

FINANCIAL STATEMENTS



**INTERNATIONAL
WOMEN'S MEDIA
FOUNDATION**

**FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2020**

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The International Women's Media Foundation
Washington, D.C.

Opinion

We have audited the accompanying financial statements of The International Women's Media Foundation (the Foundation), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2021, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

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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, including omissions, 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the Foundation's 2020 financial statements, which were audited by other auditors and, in their report dated November 17, 2021, they expressed an unmodified opinion on those statements.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

December 2, 2022

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

ASSETS

| | 2021 | 2020 |
|---|-----------------------------|-----------------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 508,941 | \$ 113,972 |
| Investments | 15,759,712 | 15,477,151 |
| Grants and contributions receivable | 720,986 | 372,654 |
| Prepaid expenses and other assets | <u>58,960</u> | <u>55,760</u> |
| Total current assets | <u>17,048,599</u> | <u>16,019,537</u> |
| FIXED ASSETS | | |
| Furniture | 38,716 | 38,716 |
| Computer equipment | 380,182 | 371,732 |
| Leasehold improvements | <u>116,045</u> | <u>116,045</u> |
| | 534,943 | 526,493 |
| Less: Accumulated depreciation and amortization | <u>(519,418)</u> | <u>(489,993)</u> |
| Net fixed assets | <u>15,525</u> | <u>36,500</u> |
| NONCURRENT ASSETS | | |
| Grants and contributions receivable, net of current portion | <u>150,000</u> | <u>-</u> |
| TOTAL ASSETS | <u>\$ 17,214,124</u> | <u>\$ 16,056,037</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 215,158 | \$ 254,530 |
| Deferred rent | 21,521 | 48,327 |
| Refundable advance | <u>9,894,479</u> | <u>10,017,327</u> |
| Total current liabilities | <u>10,131,158</u> | <u>10,320,184</u> |
| NONCURRENT LIABILITIES | | |
| Deferred rent, net of current portion | <u>26,806</u> | <u>16,389</u> |
| Total liabilities | <u>10,157,964</u> | <u>10,336,573</u> |
| NET ASSETS | | |
| Without donor restrictions | 1,343,749 | 394,771 |
| With donor restrictions | <u>5,712,411</u> | <u>5,324,693</u> |
| Total net assets | <u>7,056,160</u> | <u>5,719,464</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 17,214,124</u> | <u>\$ 16,056,037</u> |

See accompanying notes to financial statements.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

| | 2021 | | | 2020 |
|---|----------------------------------|----------------------------|----------------------------|----------------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| SUPPORT AND REVENUE | | | | |
| Grants and contributions | \$ 2,519,856 | \$ 4,346,824 | \$ 6,866,680 | \$ 4,250,581 |
| Net assets released from donor restrictions | <u>4,132,554</u> | <u>(4,132,554)</u> | <u>-</u> | <u>-</u> |
| Total support and revenue | <u>6,652,410</u> | <u>214,270</u> | <u>6,866,680</u> | <u>4,250,581</u> |
| EXPENSES | | | | |
| Program Services: | | | | |
| Training and Research | 3,828,837 | - | 3,828,837 | 3,308,016 |
| Courage Awards | <u>224,900</u> | <u>-</u> | <u>224,900</u> | <u>220,568</u> |
| Total program services | <u>4,053,737</u> | <u>-</u> | <u>4,053,737</u> | <u>3,528,584</u> |
| Supporting Services: | | | | |
| General and Administrative | 1,217,426 | - | 1,217,426 | 794,970 |
| Fundraising | 312,524 | - | 312,524 | 286,293 |
| Communications | <u>149,733</u> | <u>-</u> | <u>149,733</u> | <u>-</u> |
| Total supporting services | <u>1,679,683</u> | <u>-</u> | <u>1,679,683</u> | <u>1,081,263</u> |
| Total expenses | <u>5,733,420</u> | <u>-</u> | <u>5,733,420</u> | <u>4,609,847</u> |
| Change in net assets before other items | 918,990 | 214,270 | 1,133,260 | (359,266) |
| OTHER ITEMS | | | | |
| Forgiveness of note payable | - | - | - | 239,500 |
| Net investment return | <u>29,988</u> | <u>173,448</u> | <u>203,436</u> | <u>47,436</u> |
| Change in net assets | 948,978 | 387,718 | 1,336,696 | (72,330) |
| Net assets at beginning of year | <u>394,771</u> | <u>5,324,693</u> | <u>5,719,464</u> | <u>5,791,794</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 1,343,749</u> | <u>\$ 5,712,411</u> | <u>\$ 7,056,160</u> | <u>\$ 5,719,464</u> |

