

WOMEN DELIVER

**WOMEN DELIVER, INC.
Financial Statements
December 31, 2020 and 2019
With Independent Auditor's Report**

Women Deliver, Inc.
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December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Women Deliver, Inc.:

We have audited the accompanying financial statements of Women Deliver, Inc. ("Women Deliver"), which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities and changes in net assets, functional expenses 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 Women Deliver'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 Women Deliver'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 Women Deliver 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.

WithumSmith+Brown, PC

June 15, 2021

Women Deliver, Inc.
Statements of Financial Position
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 5,630,895	\$ 11,019,915
Grant and contribution receivables, net	129,213	2,706,296
Other assets	232,782	237,568
Property and equipment, net	<u>36,490</u>	<u>64,785</u>
Total assets	<u>\$ 6,029,380</u>	<u>\$ 14,028,564</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 1,126,853	\$ 247,372
Paycheck Protection Program loan payable	964,500	-
Refundable advances	<u>322,050</u>	<u>334,137</u>
Total liabilities	<u>2,413,403</u>	<u>581,509</u>
Net assets		
Without donor restrictions	2,813,534	7,255,915
With donor restrictions	<u>802,443</u>	<u>6,191,140</u>
Total net assets	<u>3,615,977</u>	<u>13,447,055</u>
 Total liabilities and net assets	 <u>\$ 6,029,380</u>	 <u>\$ 14,028,564</u>

The Notes to Financial Statements are an integral part of these statements.

Women Deliver, Inc.
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Contributions						
Foreign governments	\$ -	\$ 1,470,130	\$ 1,470,130	\$ 6,724	\$ 1,216,962	\$ 1,223,686
Foundation and trusts	17,500	822,087	839,587	181,361	1,103,554	1,284,915
Conference sponsorships	-	-	-	884,000	-	884,000
Corporations	-	-	-	-	506,167	506,167
General contributors	65,895	-	65,895	37,170	10,000	47,170
Multilaterals	-	-	-	-	226,000	226,000
Foreign exchange (loss) gain	39,655	-	39,655	(108,685)	85,200	(23,485)
Investment return, net	5,534	-	5,534	23,224	-	23,224
Conference revenue						
Registrations	-	-	-	3,091,477	-	3,091,477
Sponsorships	-	-	-	626,500	-	626,500
Other income	151,770	-	151,770	147,054	-	147,054
Net assets released from restrictions	7,680,914	(7,680,914)	-	19,534,014	(19,534,014)	-
Total support and revenue	<u>7,961,268</u>	<u>(5,388,697)</u>	<u>2,572,571</u>	<u>24,422,839</u>	<u>(16,386,131)</u>	<u>8,036,708</u>
Expenses						
Program services	11,082,329	-	11,082,329	18,268,667	-	18,268,667
Management and general	1,063,838	-	1,063,838	1,018,739	-	1,018,739
Fundraising	257,482	-	257,482	253,575	-	253,575
Total expenses	<u>12,403,649</u>	<u>-</u>	<u>12,403,649</u>	<u>19,540,981</u>	<u>-</u>	<u>19,540,981</u>
Changes in net assets	<u>(4,442,381)</u>	<u>(5,388,697)</u>	<u>(9,831,078)</u>	<u>4,881,858</u>	<u>(16,386,131)</u>	<u>(11,504,273)</u>
Net assets						
Beginning of year	<u>7,255,915</u>	<u>6,191,140</u>	<u>13,447,055</u>	<u>2,374,057</u>	<u>22,577,271</u>	<u>24,951,328</u>
End of year	<u>\$ 2,813,534</u>	<u>\$ 802,443</u>	<u>\$ 3,615,977</u>	<u>\$ 7,255,915</u>	<u>\$ 6,191,140</u>	<u>\$ 13,447,055</u>

The Notes to Financial Statements are an integral part of these statements.

