

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM

FINANCIAL STATEMENTS

FOR THE YEAR ENDING
DECEMBER 31, 2016

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SHAUL & DESMOND PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Women's International League for Peace & Freedom
Des Moines, Iowa

Report on the Financial Statements

We have reviewed the accompanying financial statements of the Women's International League for Peace and Freedom (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Shaul & Desmond, PLLC

West Des Moines, Iowa
October 31, 2018

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016

	2016
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	96,779
Investments, at fair market value	101,319
Accounts Receivable	-
Prepaid expenses	3,416
Total current assets	<u>201,514</u>
PROPERTY AND EQUIPMENT	
Office equipment	5,353
Less accumulated depreciation	<u>(3,655)</u>
Total property and equipment	<u>1,698</u>
 Total assets	 <u><u>203,212</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	7,260
Accrued expenses	23,595
Notes payable	12,000
Total current liabilities	<u>42,855</u>
NET ASSETS	
Unrestricted	155,278
Permanently restricted	5,079
Total net assets	<u>160,357</u>
 Total liabilities and net assets	 <u><u>203,212</u></u>

See Notes to Financial Statements.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE			
Contributions and grants	\$ 129,206	\$ 11,845	\$ 141,051
Membership dues	25,727	-	25,727
Program service revenue	8,503	-	8,503
Bequest income	12,496	-	12,496
Investment income	1,826	-	1,826
Unrealized gain on investments	3,944	-	3,944
Miscellaneous Income	20,259	-	20,259
Net assets released from restrictions	19,499	(19,499)	-
 Total Revenues and Support	 <u>\$ 221,460</u>	 <u>\$ (7,654)</u>	 <u>\$ 213,806</u>
EXPENSES			
Program Expenses	267,876	-	267,876
Management and general	54,381	-	54,381
Fundraising	34,153	-	34,153
 Total Expenses	 <u>\$ 356,410</u>	 <u>\$ -</u>	 <u>\$ 356,410</u>
 CHANGE IN NET ASSETS	 \$ (134,950)	 \$ (7,654)	 \$ (142,604)
 NET ASSETS, beginning	 <u>290,228</u>	 <u>12,733</u>	 <u>302,961</u>
 NET ASSETS, ending	 <u>\$ 155,278</u>	 <u>\$ 5,079</u>	 <u>\$ 160,357</u>

See Notes to Financial Statements.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Staff costs	\$ 77,229	-	-	77,229
Events and initiatives	104,808	-	-	104,808
IT services	11,795	-	-	11,795
International contribution	23,595	-	-	23,595
Branch and committee support	9,410	-	-	9,410
Governance expense	15,722	4,176	-	19,898
Legal and accounting	-	8,685	-	8,685
Travel	14,811	5,626	-	20,437
Conferences	-	1,993	-	1,993
Printing	-	-	16,217	16,217
Postage	-	-	3,686	3,686
Office Expense	-	1,229	12,993	14,222
Advertising	-	-	1,257	1,257
Rent	-	9,936	-	9,936
Telephone	-	2,494	-	2,494
Insurance	-	558	-	558
Bank Charges	10,506	-	-	10,506
Depreciation	-	1,071	-	1,071
Disposal of Fixed Assets	-	18,211	-	18,211
Miscellaneous Expenses	-	402	-	402
 Total	 <u>\$ 267,876</u>	 <u>\$ 54,381</u>	 <u>\$ 34,153</u>	 <u>356,410</u>

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (142,604)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	19,281
Change in unrealized (gains) and losses	-
Change in assets and liabilities:	
(Increase) in accounts receivable	55,793
(Increase) in prepaid expenses	13,751
Increase in accounts payable	5,706
Increase in notes payable	23,595
Net cash provided by operating activities	\$ (24,478)

CASH FLOWS FROM INVESTING ACTIVITIES

Reinvested investment income	(5,742)
Net cash provided by investing activities	\$ (5,742)

CASH FLOWS FROM FINANCING ACTIVITIES

Changes in unrestricted net assets	8,774
Changes in temporarily restricted net assets	1,635
Changes in permanently restricted net assets	(10,442)
Net cash provided by financing activities	\$ (33)

Increase in cash and cash equivalents	\$ (30,253)
Cash and cash equivalents at beginning of year	127,032
Cash and cash equivalents at end of year	\$ 96,779

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1. Nature of Activities and Significant Accounting Policies

Nature of organization:

Women's International League for Peace and Freedom (WILPF) is a nonprofit business organization whose mission is the abolition of war and military might to settle disputes and for the achievement of nonviolent means of those political, economic, social and psychological conditions throughout the world that can assure peace, freedom, and justice. WILPF has international headquarters in Geneva, Switzerland and sections in 37 countries.

