

The International Women's Media Foundation

Financial Report
December 31, 2020

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Independent Auditor's Report

RSM US LLP

Board of Directors
The International Women's Media Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of The International Women's Media Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The International Women's Media Foundation as of December 31, 2020 and 2019, 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.

RSM US LLP

Washington, D.C.
November 17, 2021

The International Women's Media Foundation

Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 113,972	\$ 515,214
Investments	15,477,151	5,045,828
Promises to give	372,654	336,276
Prepaid expense and other assets	55,760	37,103
Property and equipment, net	36,500	75,747
	<u>16,056,037</u>	<u>6,010,168</u>
Total assets	\$ 16,056,037	\$ 6,010,168
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 254,529	\$ 142,250
Refundable advances	10,017,327	-
Deferred rent	64,717	76,124
Total liabilities	<u>10,336,573</u>	<u>218,374</u>
Commitments and contingencies (see Note 13)		
Net assets (deficit):		
Without donor restrictions	394,771	(382,626)
With donor restrictions	5,324,693	6,174,420
Total net assets	<u>5,719,464</u>	<u>5,791,794</u>
Total liabilities and net assets	\$ 16,056,037	\$ 6,010,168

See notes to financial statements.

The International Women's Media Foundation

Statements of Activities
Years Ended December 31, 2020 and 2019

	2020	2019
Activities without donor restrictions:		
Revenue and support:		
Grants and contributions	\$ 1,201,088	\$ 310,750
Courage Awards	679,481	1,165,183
Other income	-	2,688
Net assets released from restrictions	3,233,832	3,177,745
Total revenue and support	5,114,401	4,656,366
Expenses:		
Program services:		
Training and research	3,308,016	3,335,622
Courage Awards	220,568	578,935
Total program services	3,528,584	3,914,557
Supporting services:		
General and administrative	794,970	827,773
Fundraising	286,293	474,017
Total supporting services	1,081,263	1,301,790
Total expenses	4,609,847	5,216,347
Change in net assets without donor restrictions before other items	504,554	(559,981)
Gain on forgiveness of note payable	239,500	-
Net investment return	33,343	55,636
Loss resulting from external theft	-	(44,012)
Change in net assets without donor restrictions	777,397	(548,357)
Activities with donor restrictions:		
Grants and contributions	2,370,012	1,695,256
Net investment return	14,093	260,563
Net assets released from restrictions	(3,233,832)	(3,177,745)
Change in net assets with donor restrictions	(849,727)	(1,221,926)
Change in net assets	(72,330)	(1,770,283)
Net assets:		
Beginning	5,791,794	7,562,077
Ending	\$ 5,719,464	\$ 5,791,794

See notes to financial statements.

The International Women's Media Foundation

Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (72,330)	\$ (1,770,283)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized and unrealized loss (gain) on investments	78,655	(164,037)
Depreciation and amortization	41,153	46,983
Deferred rent	(11,407)	(6,570)
Gain on forgiveness of note payable	(239,500)	-
Contributions with donor restrictions maintained in perpetuity	(39,907)	(48,197)
Changes in assets and liabilities:		
(Increase)/decrease:		
Promises to give	(36,378)	1,110,721
Prepaid expense and other assets	(18,657)	22,577
Increase/(decrease):		
Accounts payable and accrued expenses	112,279	(112,768)
Refundable advances	10,017,327	-
Net cash provided by (used in) operating activities	9,831,235	(921,574)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	436,300	2,262,147
Purchases of investments	(10,946,278)	(1,209,552)
Purchases of property and equipment	(1,906)	(42,342)
Net cash (used in) provided by investing activities	(10,511,884)	1,010,253
Cash flows from financing activities:		
Proceeds from issuance of note payable	239,500	-
Contributions with donor restrictions maintained in perpetuity	39,907	48,197
Net cash provided by financing activities	279,407	48,197
Net (decrease) increase in cash and cash equivalents	(401,242)	136,876
Cash and cash equivalents:		
Beginning	515,214	378,338
Ending	\$ 113,972	\$ 515,214
Supplemental schedule of non-cash financing activities:		
Extinguishment of debt	\$ 239,500	\$ -

See notes to financial statements.