Women Deliver, Inc.
Statement of Functional Expenses
Year Ended December 31, 2020

	Program Services Advocacy Programs and Communications	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 6,142,866	\$ 685,617	\$ 137,123	\$ 822,740	\$ 6,965,606
Professional services	1,782,627	269,923	98,701	368,624	2,151,251
Travel and per diem expenses - staff	60,957	6,220	1,244	7,464	68,421
Travel and per diem expenses - others	158,003	2,370	474	2,844	160,847
Telecommunications	163,958	18,600	3,720	22,320	186,278
Meeting and workshop expenses	45,570	5,042	1,008	6,050	51,620
Rent and office expenses	615,022	69,815	13,962	83,777	698,799
Printed and audiovisual materials	13,756	1,563	313	1,876	15,632
Postage and shipping	2,617	297	59	356	2,973
Grants to other organizations	891,940	-	-	-	891,940
Depreciation and amortization	24,900	2,829	566	3,395	28,295
Bad debts	13,745	1,562	312	1,874	15,619
Grant cancellation	1,166,368	-	-	-	1,166,368
	<u>\$ 11,082,329</u>	<u>\$ 1,063,838</u>	<u>\$ 257,482</u>	<u>\$ 1,321,320</u>	<u>\$ 12,403,649</u>

The Notes to Financial Statements are an integral part of this statement.

Women Deliver, Inc.
Statement of Functional Expenses
Year Ended December 31, 2019

	<u>Supporting Services</u>				<u>Total Expenses</u>
	<u>Program Services Advocacy Programs and Communications</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	
Salaries and benefits	\$ 5,269,618	\$ 524,025	\$ 92,349	\$ 616,374	\$ 5,885,992
Professional services	3,135,781	184,732	65,349	250,081	3,385,862
Travel and per diem expenses - staff	550,649	93,418	12,546	105,964	656,613
Travel and per diem expenses - others	3,609,802	8,072	52,936	61,008	3,670,810
Telecommunications	253,150	25,599	5,689	31,288	284,438
Meeting and workshop expenses	3,877,558	79,077	3,096	82,173	3,959,731
Rent and office expenses	881,269	89,117	19,804	108,921	990,190
Printed and audiovisual materials	182,083	9,939	292	10,231	192,314
Postage and shipping	22,707	1,668	893	2,561	25,268
Grants to other organizations	458,404	-	-	-	458,404
Depreciation and amortization	27,646	2,796	621	3,417	31,063
Bad debts	-	296	-	296	296
	<u>\$ 18,268,667</u>	<u>\$ 1,018,739</u>	<u>\$ 253,575</u>	<u>\$ 1,272,314</u>	<u>\$ 19,540,981</u>

The Notes to Financial Statements are an integral part of this statement.

Women Deliver, Inc.
Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating activities		
Changes in net assets	\$ (9,831,078)	\$(11,504,273)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Bad debts	15,619	296
Grant cancellation	1,166,368	-
Net present value adjustment on grants and contributions receivables	-	(175,448)
Depreciation and amortization	28,295	31,063
Unrealized foreign exchange (gain)	-	(407,836)
Changes in operating assets and liabilities		
Grant and contribution receivables	1,395,096	12,227,051
Other assets	4,786	1,555,943
Accounts payable and accrued expenses	879,481	(340,855)
Contract liabilities	-	(784,445)
Refundable advances	(12,087)	334,137
Net cash provided by (used in) operating activities	<u>(6,353,520)</u>	<u>935,633</u>
Investing activities		
Purchase of property and equipment	-	(4,888)
Sale of investments	-	460,834
Net cash provided by investing activities	<u>-</u>	<u>455,946</u>
Financing activities		
Proceeds from Paycheck Protection Program loan payable	964,500	-
Net cash provided by financing activities	<u>964,500</u>	<u>-</u>
Net change in cash and cash equivalents	(5,389,020)	1,391,579
Cash and cash equivalents		
Beginning of year	<u>11,019,915</u>	<u>9,628,336</u>
End of year	<u>\$ 5,630,895</u>	<u>\$ 11,019,915</u>

The Notes to Financial Statements are an integral part of these statements.

