of the Foundation typically consist of marketable securities. Marketable securities are reported at fair value with realized and unrealized gains and losses recorded in the statement of activities as a component of investment income. The fair values of marketable securities are determined based on quoted market prices.

Furniture and equipment: Furniture and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, which are generally three to seven years.

Revenues, gains, and other support: Event revenue represents receipts from the Courage in Journalism events and is available for general Foundation purposes. Unconditional promises to give are recorded as receivables and contribution revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions are reported as increases in either unrestricted or temporarily restricted net assets in accordance with their underlying terms.

Deferred revenue at June 30, 2007 and 2006, is mainly composed of revenue received in advance for the annual Courage in Journalism events and the Leadership Institute for Women Journalists, which is held after year end. The revenue associated with these events and programs is recognized at the time of the event or program.

Expenses are reported as decreases in unrestricted net assets. Temporarily restricted assets are reclassified to unrestricted assets as the related program costs are incurred or the temporary restrictions expire.

Promises to give and other receivables: Unconditional promises to give are recognized as revenue or gains in the period acknowledged. Conditional promises to give are only recognized when the conditions on which they depend are substantially met.

Unconditional promises to give are carried at fair value less an estimate made for doubtful promises based on a review of all outstanding promises on a monthly basis. Management determines the allowance for doubtful promises by using the historical experience applied to an aging of promises. Promises are written off when deemed uncollectible. The provision for doubtful promises, based on management’s evaluation of the collection of promises, is $0 at June 30, 2007 and 2006.

Net assets: The resources of the Foundation are classified within classes of net assets based on the existence or absence of donor-imposed restrictions. The net assets of the Foundation are reported in the financial statements as follows:

Unrestricted Net assets that are not subject to donor-imposed restrictions and are available for general use by the Foundation.

Temporarily restricted Net assets subject to donor imposed restrictions that may be or will be met either by actions of the Foundation or by the passage of time.

Permanently restricted This classification includes contributions that the donor has indicated must be preserved and remain intact. The interest and capital gains from these investments are temporarily restricted to be used in accordance with the donor’s instructions.

Income taxes: Under Internal Revenue Code (IRC) Section 501(c)(3) and the applicable income tax regulations of the District of Columbia, the Foundation is exempt from income taxes; therefore, no provision for income taxes has been recorded. Income that is not related to its exempt purpose less applicable deductions is subject to Federal and state corporation income taxes. The Foundation did not have any unrelated business income for the years ended June 30, 2007 and 2006.

Valuation of long-lived assets: The Foundation accounts for the valuation of long-lived assets under Statement of Financial Accounting Standards (SFAS) No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. SFAS No. 144 requires that long lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

Financial risk: The Foundation maintains its cash in bank deposit accounts, which, at times may exceed Federally insured limits. The Foundation has not experienced any losses in such accounts. The Foundation believes it is not exposed to any significant financial risk on cash.

The Foundation invests in a professionally managed portfolio that contains publicly-traded mutual funds and money market funds. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.
Note 2: Functional Expenses
The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The program expenses are categorized for the year ended June 30, 2007 and 2006, as follows:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Press freedom</td>
<td>$114,186</td>
<td>$112,275</td>
</tr>
<tr>
<td>International programs</td>
<td>486,092</td>
<td>438,961</td>
</tr>
<tr>
<td>Domestic programs</td>
<td>753,308</td>
<td>673,581</td>
</tr>
<tr>
<td>Information dissemination</td>
<td>94,683</td>
<td>92,082</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,448,269</strong></td>
<td><strong>$1,316,899</strong></td>
</tr>
</tbody>
</table>

Press freedom expenses represent educational programs related to the struggle for international free media. International program expenses are incurred for the training and networking of international women journalists. Domestic program expenses relate to expenses incurred for the training and networking of domestic women journalists. Information dissemination expenses relate to expenses incurred for the Foundation’s website, newsletters, outreach, and other project research and development.

Fundraising expenses represent the costs associated with planning and organizing fundraising efforts.

General and administrative costs relate to the overall management and operation of the Foundation.

Note 3: In-Kind Contributions
The Foundation receives numerous in-kind contributions primarily in the form of donated professional services benefiting the foundation as well as its various programs. The estimated fair value of such items has been recognized as contribution revenues and program expenses or supporting services in the statement of activities and changes in net assets. The estimated fair value of the in-kind contributions received was $290,539 and $30,710 for the years ended June 30, 2007 and 2006, respectively.

Note 4: Temporarily Restricted Net Assets
Temporarily restricted net assets of the Foundation as of June 30, 2007 and 2006, are designated for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Press freedom</td>
<td>$2,266</td>
<td>$66,000</td>
</tr>
<tr>
<td>International programs</td>
<td>478,263</td>
<td>2,603,821</td>
</tr>
<tr>
<td>Domestic programs</td>
<td>59,407</td>
<td>80,000</td>
</tr>
<tr>
<td>Information dissemination</td>
<td>68,721</td>
<td>68,721</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$608,657</strong></td>
<td><strong>$2,749,821</strong></td>
</tr>
</tbody>
</table>

Note 6: Investments
Investments as of June 30, 2007 and 2006, are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual funds</td>
<td>$3,963,815</td>
<td>$471,423</td>
</tr>
</tbody>
</table>

The cost of investments at June 30, 2007 and 2006 was $3,728,585 and $446,165, respectively.

Investment income for the years ended June 30, 2007 and 2006, consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net, realized gains and (losses)</td>
<td>$6,397</td>
<td>$27,854</td>
</tr>
<tr>
<td>Net, unrealized gains and (losses)</td>
<td>(12,726)</td>
<td>528</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>98,718</td>
<td>45,431</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$92,389</strong></td>
<td><strong>$73,813</strong></td>
</tr>
</tbody>
</table>

Note 7: Fixed Assets
Fixed assets as of June 30, 2007 and 2006, consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office furniture and equipment</td>
<td>$127,661</td>
<td>$109,306</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(86,306)</td>
<td>(71,166)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$41,355</strong></td>
<td><strong>$38,140</strong></td>
</tr>
</tbody>
</table>

Depreciation expense for the year ended June 30, 2007 and 2006 was $15,139 and $9,235, respectively.

Note 8: Benefit Plan
The Foundation has a 403(b) defined contribution savings plan (the Plan) available to substantially all eligible employees. Upon completion of six months of service, participants’ contributions, up to the maximum of three percent of their base compensation, are matched 100% by the Foundation. Upon completion of a full year of service, the Foundation matches 100% of participants’ contributions, up to the maximum of five percent of their base compensation. The Foundation’s contributions to the Plan are charged to expenses and amounted to $24,295 and $12,456 for the years ended June 30, 2007 and 2006 respectively.

Note 9: Commitments
The Foundation leases office space and office equipment under noncancelable operating leases expiring at various lease dates through 2011. Future minimum lease payments under these operating leases are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate rental expense under these leases amounted to $99,736 and $100,670 for the years ended June 30, 2007 and 2006, respectively.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 10: Concentrations
During the year ended June 30, 2007, approximately 61% of the Foundation’s revenue came from a single contributor.