The International Women's Media Foundation

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 organized as a nonprofit corporation in 1989 in accordance with the laws of the state of Delaware. The Foundation unleashes the potential of women journalists as champions of press freedom to transform the global news media. The Foundation is the only non-governmental organization that offers safety training, reporting trips and byline opportunities, all tailored to female journalists—both established, and up-and-coming. The Foundation believes that gender does not conform to one notion. The Foundation is inclusive of all journalists who identify as women, which includes trans women, and non-binary people.

Program services descriptions are as follows:

Training and research: The Foundation researches the factors that allow journalism to remain dominated by men while advocating for inclusive practices that help propel women and minorities into leadership. The Foundation's fellows and grantees, both freelance and staff journalists, become experts in reporting in underserved regions, generate must-read stories, align with top outlets, and bring critical issues affecting women and others to light. The Foundation is the only non-governmental organization that provides safety training, byline opportunities, and emergency support tailored to women journalists and photographers around the world.

Courage Awards: The Courage in Journalism Award honors women journalists who set themselves apart by their extraordinary bravery, and the Lifetime Achievement Award is given in recognition of media industry pioneers who kick down barriers to equality and justice. Since 1990, the Foundation has honored more than 100 groundbreaking journalists in 56 countries.

Supporting services descriptions are as follows:

General and administrative: The general and administrative service includes expenditures related to administrative functions, such as maintaining the office space and managing the financial and governance responsibilities of the Foundation.

Fundraising: The fundraising service includes expenditures that encourage and secure financial support for the Foundation.

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

Basis of presentation: The Foundation follows the accounting requirements of the Not-for-Profit Entities topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under the FASB ASC, the Foundation is required to report information regarding its net assets and its activities according to two categories: (1) net assets without donor restrictions and (2) net assets with donor restrictions.

Without donor restrictions: Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by Board designation. However, the Foundation has no board-designated net assets.

With donor restrictions: Net assets with donor restrictions include those net assets whose use is subject to donor-imposed restrictions. Donor restrictions may be for a specified time or purpose limitation or the donor may specify that the corpus of their original and certain subsequent gifts be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The International Women's Media Foundation

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

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

Income taxes: The Foundation is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as other than a private foundation within the meaning of Section 509(a)(1) of the Internal Revenue Code.

Cash and cash equivalents: For financial statement purposes, the Foundation considers demand deposits to be cash and cash equivalents. Amounts held in the investment portfolio, regardless of maturity, are not included in cash and cash equivalents.

Investments: Investments with readily determinable fair values are reflected at fair value. To adjust the carrying value of these investments, the change in fair value is reported as a component of net investment return on the statement of activities.

Financial risk: The Foundation maintains demand deposits with commercial banks and money market funds with financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. The uninsured portions of cash and money market accounts are backed solely by the assets of the underlying institution. Therefore, the failure of an underlying institution could result in financial loss to the Foundation. However, the Foundation 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.

The Foundation invests funds in a professionally managed portfolio that contains various types of marketable debt and equity securities. Investments are exposed to market and credit risks and may be subject to significant fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

Promises to give: Promises to give included in the statement of financial position consist of unconditional contributions from donors that are expected to be collected within one year. Thus, promises to give have been recorded at net realizable value. Management has reviewed the status of the promises to give for collectability. Each balance is assessed based on management's knowledge of and relationship with the donors and the age of the receivable balance. As a result of these reviews, there were no write-offs during the years ended December 31, 2020 and 2019. Management believes that the use of the direct write-off method approximates the results that would be presented if an allowance for doubtful promises to give had been recorded.

The Foundation has conditional contributions from funding sources which have yet been recorded in the financial statements. Conditional contributions which have not yet been recorded in the financial statements totaled \$0 and \$100,000 at December 31, 2020 and 2019, respectively.

The International Women's Media Foundation

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Property and equipment: Acquisitions of property and equipment greater than \$1,000 are recorded at cost and depreciated or amortized using the straight-line method over the following estimated useful lives: website and computer software – three years, furniture and equipment – three to seven years and leasehold improvements – over the lesser of the remaining term of the office lease or the estimated useful life of the improvements.