Women Deliver, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

1. ORGANIZATIONAL STRUCTURE AND NATURE OF ACTIVITIES

Organizational Structure and Nature of Activities

[Founded in 2007](#), and incorporated in 2009 as a Delaware non-stock corporation, with tax exempt 501(c)(3) status, Women Deliver, Inc. (“Women Deliver”) is a leading global advocate that champions gender equality and the health and rights of girls and women. Our advocacy drives investment – political and financial – in the lives of girls and women worldwide. We harness evidence and unite diverse voices to spark commitment to gender equality. And we get results. Anchored in sexual and reproductive health, we advocate for the rights of girls and women across every aspect of their lives.

Our work spans geographies, sectors, and generations to make gender equality a global priority – bringing together governments, the private sector, non-profit organizations, academics, foundations, and more. [Through evidence, advocacy, and effective communication](#), we make the case that investing in girls, women, and gender equality is not only the right thing to do, but also the smart thing to do.

We collaborate with a wide range of partners to fuel our advocacy. In line with this ethos, we created the [Deliver for Good](#) Campaign, a global coalition that applies a gender lens to the Sustainable Development Goals. Deliver for Good reframes girls and women as drivers of progress and brings hundreds of organizations together across sectors and issues to promote increased investment in gender equality.

Recognizing the urgent needs of girls and women in [humanitarian settings](#), we also work with local and global women-focused organizations to put gender equality and women’s sexual and reproductive health front and center during emergencies and their aftermath.

In all we do, we celebrate the power of young people, equipping them to deliver large-scale change. The [Women Deliver Young Leaders Program](#) connects outstanding youth advocates with the skills, resources, people, and platforms to advance gender equality in their communities, countries, and around the world. Women Deliver champions young people’s inclusion in the creation and implementation of development policies and programs that affect their lives – from start to finish – including within our own organization.

And every three years, we galvanize momentum at the global [Women Deliver Conference](#) – our signature event. The Women Deliver Conference is a bold and diverse gathering, a fueling station of ideas, and generator of action, convening thousands of decision-makers from civil society, governments, the private sector, and international agencies alongside advocates, activists, and journalists to identify solutions and drive change for girls and women.

We are constantly pushing global action for gender equality and the health and rights of girls and women. We know that investing in girls and women will deliver progress for all.

[Global Policy and Advocacy](#)

Our advocacy harnesses the most rigorous and compelling evidence to show that investing in girls, women, and gender equality is not only the right thing to do, but also the smart thing to do. We collate the latest data and information and translate them into clear-sighted messages to build the case for prioritizing gender equality and the health and rights of girls and women. And when the data does not exist, we call for more attention to overlooked topics. We focus on what works, using advocacy grounded in evidence to shift policies and drive investments.

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We are persistent advocates, speaking up for all girls and women, of all genders and intersecting identities, in every setting. As a member of the [Gender Equality Advisory Council of a G7 Presidency](#), we helped G7 nations look at every priority issue through a gender lens. We are advisors to governments, corporations, the UN, and civil society organizations alike, helping shape policies and programs that impact girls and women. We contribute to key coalitions, campaigns, working groups, and task forces including Every Woman Every Child, Unilever Sustainability Council, Solve at MIT, Equal Measures 2030, Global Partnership for Education, She Decides, the MenEngage Alliance, and The Frontline Health Workers Coalition. Our roster is ever-growing and ever adapting to the needs of girls and women. Through our diverse and far-reaching network, convening power, evidenced-based advocacy, and technical expertise, we mobilize governments, the private sector, and civil society organizations to [make bigger, bolder commitments](#) to gender equality during key international policy windows, such as the landmark Generation Equality Forum, the Commission on the Status of Women, and the UN General Assembly.

We connect people, ideas, and resources to drive solutions for girls and women, and we make sure everyone – including people who have too often been sidelined or marginalized – is part of the work to drive a gender-equal world. From leading the Deliver for Good Campaign to bringing diverse voices together every three years at the Women Deliver Conference, we identify opportunities to bolster our advocacy through effective collaboration. We have shared our expertise in partnerships as wide-ranging as the Women’s Major Group and the Global Financing Facility, while also supporting Young Leaders to get into the spaces where their advocacy can bring about change.

