

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

FINANCIAL STATEMENTS

**FOR THE YEARS ENDING
DECEMBER 31, 2018 & 2017**

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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, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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.

Desmond CPA, PLLC

West Des Moines, Iowa
October 31, 2019

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 151,935	\$ 129,483
Investments, at fair market value	104,715	126,508
Accounts receivable	-	500
Prepaid expenses	1,979	1,625
Total current assets	<u>\$ 258,629</u>	<u>\$ 258,116</u>
PROPERTY AND EQUIPMENT		
Office equipment	\$ 5,353	\$ 5,353
Less accumulated depreciation	(5,269)	(4,726)
Total property and equipment	<u>\$ 84</u>	<u>\$ 627</u>
Total assets	<u>\$ 258,713</u>	<u>\$ 258,743</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 5,830	\$ 3,875
Total current liabilities	<u>\$ 5,830</u>	<u>\$ 3,875</u>
NET ASSETS		
Without donor restrictions	\$ 249,693	\$ 249,789
With donor restrictions	3,190	5,079
Total net assets	<u>\$ 252,883</u>	<u>\$ 254,868</u>
Total liabilities and net assets	<u>\$ 258,713</u>	<u>\$ 258,743</u>

See Notes to Financial Statements.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Contributions and grants	\$ 113,705	\$ 20,279	\$ 133,984
Membership dues	35,063	-	35,063
Program service revenue	19,391	-	19,391
Bequest income	72,198	-	72,198
Investment income	5,461	-	5,461
Unrealized (loss) on investments	(14,268)	-	(14,268)
Net assets released from restrictions	22,168	(22,168)	-
Total Revenues and Support	<u>\$ 253,718</u>	<u>\$ (1,889)</u>	<u>\$ 251,829</u>
EXPENSES			
Program Expenses	183,731	-	183,731
Management and general	29,936	-	29,936
Fundraising	40,147	-	40,147
Total Expenses	<u>\$ 253,814</u>	<u>\$ -</u>	<u>\$ 253,814</u>
CHANGE IN NET ASSETS	\$ (96)	\$ (1,889)	\$ (1,985)
NET ASSETS, beginning	<u>249,789</u>	<u>5,079</u>	<u>254,868</u>
NET ASSETS, ending	<u><u>\$ 249,693</u></u>	<u><u>\$ 3,190</u></u>	<u><u>\$ 252,883</u></u>

See Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
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	\$ 369,307	\$ -	\$ 369,307
EXPENSES			
Program Expenses	238,600	-	238,600
Management and general	28,709	-	28,709
Fundraising	7,487	-	7,487
Total Expenses	\$ 274,796	\$ -	\$ 274,796
CHANGE IN NET ASSETS	\$ 94,511	\$ -	\$ 94,511
NET ASSETS, beginning	155,278	5,079	160,357
NET ASSETS, ending	\$ 249,789	\$ 5,079	\$ 254,868

See Notes to Financial Statements.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Staff costs	\$ 21,847	8,100	8,100	38,047
Events and initiatives	19,674	-	-	19,674
IT services	20,015	-	-	20,015
International contribution	24,860	-	-	24,860
Branch and committee support	16,159	-	-	16,159
Governance expense	3,235	6,783	-	10,018
Professional fees	38,451	5,000	20,267	63,718
Travel	16,793	-	-	16,793
Conferences	4,450	-	-	4,450
Printing	8,214	2,350	-	10,564
Postage	3,338	834	-	4,172
Office expense	2,238	560	7,728	10,526
Membership development	2,709	-	-	2,709
Rent	-	3,875	-	3,875
Telephone	-	411	-	411
Insurance	469	1,229	-	1,698
Bank Charges	1,279	-	4,052	5,331
Depreciation	-	544	-	544
Miscellaneous expenses	-	250	-	250
Total	<u>\$ 183,731</u>	<u>\$ 29,936</u>	<u>\$ 40,147</u>	<u>253,814</u>

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

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
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
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	<u>\$ 238,600</u>	<u>\$ 28,709</u>	<u>\$ 7,487</u>	<u>274,796</u>

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (1,985)	\$ 94,511
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	543	1,071
Change in unrealized gains and losses	14,268	(22,094)
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	500	(500)
(Increase) decrease in prepaid expenses	(354)	1,791
Increase (decrease) in accounts payable	1,955	(3,385)
(Decrease) in notes payable	-	(35,595)
Net cash provided by operating activities	\$ 14,927	\$ 35,799
 CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested investment income	(5,197)	(3,095)
Proceeds from sales of investments	12,722	-
Net cash provided by (used in) investing activities	\$ 7,525	\$ (3,095)
 Increase in cash and cash equivalents	\$ 22,452	\$ 32,704
 Cash and cash equivalents at beginning of year	129,483	96,779
 Cash and cash equivalents at end of year	\$ 151,935	\$ 129,483

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 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 Presentation:

The financial statements of the organization have been prepared on the accrual basis of accounting. Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the organization presents the following categories of revenues and expenses on its statements of activities:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. The organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions:

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. The organization does not currently have any donor restrictions.

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, 2018 AND 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, 2015 through 2018.

Related Party Transactions

WILPF provides contributions to the Women's International League for Peace and Freedom international headquarters. Contributions were \$24,860 and \$22,405 for the years ending December 31, 2018 and 2017, 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, 2018 and 2017 were \$37,054 and \$37,283, respectively

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Subsequent events:

WILPF has evaluated subsequent events through October 31, 2019, which is the date that the financial statements were approved and available to be issued.

Note 2. Liquidity

The organization's financial assets within one year of the statement of financial position date for general expenditure is \$151,935 in cash and cash equivalents and \$104,715 in short term assets as of December 31, 2018. As part of the organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The organization currently keeps all of its resources in cash or cash equivalents or short term investments.

Note 3. Leases

WILPF leases office space for \$245 per month on a month to month basis. Rent expense relating to the office space for 2018 and 2017 was \$3,875 and \$5,923.

Note 4. Donor restricted net assets

Donor restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
Middle East Committee	\$ -	\$ 139
Disarm Committee	3,190	4,940
	<u>\$ 3,190</u>	<u>\$ 5,079</u>