Valuation of long-lived assets: Long-lived property, such as leasehold improvements, that suffers a permanent impairment will be written down to fair value and an impairment loss equal to the difference between the property's carrying amount and fair value would be included as a reduction in the change in net assets.

Refundable advances: Refundable advances include conditional contributions received in advance of meeting the conditions stipulated by the donors.

Deferred rent: The Foundation recognizes the minimum rents required under a lease as rent expense on a straight-line basis over the term of the lease. Differences between amounts recorded as expense and amounts actually paid are reported as deferred rent in the statement of financial position along with the unamortized landlord provided tenant improvement allowance (see Note 13).

Revenue and support: Revenue includes line items that have performance obligations such as the Courage Awards and other income. Support includes grants and contributions.

Revenue from contracts with customers includes performance obligations that are satisfied either at a point in time or over time and most contracts have initial terms of one year or less. The Foundation performs an evaluation at contract inception focused on whether a performance obligation is satisfied over time or at a point in time. If a performance obligation meets certain specific criteria, the related revenue is recognized over time if the Foundation is able to reasonably measure its progress toward complete satisfaction of the performance obligation using reliable information. Output methods and input methods are used to measure progress for goods and services for which control has been transferred to the customer. If the certain criteria are met, revenue is recognized at a point in time.

Prices are specific to a distinct performance obligation and contracts with customers do not have multiple performance obligations. Economic factors driven by consumer confidence, employment, inflation and other world events impact the timing and level of revenue recognized in the financial statements. Periods of economic downturn resulting from any of the above factors may result in declines in future cash flows and recognized revenue of the Foundation, or can have a positive impact on cash flows in favorable economic conditions.

Grants and contributions: Unconditional contributions, including grants that are treated as contributions, are recognized when received. Contributions are classified within activities without donor restrictions or within activities with donor restrictions depending upon the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when either the purpose restriction is satisfied, or the time restriction expires.

Courage Awards: The Courage in Journalism Awards (Courage Awards) are typically held every October in New York, District of Columbia and Los Angeles, and are considered special events, which include elements of both revenue and support. Revenue associated with the costs of direct benefits to donors is recognized over the time that the events take place. The fair value of meals and entertainment provided at the events are considered direct benefits to attendees. In addition, sponsorships are considered conditional contributions which are recognized when the events take place.

The International Women's Media Foundation

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Functional allocation of expenses: The costs of providing various program and supporting services have been summarized on a functional basis in the statements of activities, with detailed information by natural expense category in the footnotes to the financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited. Costs related to a specific functional activity are charged directly to that activity. However, other indirect costs are allocated among the program and supporting services benefited based on management's best estimates. In particular, personnel expenses and other shared costs such as office expense, equipment, depreciation and insurance costs are allocated based on estimated employee effort. Occupancy costs have been allocated based on square footage occupied.

Recent accounting pronouncement adopted: FASB Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The Foundation adopted the standard for contributions received effective for the year ended December 31, 2019. The Foundation adopted the standard for contributions made effective for the year ended December 31, 2020, using the modified prospective method. Based on the Foundation's review of the contributions it makes, the timing and amount of expense recognized previously is consistent with how expense is recognized under the new standard. Therefore, the adoption of the new standard had no impact on the Foundation's financial statements.

Upcoming accounting pronouncements: FASB ASU 2016-02, *Leases (Topic 842)* supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities. In November 2019, the FASB delayed the adoption of ASU 2016-02 to fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Foundation is currently evaluating the impact of the pending adoption of the new standard on the financial statements for the year ending December 31, 2022.

FASB ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, requires a not-for-profit entity to present contributed nonfinancial assets in the statements of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. ASU 2020-07 is not expected to have a significant impact on the Foundation's financial statements and is effective for the year ending December 31, 2022.

Subsequent events: Subsequent events have been evaluated through November 17, 2021, which is the date the financial statements were available to be issued.