WILPF was organized in 1915 as a not-for-profit organization. The US Section was incorporated under Pennsylvania law and is currently physically located in Des Moines, Iowa. In addition to international branch offices, WILPF has various branch offices located all over the United States. These financial statements only include the results of operations of the Des Moines based WILPF – US Section headquarters and do not include any of the other United States based branches.

Basis of Accounting:

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board, *Financial Statements for Not-for-Profit Organizations*. Under FASB, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets:

Net assets that are not subject to donor-imposed restrictions. WILPF's board of directors may designate portions of its unrestricted net assets as board-designated for various purposes.

Temporarily restricted net assets:

Net assets resulting from contributions and other inflows of assets whose use by WILPF is limited to donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of WILPF meeting the purpose of the restriction.

Permanently restricted net assets:

Net assets resulting from contributions which are permanently restricted by donors. Although such assets may not be expended, the investment income earned on them is to be expended for operating purposes.

Cash and cash equivalents:

WILPF considers unrestricted and restricted cash (including certificates of deposits) and highly liquid debt instruments purchased with an original maturity of three months or less to be cash and cash equivalents for the purpose of the cash flow statement.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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

Accounts receivable:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. No interest is charged on outstanding balances. Management maintains ongoing evaluations of the outstanding balances, as well as the credit history with companies having outstanding balances to determine if a reserve for allowance for doubtful accounts is necessary. Management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Investments:

WILPF carries investments in marketable securities at their fair value. Unrealized gains and losses are included in the change in net assets in the accompanying financial statements. GAAP establishes a fair value hierarchy that prioritizes the methodology used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consists of unadjusted quoted prices in active markets for identical assets while Level 3 inputs consisting of unobservable measurements have the lowest priority. All of WILPF's investments are based on Level 1 inputs.

Property and Equipment:

All acquisitions of property and equipment in excess of \$500 are capitalized and depreciated on a straight-line basis over a range of 3 to 7 years. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Income Tax Status:

WILPF is exempt from federal income tax under the provisions of Section 501(c)(4) of the Internal Revenue Code, unless it has unrelated business income. WILPF files a Form 990 tax return in the U.S. federal jurisdiction. WILPF believes it has no material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. WILPF remaining open years subject to examination include the years ended December 31, 2013 through 2016.

Related Party Transactions

WILPF provides contributions to the Women's International League for Peace and Freedom international headquarters. Contributions were \$23,595 for the year ending December 31, 2016.

Fiscal Sponsor

In August of 2013, WILPF entered into an agreement with Peace Development Fund (PDF) in which PDF agreed to act as a fiscal sponsor for the organization. PDF is an independent 501(c)(3) organization that provides grants to a wide number of social causes. All grants and contributions received by PDF on behalf of WILPF are subject to a 7.5% administration fee. Total contributions and grants raised through PDF, net of fees for the year ending December 31, 2016 were \$37,692.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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

Subsequent events:

WILPF has evaluated subsequent events through October 31, 2018, which is the date that the financial statements were approved and available to be issued.

Note 2. Fair Value Measurement

Fair values of the assets measured on a recurring basis at December 31, 2016 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds	<u>\$ 101,319</u>	<u>\$ 101,319</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 101,319</u>	<u>\$ 101,319</u>	<u>\$ -</u>	<u>\$ -</u>

FASB Accounting Standards Codification related to fair value measurements establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of quoted prices of similar assets or liabilities in active markets or quoted prices for identical or similar assets in inactive markets, and Level 3 inputs have the lowest priority. When available, the Organization measures fair value using Level 1 inputs because they generally provide the more reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds are based on quoted market values of the shares held by the Organization at year-end.

Level 2 Fair Value Measurements

The fair value based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from observable market data.

Level 3 Fair Value Measurements

The fair value based on inputs that are unobservable and significant to the overall fair value measurement.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 3. Temporarily Restricted Net Assets

Temporarily restricted net assets include the following as of December 31, 2016:

	<u>2016</u>
Temporarily restricted:	
ME committee fund	\$ 139
DISARM committee	<u>4,940</u>
	<u>\$ 5,079</u>