[Humanitarian Advocacy](#)

Women Deliver champions gender equality and the health and rights of girls and women everywhere, including those in humanitarian settings. We elevate the voices of women, and the organizations they lead, to help ensure they have a seat at the decision-making table.

We are collaborating with partners at all levels, working with international and local organizations alike, to put women’s rights – especially their sexual and reproductive health – front and center of humanitarian action. Taking our experience in global development, we apply a gender lens to show how humanitarian programs, policies, and investments can deliver more effective action to meet the needs of girls and women.

Our humanitarian advocacy provides direct support to [women-focused civil society organizations](#), as women are often overlooked leaders during emergencies and in their aftermath. We strengthen their voices through training and speaking opportunities, connecting them to the global and national conversations that affect their work and lives. In our pursuit of women’s health and rights in every setting, Women Deliver guides the humanitarian sector to deliver the strongest response for girls and women.

[Deliver for Good Campaign](#)

Deliver for Good is a global campaign that applies a gender lens to the Sustainable Development Goals and promotes critical investments in girls and women to power progress for all. A multi-sector initiative created by Women Deliver and core partners, Deliver for Good has grown into a movement of more than 400 diverse organizations, all dedicated to accelerating progress for girls and women. Supported by a suite of [policy briefs](#), [infographics](#), stories, and united activations, Deliver for Good is changing the narrative around girls and women.

Deliver for Good recognizes that girls and women are not vulnerable victims, but powerful drivers of progress who are reshaping the world for the better. Spanning sectors, issues, and generations, Deliver for Good champions gender equality to place girls and women at the heart of a sustainable future.

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[Youth Engagement & Young Leaders Program](#)

Young people are changing the world today, creating the reality of tomorrow. Speaking up, challenging norms, collaborating, and building networks – young advocates are driving positive change in their communities, countries, and around the world.

The [Women Deliver Young Leaders Program](#) connects outstanding young advocates with the platforms, the people, and the resources that can amplify their influence on a larger scale. With an emphasis on sexual and reproductive health and rights, Women Deliver elevates the work of young people taking a stand for gender equality. When young people are connected to the platforms, the people, and the resources they need, they can create transformational change in their communities and countries.

[The Young Leaders Program](#) is a catalyst for rising advocates, providing access to small grants, training, a digital university, speaking opportunities, and networking. Since 2010, a total of 1000 young people from 148 countries have increased their impact through the award-winning program. Women Deliver is shifting the global landscape in favor of meaningful youth engagement because we know young people are shaping a gender-equal future. It is time to follow their lead.

[Women Deliver Conferences](#)

Every three years, we galvanize momentum at the [Women Deliver Conference](#) – the world’s largest gathering on gender equality and the health and rights of girls and women.

Thousands of decision-makers from government, civil society, the private sector, and UN agencies, as well as influencers, advocates, academics, activists, and journalists, convene to share solutions and promote action for gender equality. As our signature event, the Women Deliver Conference is a moment to rally, refuel, and champion girls and women on a global stage.

The [Women Deliver Conference](#) is created with collaboration at its heart – built with partners, for partners. Much more than a gathering in a conference center, Women Deliver leads activities that simultaneously coincide around the world during the Conferences for a truly global movement. By focusing the world’s attention on the transformative potential of girls and women, Women Deliver Conferences send a powerful signal that investing in gender equality is foundational to progress for all.

[Communications](#)

As an advocacy organization, Women Deliver sees communications - including traditional and digital media - as an invaluable tool to build the capacity of other advocates and move the needle on gender equality.

We [share stories](#) and the hard facts to drive action for gender equality, keeping the health and rights of girls and women at the heart of the conversation – especially their sexual and reproductive health and rights.

We equip advocates and changemakers with [evidence and compelling messages](#) to promote action on gender equality and the health and rights of girls and women. We are advisors to governments, corporations, and civil society organizations alike. We communicate from podiums, in boardrooms, and within the hallways of power, via the pages of major newspapers and individual screens, to get our message to the right people and drive progress.