The International Women's Media Foundation

Notes to Financial Statements

Note 2. Investments

The Foundation follows the accounting standards topic regarding fair value measurements, which establishes a framework for measuring fair value in accordance with U.S. GAAP and expands disclosures about fair value measurements. This standard uses the following prioritized input levels to measure fair value. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes

Level 2: Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data

Level 3: Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts

Investments valued using Level 1 inputs include common stocks, mutual funds and money market funds, which were valued based on quoted prices for identical assets in active markets.

Investments valued using Level 2 inputs include U.S. government obligations, corporate bonds and certificates of deposit, which were valued by pricing vendors using outside data. In determining the fair value of the investments, the pricing vendors use a market approach and pricing spreads based on the credit risk of the issuer, maturity, current yield and other terms and conditions of each security.

Management believes the estimated fair values to be a reasonable approximation of the exit price for these investments.

Investments consisted of the following at December 31, 2020:

	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Common stocks	\$ 1,119,200	\$ -	\$ -	\$ 1,119,200
Mutual funds – fixed income	558,965	-	-	558,965
Money market funds	10,499,888	-	-	10,499,888
U.S. government obligations	-	221,151	-	221,151
Corporate bonds	-	140,952	-	140,952
Certificates of deposit	-	1,983,462	-	1,983,462
	<u>\$ 12,178,053</u>	<u>\$ 2,345,565</u>	<u>\$ -</u>	<u>14,523,618</u>
Investments, at cost:				
Cash and cash equivalents				953,533
				<u>\$ 15,477,151</u>

The International Women's Media Foundation

Notes to Financial Statements

Note 2. Investments (Continued)

Investments consisted of the following at December 31, 2019:

	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Common stocks	\$ 1,133,681	\$ -	\$ -	\$ 1,133,681
Exchange traded funds	10,135	-	-	10,135
Mutual funds – fixed income	372,053	-	-	372,053
Money market funds	91,458	-	-	91,458
U.S. government obligations	-	225,522	-	225,522
Corporate bonds	-	133,808	-	133,808
Certificates of deposit	-	2,504,977	-	2,504,977
	<u>\$ 1,607,327</u>	<u>\$ 2,864,307</u>	<u>\$ -</u>	<u>4,471,634</u>
Investments, at cost:				
Cash and cash equivalents				574,194
				<u>\$ 5,045,828</u>

The Foundation's investments include assets related to the endowment funds which are described in Note 7. Operating cash and investments included assets related to donor-restricted funds totaling \$1,875,374 and \$1,869,636 at December 31, 2020 and 2019, respectively.

Net investment return consisted of the following for the year ended December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 23,218	\$ 123,060	\$ 146,278
Realized and unrealized (loss) gain on investments	10,125	(88,780)	(78,655)
Investment fees	-	(20,187)	(20,187)
	<u>\$ 33,343</u>	<u>\$ 14,093</u>	<u>\$ 47,436</u>

Net investment return consisted of the following for the year ended December 31, 2019:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 52,876	\$ 119,256	\$ 172,132
Realized and unrealized (loss) gain on investments	3,526	160,511	164,037
Investment fees	(766)	(19,204)	(19,970)
	<u>\$ 55,636</u>	<u>\$ 260,563</u>	<u>\$ 316,199</u>

The International Women's Media Foundation

Notes to Financial Statements

Note 3. Liquidity

The Foundation structures its financial assets to be available as general expenditures, liabilities and other obligations come due. The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. The Foundation invests cash balances in excess of immediate liquidity needs in accordance with its investment policy.

The following provides a summary of financial assets available for general expenditures within one year at December 31, 2020 and 2019:

	2020	2019
Cash and cash equivalents	\$ 113,972	\$ 515,214
Investments	15,477,151	5,045,828
Promises to give	372,654	336,276
	<u>15,963,777</u>	<u>5,897,318</u>
Amounts not available for general expenditures:		
Net assets with donor restrictions	(5,324,693)	(6,174,420)
	<u>\$ 10,639,084</u>	<u>\$ (277,102)</u>

Note 4. Property and Equipment

Property and equipment consisted of the following at December 31, 2020 and 2019:

	2020	2019
Website	\$ 307,103	\$ 307,103
Furniture and equipment	87,895	85,989
Leasehold improvements	116,045	116,045
Computer software	15,450	15,450
	<u>526,493</u>	<u>524,587</u>
Less accumulated depreciation and amortization	(489,993)	(448,840)
	<u>\$ 36,500</u>	<u>\$ 75,747</u>

Note 5. Note Payable

In May 2020, the Foundation obtained proceeds totaling \$239,500, pursuant to the Paycheck Protection Program (PPP) under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) of March 27, 2020. Proceeds from the forgivable note payable could only be used for payroll costs, costs used to continue group healthcare benefits, mortgage payments, rent, utilities and interest on other debt obligations incurred before February 15, 2020. The Foundation intended to use the entire proceeds for qualifying expenses as described in the CARES Act. The Foundation elected to record the note payable related to the PPP loan in accordance with ASC Topic 470, Debt. The Foundation received official notification of forgiveness from the Small Business Administration (SBA) on December 7, 2020. Therefore, the Foundation, wrote off the entire balance as a gain on forgiveness of note payable during the year ended December 31, 2020.

The International Women's Media Foundation

Notes to Financial Statements

Note 6. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following as of and for the year ended December 31, 2020:

	Beginning	Support	Releases	Ending
Endowments	\$ 1,869,636	\$ 74,187	\$ (68,449)	\$ 1,875,374
Buffett – The Fund for Women Journalists	1,830,651	-	(427,118)	1,403,533
Emergency fund	34,567	869,332	(226,811)	677,088
Women facing online harassment	165,257	344,343	(236,015)	273,585
Women's and LGBTQI rights in Mesoamerica	311,518	200,000	(238,624)	272,894
Asia Reporting Project	214,553	-	(29,557)	184,996
Cybersecurity training	304,619	100,000	(246,058)	158,561
Black Journalists Therapy Relief Fund	-	198,041	(42,646)	155,395
Safety and Equality for Women in the Workplace	474,358	-	(350,967)	123,391
Elizabeth Neuffer Fellowship	57,039	55,775	(21,041)	91,773
Lauren Brown Memorial Fund	37,396	15,971	(6,449)	46,918
Women Deliver	40,000	-	(21,660)	18,340
COVID-19 Relief Fund	-	476,186	(459,963)	16,223
Robertson – Visura Project	-	15,000	-	15,000
Gwen Ifill Mentorship Program	-	5,950	-	5,950
Buffett – Adelante	754,297	-	(749,625)	4,672
Alex Duval Smith Memorial Fund	-	1,000	-	1,000
Combat Modern Slavery	44,985	1,935	(46,920)	-
Islamic Art's Building Bridges Program	28,882	-	(28,882)	-
Courage Awards Events (time restriction)	-	26,385	(26,385)	-
Reporting on reproductive health, rights and justice	6,204	-	(6,204)	-
Malaria No More	458	-	(458)	-
	<u>\$ 6,174,420</u>	<u>\$ 2,384,105</u>	<u>\$ (3,233,832)</u>	<u>\$ 5,324,693</u>

Net assets with donor restrictions consisted of the following as of and for the year ended December 31, 2019:

	Beginning	Support	Releases	Ending
Endowments	\$ 1,634,126	\$ 308,760	\$ (73,250)	\$ 1,869,636
Buffett – The Fund for Women Journalists	2,168,869	-	(338,218)	1,830,651
Emergency fund	92,262	88,986	(146,681)	34,567
Women facing online harassment	127,915	225,000	(187,658)	165,257
Women's and LGBTQI rights in Mesoamerica	250,000	250,000	(188,482)	311,518
Asia Reporting Project	-	300,000	(85,447)	214,553
Cybersecurity training	-	350,000	(45,381)	304,619
Safety and Equality for Women in the Workplace	1,000,000	200	(525,842)	474,358
Elizabeth Neuffer Fellowship	38,329	69,586	(50,876)	57,039
Reporting on reproductive health, rights and justice	100,288	25,000	(119,084)	6,204
Lauren Brown Memorial Fund	-	39,285	(1,889)	37,396
Women Deliver	-	40,000	-	40,000
Buffett – Adelante	1,797,585	-	(1,043,288)	754,297
Combat Modern Slavery	10,997	72,173	(38,185)	44,985
Islamic Art's Building Bridges Program	-	107,010	(78,128)	28,882
Courage Awards Events (time restriction)	-	27,624	(27,624)	-
Malaria No More	-	52,195	(51,737)	458
Buffett – Africa Great Lakes	115,991	-	(115,991)	-
TSS Investigative Reporting grants	59,984	-	(59,984)	-
	<u>\$ 7,396,346</u>	<u>\$ 1,955,819</u>	<u>\$ (3,177,745)</u>	<u>\$ 6,174,420</u>