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020**

| | 2021 | | | | | | | 2020 | |
|--------------------------------------|-----------------------|-------------------|------------------------|----------------------------|-------------------|-------------------|---------------------------|---------------------|---------------------|
| | Program Services | | | Supporting Services | | | | Total Expenses | Total Expenses |
| | Training and Research | Courage Awards | Total Program Services | General and Administrative | Communications | Fundraising | Total Supporting Services | | |
| Personnel expenses | \$ 624,673 | \$ 71,070 | \$ 695,743 | \$ 510,566 | \$ 128,345 | \$ 189,034 | \$ 827,945 | \$ 1,523,688 | \$ 1,509,367 |
| Professional fees | 656,366 | 44,811 | 701,177 | 331,553 | 14,164 | 112,500 | 458,217 | 1,159,394 | 1,108,089 |
| Rent and facilities | 7,946 | - | 7,946 | 154,664 | - | - | 154,664 | 162,610 | 158,480 |
| Awards | 2,345,099 | 38,000 | 2,383,099 | 425 | - | - | 425 | 2,383,524 | 1,238,857 |
| Conferences, meetings, and travel | 61,400 | 42,232 | 103,632 | 15,628 | 276 | 89 | 15,993 | 119,625 | 288,092 |
| Other | 133,353 | 28,787 | 162,140 | 204,590 | 6,948 | 10,901 | 222,439 | 384,579 | 306,962 |
| TOTAL | \$ 3,828,837 | \$ 224,900 | \$ 4,053,737 | \$ 1,217,426 | \$ 149,733 | \$ 312,524 | \$ 1,679,683 | \$ 5,733,420 | \$ 4,609,847 |

See accompanying notes to financial statements.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

| | <u>2021</u> | <u>2020</u> |
|---|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 1,336,696 | \$ (72,330) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 29,425 | 41,154 |
| Realized and unrealized (gain) loss on investments | (133,848) | 78,654 |
| Contributions restricted for long-term investment | (35,075) | (39,907) |
| Forgiveness of note payable | - | (239,500) |
| Increase in: | | |
| Grant receivable | (150,000) | - |
| Grants and contributions receivable | (348,332) | (36,378) |
| Prepaid expenses and other assets | (3,200) | (18,657) |
| (Decrease) increase in: | | |
| Accounts payable and accrued expenses | (39,372) | 112,279 |
| Deferred rent abatement | (16,389) | (11,407) |
| Refundable advance | <u>(122,848)</u> | <u>10,017,327</u> |
| Net cash provided by operating activities | <u>517,057</u> | <u>9,831,235</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of fixed assets | (8,450) | (1,906) |
| Purchase of investments | (1,130,425) | (10,946,278) |
| Proceeds from sale of investments | <u>981,712</u> | <u>436,300</u> |
| Net cash used by investing activities | <u>(157,163)</u> | <u>(10,511,884)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from (payments on) issuance of note payable | - | 239,500 |
| Contributions restricted for long term investment | <u>35,075</u> | <u>39,907</u> |
| Net cash provided by financing activities | <u>35,075</u> | <u>279,407</u> |
| Net increase (decrease) in cash and cash equivalents | 394,969 | (401,242) |
| Cash and cash equivalents at beginning of year | <u>113,972</u> | <u>515,214</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>\$ 508,941</u> | <u>\$ 113,972</u> |