Women Deliver, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The financial statements of Women Deliver are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Women Deliver and changes therein are classified and reported as follows:

Net assets without donor restrictions - Include expendable resources that are used to carry out Women Deliver's operations and are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by Women Deliver or may be limited by contractual agreements with outside parties.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met by actions of Women Deliver and/or the passage of time. Items that affect this net asset category are contributions for which donor-imposed restrictions have not been met in the year of receipt.

Contribution Revenue

Contributions, including unconditional promises to give, are recognized as revenue in the period received or pledged. Contributions are classified and reported based on the existence or absence of donor-imposed restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restriction. Contributions received in securities or other non-cash contributions are recorded at fair value at the date of the gift.

Conditional promises to give, which include those with a barrier or other measurable performance requirement and a right of return or release, are not recognized as revenue until the conditions on which they depend have been substantially met. Payments received in advance of conditions being met are recorded as refundable advances on the statements of financial position. At December 31, 2020 and 2019, contributions of \$322,050 and \$334,137 have not been recognized in the accompanying statements of activities and changes in net assets because the condition on which they depend has not yet been met. Future funding is dependent on fiscal funding clauses and available appropriations from granting organizations.

Women Deliver recognizes donated goods and services provided which had an ascertainable value and were an integral part of Women Deliver's program service at fair market value of the services or goods received.

Conference Revenue

Women Deliver receives revenue from the registrations and sponsorships to its conference which is held every three years which is considered as revenue from contracts with customers. Revenues for registrations is recognized once the conference begins. Sponsorships are comprised of an exchange element based on the value of benefits provided, and a contribution element for the difference between the total sponsorship paid and the exchange element. The exchange revenue is based on what is explicitly outlined within the sponsorship contract as obligations, services, or other items owed to the sponsor that would normally otherwise generate revenue, valued at their cost. Women Deliver recognizes the exchange portion of the sponsorships at the time of the conference and the contribution portion in accordance with its contribution revenue recognition policies.

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Cash

Cash consists of checking and money market accounts and petty cash. Interest income is recognized as earned. Although the balance from time to time exceeds the Federal Depository Insurance Coverage limit, Women Deliver does not believe it has significant credit exposure.

Grant and Contribution Receivables and Credit Policies

Grant and contribution receivables consist mainly of governmental and foundation grants. Unconditional promises to give that are expected to be collected in more than a year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using the prime bank loan rates applicable to the year in which the promises are received, when applicable. Women Deliver monitors the collectability of these receivables and has determined that no allowance for uncollectible accounts was necessary at December 31, 2020 and 2019.

Grants Made to Other Organizations

Women Deliver recognizes grants made, classified as grants to other organizations on the statements of functional expenses, including unconditional promises, as expenses, in the period made. Conditional promises, that is, those with a measurable performance or other barrier, and a right of return/release, are not recognized in expense until the conditions on which they depend have been substantially met.

Property and Equipment

Property and equipment are recorded at cost, except for donated items which are recorded at fair value on the date of donation. Upon sale or retirement of these assets, the related costs and accumulated depreciation and amortization are removed from the accounts, and any resulting gain or loss is reflected in the financial statements. Maintenance, repairs, and minor renewals are charged to operations as incurred. Depreciation and amortization have been provided on the straight-line method over the estimated useful lives of the assets as follows:

<u>Description</u>	<u>Estimated Life (Years)</u>
Leasehold improvements	Shorter of term of lease or life of asset
Computer hardware and software	3
Office furniture	10

Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into U.S. dollars using the exchange rates prevailing on the transaction date. Assets and liabilities are translated using the rate of exchange at the statements of financial position date. The resulting foreign exchange gain or loss is included in the statements of activities and changes in net assets.

Income Taxes

Women Deliver is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Women Deliver has evaluated the recognition requirements for uncertain income tax positions and has concluded that there are no such positions at December 31, 2020 and 2019. Women Deliver has not incurred any tax related interest and penalties for uncertain income tax positions at December 31, 2020 and 2019.