The International Women's Media Foundation

Notes to Financial Statements

Note 7. Endowments

The Foundation's endowments include the following three donor-restricted endowment funds which have been classified within net assets with donor restrictions. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Niedringhaus: The Anja Niedringhaus Courage in Photojournalism Award (Niedringhaus) fund provides an annual award to recognize the leadership of individual photojournalists working in conflict areas. The award recipients will be recommended by the Foundation's Awards Committee.

Kim Wall Memorial Fund: The Kim Wall Memorial Fund provides scholarships for women journalists. The award recipients will be recommended by the Foundation's Awards Committee.

Courage Awards: The Courage in Journalism Awards (Courage Awards) fund provides awards of \$5,000 for up to four recipients annually. The total amount of annual awards may not exceed \$20,000. Investment income from the fund is classified as an activity with donor restrictions until appropriated for spending on awards. In any given year, if the investment income exceeds \$20,000, the excess funds may be used for the direct costs associated with administration of the awards, but for no other purpose.

Interpretation of relevant law: The Board of Directors has interpreted the District of Columbia's Uniform Prudent Management of Institutional Funds Act of (UPMIFA) such that the law underlies the Foundation's net asset classification of donor-restricted endowment funds as requiring the preservation of the fair value of the original gift. As a result of this interpretation, the Foundation classifies as donor-restricted net assets held in perpetuity: (1) the original value of gifts donated to the permanent endowment and (2) the original value of subsequent gifts to the permanent endowment. Absent explicit direction from the donor regarding the classification of investment income from the permanently restricted endowments, investment income is recorded in donor-restricted specified activities until appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

Return objectives and risk parameters: The Foundation has adopted investment and spending policies for the underlying endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that achieve constant growth of the endowment funds. Actual returns in any given year may vary from that objective.

Strategies employed for achieving objectives: To satisfy its long-term objectives, the Foundation relies on an earnings and safety of principal strategy in which investment returns are achieved primarily through current yield (interest and dividends). The Foundation targets a diversified asset allocation that places more emphasis on fixed income securities than equity securities to achieve its long-term return objectives while remaining within prudent risk constraints.

Spending policy: The central objective of the Foundation's spending policy is to preserve the purchasing power of the Foundation's endowment funds while simultaneously providing awards and fellowships. The Foundation's endowments each have a specified dollar limit on the amount that can be spent each year.

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 originally contributed as an endowment fund to the Foundation. The Courage Awards fund had a deficiency totaling \$24,356 and \$5,745 at December 31, 2020 and 2019, respectively.

The International Women's Media Foundation

Notes to Financial Statements

Note 7. Endowment (Continued)

Endowment funds consisted of the following at December 31, 2020:

	Specified Purpose	Held in Perpetuity	Total
Niedringhaus	\$ 54,412	\$ 1,000,000	\$ 1,054,412
Courage Awards	(24,356)	399,726	375,370
Kim Wall Memorial Fund	14,022	431,570	445,592
	<u>\$ 44,078</u>	<u>\$ 1,831,296</u>	<u>\$ 1,875,374</u>

Endowment funds consisted of the following at December 31, 2019:

	Specified Purpose	Held in Perpetuity	Total
Niedringhaus	\$ 63,825	\$ 1,000,000	\$ 1,063,825
Courage Awards	(5,745)	399,726	393,981
Kim Wall Memorial Fund	20,167	391,663	411,830
	<u>\$ 78,247</u>	<u>\$ 1,791,389</u>	<u>\$ 1,869,636</u>