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The International Women's Media Foundation (the Foundation) is a non-profit organization, incorporated in the State of Delaware and located in District of Columbia. 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.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are more restrictive than the Foundation's mission and purpose. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the 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. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The financial statements include certain prior year summarized comparative information in total but not by net asset class; such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Cash and cash equivalents -

The Foundation considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents, excluding money market funds held by investment managers in the amount of \$1,511,976 for the year ended December 31, 2021. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Foundation maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment income, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift are recorded at their fair value at the date of the gift. The Foundation's policy is to liquidate all gifts of investments as soon as possible after the gift.

Grants and contributions receivable -

Grants and contributions receivable are recorded at their net realizable value, which approximates fair value. Receivables that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. All receivables are considered by management to be fully collectable. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of \$1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2021 totaled \$29,425, which is included in other expense on the accompanying Statement of Functional Expenses.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to the Statement of Activities and Change in Net Assets, to its current fair value.

Uncertain tax positions -

For the year ended December 31, 2021, the Foundation has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Revenue -

Grants and contributions -

The Foundation receives grants and contributions, including unconditional promises to give, from many sources. Grants and contributions are recognized in the appropriate category of net assets in the period received. The Foundation performs an analysis of the individual transaction to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Revenue (continued) -

Grants and contributions (continued) -

For grants and contributions qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Grants and contributions qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Grants and contributions qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. Certain grants are for direct and indirect program costs. These transactions are nonreciprocal and recognized as contributions when the revenue becomes unconditional. Funds received in advance of the incurrence of qualifying expenditures are recorded as deferred revenue. For contributions and grants treated as contributions, the Foundation did not have any unrecognized conditional awards as of December 31, 2021.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Foundation are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

Fair value measurement -

The Foundation adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Foundation accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

New accounting pronouncements not yet adopted -

ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, improves generally accepted accounting principles (GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this Update address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities. The ASU should be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The amendment will not change the recognition and measurement requirements for those contributed nonfinancial assets.

ASU 2019-01, *Leases* (Topic 842), changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Statement of Financial Position and disclosure of key information about leasing arrangements. During 2020, the FASB issued ASU 2020-05 and delayed the implementation date by one year. The ASU is effective for non-public entities beginning after December 15, 2021. Early adoption is still permitted. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach or applied at the beginning of the period of adoption recognizing a cumulative-effect adjustment.

The Foundation plans to adopt the new ASUs at the required implementation date and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying financial statements.

2. **INVESTMENTS**

Investments consisted of the following as of December 31, 2021:

| | <u>Fair Value</u> |
|--------------------------|-----------------------------|
| Money Market Funds | \$ 1,511,976 |
| Common Stocks | 1,183,615 |
| Mutual Funds | 11,225,575 |
| Corporate Bonds | 112,517 |
| Government Bonds | 243,166 |
| Certificates of Deposit | <u>1,482,863</u> |
| TOTAL INVESTMENTS | <u>\$ 15,759,712</u> |

Included in investment income, net are the following:

| | |
|--|--------------------------|
| Interest and dividends | \$ 92,969 |
| Unrealized gain | 57,542 |
| Realized gain | 76,306 |
| Investment expenses provided by external investment advisors | <u>(23,381)</u> |
| TOTAL INVESTMENT INCOME, NET OF INVESTMENT EXPENSES | <u>\$ 203,436</u> |