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Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities and changes in net assets and in detail on the statements of functional expenses. Expenses, other than indirect expenses, are directly charged to the program that derives the direct benefit. Indirect expenses are allocated to the various program and supporting services based on the ratio of direct expense for any one function to total direct expenses of all functional areas or programs. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense Line</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Telecommunications	Salaries
Rent and office expenses	Salaries
Depreciation and amortization	Salaries

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recent Accounting Pronouncements Issued Not Yet Adopted

Leases

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-02, *Leases* (Topic 842) (“ASU 2016-02”), which requires lessees to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by leases with lease terms of more than 12 months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee will continue to primarily depend on its classification as a finance or operating lease. However, unlike current U.S. GAAP, which requires only capital leases to be recognized on the statement of financial position, ASU 2016-02 will require both types of leases to be recognized on the statement of financial position. ASU 2016-02 also requires disclosures about the amount, timing, and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements, providing additional information about the amounts recorded in the financial statements. ASU 2016-02 is effective beginning January 1, 2022, with early application permitted.

Gifts In-Kind

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which is effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. Management does not expect this ASU to have a significant impact on Women Deliver’s financial statements.

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Measurement of Credit Losses on Financial Instruments

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, which is effective for fiscal years beginning after December 15, 2022, and requires an organization to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions will now use forward-looking information to better inform their credit loss estimates.

3. CONFERENCE REVENUE

Women Deliver's conference revenue is generated from registrations including individual conference registrations, exhibition booths, and side events and sponsorships from a global conference that is held triannually. Revenue from these services is recognized at the time the conference begins and consists of the following for the years ending December 31:

	<u>2020</u>	<u>2019</u>
Conference revenue		
Registrations, exhibition booths and side events	\$ -	\$ 3,091,477
Sponsorships	-	626,500
	<u>\$ -</u>	<u>\$ 3,717,977</u>

4. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor restrictions or other restrictions limiting their use, within one year are as follows:

	<u>2020</u>	<u>2019</u>
Financial assets		
Cash and cash equivalents	\$ 5,630,895	\$ 11,019,915
Grant and contribution receivables	129,213	2,706,296
Total financial assets	5,760,108	13,726,211
Less: Financial assets held to meet donor-imposed restrictions		
Purpose-restricted net assets	(802,443)	(5,011,140)
Less: Financial assets not available within one year		
Receivables	-	(1,180,000)
Total financial assets available within one year for general expenditures	<u>\$ 4,957,665</u>	<u>\$ 7,535,071</u>

Women Deliver has a goal of six month's operating activities in reserves due to the cyclical nature of certain activities and associated revenue. Women Deliver does not draw on reserves to fund normal operations but maintains reserves to provide bridge funding in the event of unanticipated expenditures, programmatic opportunities, or delays in revenue. Purpose restricted net assets are available to fund expenditures that satisfy the related donor restriction.

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5. GRANT AND CONTRIBUTION RECEIVABLES

Grant and contribution receivables at December 31, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Grants and contributions expected to be collected in one year or less	\$ 129,213	\$ 1,526,296
Between one and five years	-	1,180,000
Grant and contribution receivables, net	<u>\$ 129,213</u>	<u>\$ 2,706,296</u>

6. PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following on December 31:

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 49,193	\$ 49,193
Computer hardware and software	41,541	41,541
Office furniture	49,283	49,283
Subtotal	140,017	140,017
Less: Accumulated depreciation and amortization	103,527	75,232
Property and equipment, net	<u>\$ 36,490</u>	<u>\$ 64,785</u>

Depreciation expense for the year ended December 31, 2020 and 2019 amounted to \$28,295 and \$31,063.

7. OTHER ASSETS

Other assets consist of the following on December 31:

	<u>2020</u>	<u>2019</u>
Office lease security deposit	\$ 189,711	\$ 186,467
Prepaid expenses	43,071	51,101
	<u>\$ 232,782</u>	<u>\$ 237,568</u>

8. PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

On April 16, 2020, Women Deliver issued an unsecured promissory note (the "PPP Loan") for \$964,500 through the Paycheck Protection Program ("PPP") established under the CARES Act and administered by the U.S. Small Business Administration ("SBA"). The PPP Loan is guaranteed by the SBA. The PPP Loan may be forgiven, in whole or in part, if Women Deliver was eligible for the PPP Loan at the time of application, used the loan proceeds for eligible expenses within the defined 24-week period after the PPP Loan was disbursed ("Covered Period"), and otherwise satisfied PPP requirements. The PPP Loan was made through Citibank, N.A. (the "Lender"), has a two-year term, bears interest at 1.00% per annum, and matures on April 14, 2022. If the PPP Loan is not forgiven, monthly principal and interest payments are deferred until six months after the end of the Covered Period. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. Accordingly, Women Deliver has reflected the PPP Loan as debt in the accompanying statement of financial position.