Changes in endowment net assets consisted of the following for the years ended December 31, 2020:

	Specified Purpose	Held in Perpetuity	Total
Beginning	\$ 78,247	\$ 1,791,389	\$ 1,869,636
Contributions	-	39,907	39,907
Net investment return	14,093	-	14,093
Appropriations	(48,262)	-	(48,262)
Ending	<u>\$ 44,078</u>	<u>\$ 1,831,296</u>	<u>\$ 1,875,374</u>

Changes in endowment net assets consisted of the following for the years ended December 31, 2019:

	Specified Purpose	Held in Perpetuity	Total
Beginning	\$ (109,066)	\$ 1,743,192	\$ 1,634,126
Contributions	-	48,197	48,197
Net investment return	260,563	-	260,563
Appropriations	(73,250)	-	(73,250)
Ending	<u>\$ 78,247</u>	<u>\$ 1,791,389</u>	<u>\$ 1,869,636</u>

The International Women's Media Foundation

Notes to Financial Statements

Note 8. Special Events

The Foundation allocates joint costs relating to its special events which are held to raise support for the Foundation's mission. The special events include an educational aspect for participants because the events raise awareness about the courage of women journalists who overcome threats and oppression to speak out on global issues. In addition, the Foundation's direct benefit to donors has been reported in program services expense at actual cost which totaled \$0 and \$93,900 during the years ended December 31, 2020 and 2019, respectively.

Special events consisted of the following for the years ended December 31, 2020 and 2019:

	2020	2019
Courage Awards:		
Contributions	\$ 679,481	\$ 1,071,283
Exchange transaction revenue *	-	93,900
	<u>679,481</u>	<u>1,165,183</u>
Courage Awards:		
Program services expense	220,568	578,935
Fundraising expense	196,005	227,889
	<u>416,573</u>	<u>806,824</u>
	<u>\$ 262,908</u>	<u>\$ 358,359</u>

* Due to the COVID-19 pandemic, the Courage Awards were held virtually during the year ended December 31, 2020. As a result, there were no direct benefits to donors related to the 2020 events, which explains why there was no exchange transaction revenue for the year ended December 31, 2020.

Note 9. In-Kind Contributions

Donated services, such as pro bono legal services, are recognized as contributions and expense in accordance with U.S. GAAP. In order to meet the criteria for recognition in the financial statements, contributions of in-kind services must: (a) create or enhance non-financial assets or (b) require specialized skills, be performed by people with those skills, and would otherwise be purchased by the Foundation. Donated legal services totaled \$38,006 and \$36,766 for the years ended December 31, 2020 and 2019, respectively.

Note 10. Acquisition of Round Earth Media

On April 2, 2019, the Foundation acquired, without the transfer of consideration, the global journalism nonprofit Round Earth Media (REM), an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Now operating as a program of the Foundation, REM will continue its groundbreaking work in Asia, Latin America and Africa, thereby expanding the Foundation's presence in underreported and underserved regions around the world. REM's focus on untold stories matches the Foundation's mission of placing women journalists at the center of the news around the world, no matter the challenges. REM also extends the Foundation's scope by building storytelling partnerships with male journalists around the world.

As a result of the acquisition, REM's net assets totaling \$482,993 at March 31, 2019, were transferred to the Foundation on April 2, 2019. In accordance with Accounting Standards Codification (ASC) 958-805-30-9, the Foundation treated the transfer of net assets from REM, which approximated REM's fair value, as a contribution in the statement of activities and classified \$75,983 as contributions without donor restrictions and \$407,010 as contributions with donor restrictions. REM filed and received approval of its articles of dissolution in the state of Minnesota on February 26, 2020.

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Notes to Financial Statements

Note 11. Retirement Plan

The Foundation has a 401(k) defined contribution savings plan (the Plan) available to all eligible employees. Upon completion of one year of service, participants' contributions, up to a maximum of 4% of their base compensation, are matched 100% by the Foundation. The Foundation's contributions to the Plan totaled \$39,464 and \$35,249 for the years ended December 31, 2020 and 2019, respectively.

