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**WOMEN'S ENVIRONMENT AND  
DEVELOPMENT ORGANIZATION**

Audited Financial Statements

December 31, 2020

## **Independent Auditor's Report**

To the Board of Directors of  
Women's Environment and Development Organization

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Women's Environment and Development Organization ("WEDO"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 the entity'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 the entity'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.

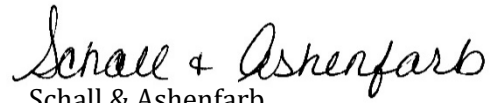
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women's Environment and Development Organization as of December 31, 2020, and the changes 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.

***Emphasis of Matter***

As discussed in Note 5 to the financial statements, prior period adjustments were made to increase the opening net asset balances, increase grants and contributions receivable, and reclass net assets between net asset classes as of January 1, 2020. Our opinion is not modified with respect to this matter.

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

October 20, 2021

**WOMEN'S ENVIRONMENT AND DEVELOPMENT ORGANIZATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AT DECEMBER 31, 2020**

**Assets**

Cash and cash equivalents	\$873,271
Grants and contributions receivable (Note 3)	1,480,290
Program service fees receivable	13,500
Prepaid expenses and other assets	9,810
Security deposit	<u>1,500</u>
 Total assets	 <u><u>\$2,378,371</u></u>

**Liabilities and Net Assets**

Liabilities:	
Accounts payable and accrued expenses	<u>\$29,326</u>
 Total liabilities	 <u>29,326</u>
Net assets:	
Without donor restrictions	99,202
With donor restrictions (Note 4)	<u>2,249,843</u>
Total net assets	<u><u>2,349,045</u></u>
 Total liabilities and net assets	 <u><u>\$2,378,371</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**WOMEN'S ENVIRONMENT AND DEVELOPMENT ORGANIZATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:			
Grants and contributions	\$175,884	\$1,853,219	\$2,029,103
Program service fees	68,565		68,565
Other income	1,579		1,579
Net assets released from restrictions (Note 4)	411,921	(411,921)	0
	657,949	1,441,298	2,099,247
Total public support and revenue			
Expenses:			
Program services	630,177		630,177
Supporting services:			
Management and general	68,069		68,069
Fundraising	8,808		8,808
	707,054	0	707,054
Total expenses			
Change in net assets	(49,105)	1,441,298	1,392,193
Net assets - beginning of year, as originally stated	540,174	116,667	656,841
Prior period adjustments (Note 5)	(391,867)	691,878	300,011
Net assets - beginning of year, as restated	148,307	808,545	956,852
Net assets - end of year	\$99,202	\$2,249,843	\$2,349,045

*The attached notes and auditor's report are an integral part of these financial statements.*

**WOMEN'S ENVIRONMENT AND DEVELOPMENT ORGANIZATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising	
Salaries	\$235,639	\$12,627	\$6,313	\$254,579
Payroll taxes and benefits	50,399	2,673	1,336	54,408
Total personnel services	<u>286,038</u>	<u>15,300</u>	<u>7,649</u>	<u>308,987</u>
Professional fees	201,605	50,447		252,052
Subgrants	86,364			86,364
Office expenses	12,233	656	327	13,216
Travel	10,273			10,273
Other program expenses	2,581			2,581
Occupancy	17,998	964	482	19,444
Insurance	1,477	80	39	1,596
Dues and subscriptions	11,608	622	311	12,541
Total expenses	<u><u>\$630,177</u></u>	<u><u>\$68,069</u></u>	<u><u>\$8,808</u></u>	<u><u>\$707,054</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**WOMEN'S ENVIRONMENT AND DEVELOPMENT ORGANIZATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Cash flows from operating activities:	
Change in net assets	\$1,392,193
Adjustments to reconcile change in net assets to net cash flows provided by operating activities:	
Changes in assets and liabilities:	
Grants and contributions receivable	(1,042,469)
Program service fees receivable	(13,500)
Prepaid expenses and other assets	(9,663)
Accounts payable and accrued expenses	<u>366</u>
Total adjustments	<u>(1,065,266)</u>
Net cash flows provided by operating activities/ net increase in cash and cash equivalents	326,927
Cash and cash equivalents - beginning of year	<u>546,344</u>
Cash and cash equivalents - end of year	<u><u>\$873,271</u></u>
Supplemental information:	
Interest and taxes paid	<u><u>\$0</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**WOMEN'S ENVIRONMENT AND DEVELOPMENT ORGANIZATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**Note 1. Organization**

Women's Environment and Development Organization's ("WEDO") mission is to ensure that women's rights; social economic and environmental justice; and sustainable development principles as well as the linkages between them are at the heart of global and national policies, programs, and practices.

