

**WOMEN'S INTERNATIONAL LEAGUE
FOR PEACE AND FREEDOM**

FINANCIAL STATEMENTS

**FOR THE YEARS ENDING
DECEMBER 31, 2017 & 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 Women's International League for Peace and Freedom (an Iowa nonprofit organization), which comprise the statement of financial position as of December 31, 2017 and 2016, and the related statements of activities 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 engagements 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 reviews, 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 3, 2018

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 129,483	96,779
Investments, at fair market value	126,508	101,319
Accounts Receivable	500	-
Prepaid expenses	1,625	3,416
Total current assets	<u>\$ 258,116</u>	<u>201,514</u>
PROPERTY AND EQUIPMENT		
Office equipment	\$ 5,353	5,353
Less accumulated depreciation	(4,726)	(3,655)
Total property and equipment	<u>\$ 627</u>	<u>1,698</u>
Total assets	<u><u>\$ 258,743</u></u>	<u><u>203,212</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 3,875	7,260
Accrued expenses	-	23,595
Notes payable	-	12,000
Total current liabilities	<u>\$ 3,875</u>	<u>42,855</u>
NET ASSETS		
Unrestricted	\$ 249,789	155,278
Permanently restricted	5,079	5,079
Total net assets	<u>\$ 254,868</u>	<u>160,357</u>
Total liabilities and net assets	<u><u>\$ 258,743</u></u>	<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, 2017

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE			
Contributions and grants	\$ 135,708	\$ 19,603	\$ 155,311
Membership dues	24,155	-	24,155
Program service revenue	53,242	-	53,242
Bequest income	111,093		111,093
Investment income	3,113	-	3,113
Unrealized gain on investments	22,094	-	22,094
Miscellaneous Income	299	-	299
Net assets released from restrictions	19,603	(19,603)	-
 Total Revenues and Support	 <u>\$ 369,307</u>	 <u>\$ -</u>	 <u>\$ 369,307</u>
EXPENSES			
Program Expenses	238,600	-	238,600
Management and general	28,709	-	28,709
Fundraising	7,487	-	7,487
 Total Expenses	 <u>\$ 274,796</u>	 <u>\$ -</u>	 <u>\$ 274,796</u>
 CHANGE IN NET ASSETS	 <u>\$ 94,511</u>	 <u>\$ -</u>	 <u>\$ 94,511</u>
 NET ASSETS, beginning	 <u>155,278</u>	 <u>5,079</u>	 <u>160,357</u>
 NET ASSETS, ending	 <u><u>\$ 249,789</u></u>	 <u><u>\$ 5,079</u></u>	 <u><u>\$ 254,868</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	 <u>\$ (134,950)</u>	 <u>\$ (7,654)</u>	 <u>\$ (142,604)</u>
 NET ASSETS, beginning	 <u>290,228</u>	 <u>12,733</u>	 <u>302,961</u>
 NET ASSETS, ending	 <u><u>\$ 155,278</u></u>	 <u><u>\$ 5,079</u></u>	 <u><u>\$ 160,357</u></u>

See Notes to Financial Statements.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017

	Program Services	Management and General	Fundraising	Total
Staff costs	\$ 24,596	-	-	24,596
Events and initiatives	24,613	-	-	24,613
IT services	29,494	-	-	29,494
International contribution	22,405	-	-	22,405
Branch and committee support	21,614	-	-	21,614
Governance expense	55,941	13,405	-	69,346
Legal and accounting	-	2,300	-	2,300
Travel	40,765	-	-	40,765
Conferences	-	-	-	-
Printing	15,370	-	-	15,370
Postage	-	-	3,359	3,359
Office Expense	1,778	2,412	4,038	8,228
Advertising	-	-	90	90
Rent	-	5,923	-	5,923
Telephone	-	1,197	-	1,197
Insurance	276	2,377	-	2,653
Bank Charges	1,748	-	-	1,748
Depreciation	-	1,071	-	1,071
Miscellaneous Expenses	-	24	-	24
 Total	 \$ 238,600	 \$ 28,709	 \$ 7,487	 274,796

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	 \$ 267,876	 \$ 54,381	 \$ 34,153	 356,410

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 94,511
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,071
Change in unrealized (gains) and losses	(22,094)
Change in assets and liabilities:	
(Increase) in accounts receivable	(500)
(Increase) in prepaid expenses	1,791
Increase in accounts payable	(3,385)
Increase in notes payable	(35,595)
Net cash provided by operating activities	\$ 35,799

CASH FLOWS FROM INVESTING ACTIVITIES

Reinvested investment income	(3,095)
Net cash provided by investing activities	\$ (3,095)

Increase in cash and cash equivalents	\$ 32,704
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Cash and cash equivalents at beginning of year	<u>96,779</u>
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Cash and cash equivalents at end of year	<u><u>\$ 129,483</u></u>
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WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

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 in FASB ASC 958-205, *Financial Statements for Not-for-Profit Organizations*. Under FASB ASC 958-205, the Chamber 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, 2017

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, 2014 through 2017.

Related Party Transactions

WILPF provides contributions to the Women's International League for Peace and Freedom international headquarters. Contributions were \$22,405 and \$23,595 for the years ending December 31, 2017 and 2016, respectively.

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 years ending December 31, 2017 and 2016 were \$37,283 and \$37,692, respectively

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Subsequent events:

WILPF has evaluated subsequent events through October 1, 2018, which is the date that the financial statements were approved and available to be issued.

Note 2. Leases

WILPF leases office space for \$185 per month, under the terms of a six month non-cancelable operating lease through May 31, 2018. Rent expense relating to the office space for 2016 and 2017 was \$9,936 and \$5,923. Future minimum lease commitments at December 31, 2017 are \$925.

Note 3. Functional Expenses

The expenditures for salaries, benefits, and reimbursable program expenses were allocated directly as they were specifically identified to a program or supporting services. The allocation of all other expenses is made on the ratio of time spent on a program or supporting service to the total time spent in the year. The following represents the functional classification of WILPF's expenses for the year ended December 31, 2017 and 2016:

	2017	2016
Program services	\$ 238,600	\$ 267,876
Management and general	28,709	54,381
Fundraising	7,487	34,153
Total expenses	<u>\$ 274,796</u>	<u>\$ 356,410</u>