Note 12. Functional Expenses

Functional expenses consisted of the following for the years ended December 31, 2020:

	Program Services		Supporting Services		Total
	Training and Research	Courage Awards	General and Administrative	Fundraising	
Personnel	\$ 916,499	\$ 95,854	\$ 351,909	\$ 145,105	\$ 1,509,367
Awards	1,190,347	48,510	-	-	1,238,857
Professional fees	696,484	12,037	286,772	112,796	1,108,089
Other	147,775	35,444	101,674	22,069	306,962
Conferences, meetings and travel	257,905	10,020	20,036	131	288,092
Rent and facilities	99,006	18,703	34,579	6,192	158,480
	<u>\$ 3,308,016</u>	<u>\$ 220,568</u>	<u>\$ 794,970</u>	<u>\$ 286,293</u>	<u>\$ 4,609,847</u>

Functional expenses consisted of the following for the years ended December 31, 2019:

	Program Services		Supporting Services		Total
	Training and Research	Courage Awards	General and Administrative	Fundraising	
Personnel	\$ 917,084	\$ 99,804	\$ 249,436	\$ 141,093	\$ 1,407,417
Awards	557,155	94,237	2,000	-	653,392
Professional fees	724,841	40,924	396,527	264,158	1,426,450
Other	208,618	35,366	52,257	40,473	336,714
Conferences, meetings and travel	819,780	290,685	100,552	15,225	1,226,242
Rent and facilities	108,144	17,919	27,001	13,068	166,132
	<u>\$ 3,335,622</u>	<u>\$ 578,935</u>	<u>\$ 827,773</u>	<u>\$ 474,017</u>	<u>\$ 5,216,347</u>

Note 13. Commitments and Contingencies

Office lease: The Foundation has an operating lease for office space, which expires on December 31, 2023. The office lease contains an abatement of the first three months of rent related to the extended term of the lease and an escalation clause which adjusts annual base rentals. The lease also contains a pass-through clause relating to real estate taxes and operating expenses, which are not included in base rentals. In addition, the lease provided a tenant improvement allowance of \$97,650 which will be amortized over the life of the lease.

U.S. GAAP requires that the cost of the build-out be capitalized within property and equipment and amortized over the term of the lease. U.S. GAAP also requires that the lease incentive along with the abatement and scheduled rent increases resulting from the escalation of base rentals be recorded as a liability and amortized ratably over the term of the lease so as to record rent expense on a straight-line basis over the term of the lease. The deferred rent liability totaled \$64,717 and \$76,124 at December 31, 2020 and 2019, respectively.

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Notes to Financial Statements

Note 13. Commitments and Contingencies (Continued)

Rent expense related to the office lease totaled \$158,480 and \$166,132 for the years ended December 31, 2020 and 2019, respectively.

Future minimum cash basis rent payments as required by the office lease are as follows:

Years ending December 31:

2021	\$	171,050
2022		176,185
2023		181,470
	\$	<u>528,705</u>

Employment letter of agreement: The Foundation has a letter of agreement with a key employee. Under the terms of the letter of agreement, should employment be terminated without cause the Foundation would be obligated to pay severance, as described in the letter of agreement.

Hotel contracts: The Foundation has agreements with various hotels to provide meeting facilities and room accommodations for meetings and events held in future years. The agreements contain various attrition clauses whereby the Foundation may be liable for liquidated damages in the event of cancellation or lower than anticipated attendance.

Government grants: The Foundation participates in federally assisted government grant programs, which may be subject to financial and compliance audits by the federal agencies or their representatives. Therefore, a contingent liability may exist for potential questioned costs that would result from such audits. However, management does not anticipate any significant adjustments as a result of such audits. Furthermore, since total federal awards expended by the Foundation were less than \$750,000, a single audit in accordance with the Uniform Guidance was not required.

COVID-19 Pandemic: On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The COVID-19 pandemic and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Foundation operates. It is unknown how long these conditions will last and what the complete financial affect will be to the Foundation, to date, and it is reasonably possible that the Foundation is vulnerable to the risk of a near-term impact.