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2021:

| | |
|--|----------------------------|
| Subject to expenditure for specified purpose: | |
| Fund for Women Journalists | \$ 1,053,231 |
| Afghan Emergency Fund | 439,526 |
| Emergency fund | 412,305 |
| Courage Awards | 360,000 |
| Women's and LGBTQI rights in Mesoamerica | 294,313 |
| Online Violence Work | 213,461 |
| Mentorship Program | 207,618 |
| Asia Reporting Project | 157,809 |
| Elizabeth Neuffer Fellowship | 122,106 |
| Gender Justice Reporting Initiative | 80,204 |
| Black Journalists Therapy Relief Fund | 72,900 |
| Other programs | 71,905 |
| Reporting on Vaccine and Immunization Issues in Latin America and Africa | 62,742 |
| Lauren Brown Memorial Fund | 57,272 |
| Cybersecurity training | 46,747 |
| Women's Equality Center | 30,000 |
| Holistic safety and collective care needs | 22,701 |
| Accumulated earnings not yet authorized for spending | 141,200 |
| Endowments to be invested in perpetuity | <u>1,866,371</u> |
| TOTAL NET ASSETS WITH DONOR RESTRICTIONS | <u>\$ 5,712,411</u> |

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

| | |
|--|----------------------------|
| Purpose restrictions accomplished: | |
| Afghan Emergency Fund | \$ 1,495,106 |
| Emergency fund | 440,966 |
| Fund for Women Journalists | 350,303 |
| Women facing online harassment | 270,976 |
| Black Journalists Therapy Relief Fund | 240,144 |
| Women's and LGBTQI rights in Mesoamerica | 228,580 |
| Gender Justice Reporting Initiative | 169,796 |
| Cybersecurity training | 111,815 |
| Safety and Equality for Women in the Workplace | 105,652 |
| Native American Women | 105,521 |
| URL Media | 100,000 |
| Reporting on Vaccine and Immunization Issues in Latin America and Africa | 87,258 |
| Online Violence Work | 86,539 |
| Other programs | 78,007 |
| NDI | 69,918 |
| UNESCO - MOOC | 37,650 |
| Asia Reporting Project | 27,186 |
| Elizabeth Neuffer Fellowship | 28,311 |
| Doris Duke Foundation | 22,500 |
| Accumulated earnings from endowments authorized for spending: | |
| Niedringhaus | 26,532 |
| Kim Wall Memorial | 11,794 |
| Courage | <u>38,000</u> |
| TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS | <u>\$ 4,132,554</u> |

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

4. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

| | |
|---|-----------------------------|
| Cash and cash equivalents | \$ 508,941 |
| Investments | 15,759,712 |
| Grants and contributions receivable | <u>720,986</u> |
| Subtotal financial assets available within one year | 16,989,639 |
| Less: Donor restricted funds | <u>(5,712,411)</u> |
| FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR | \$ <u>11,277,228</u> |

5. 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.

Special events consisted of the following for the year ended December 31, 2021:

| | |
|--------------------------|--------------------------|
| Courage awards: | |
| Program services expense | \$ 224,900 |
| Fundraising expense | <u>170,908</u> |
| TOTAL | \$ <u>395,808</u> |

6. LEASE COMMITMENTS

The Foundation leases office space under an agreement which expires December 31, 2023. The 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.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Statement of Financial Position.

The following is a schedule of the future minimum lease payments:

Year Ending December 31,

| | |
|------|--------------------------|
| 2022 | \$ 176,185 |
| 2023 | <u>181,470</u> |
| | \$ <u>357,655</u> |

Lease expense for the year ended December 31, 2021 was \$162,610. The deferred rent liability was \$48,327.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

7. RETIREMENT PLAN

The Foundation has a 401(k) defined contribution 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. Contributions to the Plan during the year ended December 31, 2021 totaled \$41,643.

8. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, the Foundation has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Foundation has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Foundation follows the measurement provisions of Accounting Standards Update (ASU) No. 2009-12, *Investments in Certain Entities that Calculate Net Asset per Share (or Its Equivalent)*. The guidance permits, as a practical expedient, the fair value of investments within its scope to be estimated using the net asset value (NAV) or its equivalent. NAV or its equivalent is the value per share or value of ownership interest in partner's capital, as provided by the fund, whose financial statements are prepared in a manner consistent with measurement principles of an investment company or that have the attributes of an investment company. In many instances, NAV will not equal fair value that would be calculated pursuant to the Fair Value Measurement Topic.