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Women Deliver will record the forgiveness of the loan as a gain on extinguishment in the period in which legal release is received. There is no certainty that any or all of the PPP Loan will be forgiven.

Future maturities of the PPP Loan, assuming it is not forgiven, are as follows:

2021	\$ 643,000
2022	<u>321,500</u>
	<u>\$ 964,500</u>

9. NET ASSETS

Net Assets with Donor Restrictions

Net assets with donor restrictions which include program and time restrictions at December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Advocacy programs and communications	\$ 802,443	\$ 3,721,323
Time restrictions	<u>-</u>	<u>2,469,817</u>
	<u>\$ 802,443</u>	<u>\$ 6,191,140</u>

Net Assets Released from Restrictions

Net assets with donor restrictions were released from donor restrictions for the years ended December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Advocacy programs and communications	\$ 5,211,097	\$ 17,674,341
Time restrictions	<u>2,469,817</u>	<u>1,859,673</u>
	<u>\$ 7,680,914</u>	<u>\$ 19,534,014</u>

10. RETIREMENT PLAN

Women Deliver has a qualified tax-deferred annuity plan under Section 403(b) of the Internal Revenue Code for eligible employees in the United States. Employees can begin making contributions immediately upon hire and are eligible for an employer matching contribution of up to 8% of salary after one year of employment provided the employee contributes a minimum of 1% of their annual salary. Matching contributions amounted to \$227,017 and \$228,843, respectively, for the years ended December 31, 2020 and 2019.

11. LEASE COMMITMENT

Women Deliver leases its office space located at 584 Broadway, Suite 905, New York, New York under an operating lease expiring on December 31, 2021. Rent expense for the years ended December 31, 2020 and 2019 amounted to \$473,587 and \$446,475, respectively. Future minimum lease payments under this agreement are \$203,085 for 2021.

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12. GRANT CANCELLATION

During 2020, a multi-year grant was terminated by the funder. The outstanding balance of \$1,166,368 was written down during the year. The funder announced significant shifts in funding related to changing program priorities (shift to Africa region and grassroots advocates) as well as financial challenges related to COVID-19 market fluctuations. The funder reduced the final grant payment according to these new realities.

13. RISKS AND UNCERTAINTIES

The world-wide pandemic related to the novel strain of coronavirus ("COVID-19") continues to significantly impact businesses across the world. While the duration of business interruption from this outbreak and related financial impact cannot be reasonably estimated at this time, financial results may continue to be adversely affected in 2021. The extent to which the coronavirus impacts operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

14. SUBSEQUENT EVENTS

Women Deliver has evaluated subsequent events occurring after the statement of financial position date through June 15, 2021, the date the financial statements were available for release. Based upon this evaluation, Women Deliver has determined that no subsequent events have occurred which require disclosure in the financial statements except for the following:

CARES Loan

During March 2021, Women Deliver received a second loan under the Paycheck Protection Program authorized by the Coronavirus Aid, Relief and Economic Security ("CARES") Act in the amount of approximately \$949,100. In accordance with the requirements under the CARES Act, the loan may be forgiven based on the associated spending in accordance with stipulations under the Act. For amounts under the loan that are not forgiven, these amounts are due 5 years from the date of the loan, and interest would accrue on the unforgiven loan balance at 1% per year. The debt forgiveness will be recognized at the time that the financial institution that issued the loan has reviewed and approved the associated spending and determined the forgivable portion. Management believes that most or all of the loan will be forgiven based on the current understanding of the legislative guidance.