The Foundation follows the disclosure provisions of accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement* (Topic 820): *Disclosure for Investment in Certain Entities that Calculate Net Asset Value Per Share (or Its Equivalent)*. The ASU removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient, however, the fair value amounts presented in the tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Financial Position. Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used as of December 31, 2021.

- *Money market funds* - The money market funds are open-end mutual funds that are registered with the Securities and Exchange Commission and is deemed to be actively traded.
- *Common stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

8. FAIR VALUE MEASUREMENT (Continued)

- *Mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation's are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation's are deemed to be actively traded.
- *Corporate bonds, Government bonds* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.
- *Certificates of deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.

The table below summarizes, by level within the fair value hierarchy and those invested and measured at NAV for practical expedient as of December 31, 2021.

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|--------------------------|-----------------------------|----------------------------|--------------------|-----------------------------|
| Investments: | | | | |
| Money Market Funds | \$ 1,511,976 | \$ - | \$ - | \$ 1,511,976 |
| Common Stocks | 1,183,615 | - | - | 1,183,615 |
| Mutual Funds | 11,225,575 | - | - | 11,225,575 |
| Corporate Bonds | - | 112,517 | - | 112,517 |
| Government Bonds | - | 243,166 | - | 243,166 |
| Certificates of Deposits | - | 1,482,863 | - | 1,482,863 |
| TOTAL INVESTMENTS | <u>\$ 13,921,166</u> | <u>\$ 1,838,546</u> | <u>\$ -</u> | <u>\$ 15,759,712</u> |

9. ENDOWMENTS

The Foundation's endowment consists of the following three donor-restricted endowment funds:

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 provide 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.

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those assets are time restricted until the governing Board appropriates such amounts for expenditures.

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. ENDOWMENTS (Continued)

Most of those net asset also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The governing Board has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriated or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the Foundation and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the Foundation.

Endowment net asset composition by type of fund as of December 31, 2021:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|----------------------------|
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor | \$ - | \$ 1,866,371 | \$ 1,866,371 |
| Accumulated investment earnings | <u>-</u> | <u>141,200</u> | <u>141,200</u> |
| TOTAL ENDOWMENT FUNDS | <u>\$ -</u> | <u>\$ 2,007,571</u> | <u>\$ 2,007,571</u> |

Changes in endowment net assets for the year ended December 31, 2021:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|---------------------------------------|------------------------------------|----------------------------|
| Endowment net assets, beginning of year | \$ - | \$ 1,875,374 | \$ 1,875,374 |
| Investment return, net | - | 173,448 | 173,448 |
| Contributions | - | 35,075 | 35,075 |
| Appropriation of endowment assets for expenditure | <u>-</u> | <u>(76,326)</u> | <u>(76,326)</u> |
| ENDOWMENT NET ASSETS, END OF YEAR | <u>\$ -</u> | <u>\$ 2,007,571</u> | <u>\$ 2,007,571</u> |

THE INTERNATIONAL WOMEN'S MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

9. ENDOWMENTS (Continued)

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 organization to retain as a fund of perpetual duration. Deficiencies of this nature exist in the Courage Awards donor-restricted endowment fund, which has an original gift value of \$399,726, and a deficiency of \$22,410 as of December 31, 2021. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new contributions for donor-restricted endowment funds and continued appropriates for certain programs that was deemed prudent by the Board of Directors.

Return Objectives and Risk Parameters -

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable 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 organization must hold in perpetuity. 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 rate-of-return objectives, the Foundation 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 Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

The central objective of the 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.

10. SUBSEQUENT EVENTS

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through December 2, 2022, the date the financial statements were issued.

Due to changes in donor strategy, in January 2022, the Foundation repaid approximately \$9,900,000 in grant funds, which were recorded as a refundable advance as of year-end.