WEDO was incorporated in 1991 under the State of New York as a not-for-profit organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

**Note 2. Summary of Significant Accounting Policies**

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recording public support, revenue and expenses when earned or incurred regardless of when cash is received or paid.

b. Basis of Presentation

WEDO reports information regarding its financial position and activity according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represents those resources for which there are no restrictions by donors as to their use.
- *Net Assets With Donor Restrictions* – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

c. Revenue Recognition

WEDO follows the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recorded at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.



Grants and contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

Unconditional promises to give expected to be received within one year are recorded at net realizable value. Long-term receivables are recorded at fair value using risk-adjusted present value techniques.

WEDO also follows the requirements of FASB's ASC 958-606 for recognizing revenue from contracts with customers. WEDO receives fees in exchange for providing training, guides, and other services to other organizations. This is classified as program service fees and recognized as revenue at the point in time that the services are completed and the performance obligations are met. Program service fees that have been earned but not paid at year end are recognized as income and a related receivable. Cash that has been received but not earned at year end is recognized as deferred revenue.

Management assesses the collectability of all outstanding receivables based upon historical trends and experience with donors. Based on that review, management has concluded that all receivables are collectible. As such, no allowance for uncollectible accounts was deemed necessary.

d. Cash and Cash Equivalents

WEDO considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

e. Significant Concentrations

Financial instruments that potentially subject WEDO to concentration of credit risk consist of a checking account held with a financial institution that management deems to be creditworthy. At times, balances may exceed federally insured limits. At year end and at certain times throughout the year, WEDO had uninsured balances; however, they have not suffered any losses due to bank failure.

During the year ended December 31, 2020, WEDO received approximately 67% of its total support and revenue from its two largest funding sources.

f. Capitalization Policies

Fixed assets that exceed \$5,000 and that have a useful life of greater than three years are recorded at cost or at fair value on the date of the gift, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Routine maintenance and repair costs that do not materially extend the estimated useful life of the fixed asset and have no future benefit are expensed as incurred.

g. Management Estimates

The preparation of financial statements in accordance 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. Actual results could differ from those estimates.

h. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but to provide for the overall support and direction of WEDO.

Salaries were allocated using time and effort as the basis. The following expenses were allocated using the salary allocation as the basis:

- Payroll taxes and benefits
- Office expenses
- Occupancy
- Insurance
- Dues and subscriptions

All other expenses have been charged directly to the applicable program or supporting services.

i. In-kind Services

Donated services that create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind are recognized at fair value.

Board members and other individuals volunteer their time and perform a variety of services that assist WEDO. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

j. Accounting for Uncertainty of Income Taxes

WEDO does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending December 31, 2017 and later are subject to examination by applicable taxing authorities.

k. New Accounting Pronouncements

FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the December 31, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.

In addition, FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the December 31, 2022 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding “right to use asset” on the statement of financial position.

WEDO is in the process of evaluating the impact these standards will have on future financial statements.

**Note 3. Grants and Contributions Receivable**

Grants and contributions receivable as of December 31, 2020 are anticipated to be collected in the following periods:

Year-ending:	December 31, 2021	\$854,654
	December 31, 2022	235,545
	December 31, 2023	206,345
	December 31, 2024	<u>195,905</u>
		1,492,449
Less: present value discount at 1%		<u>(12,159)</u>
Total		<u>\$1,480,290</u>

**Note 4. Net Assets With Donor Restrictions**

Net assets with donor restrictions can be summarized as follows:

	December 31, 2020			
	Balance <u>1/1/20</u>	<u>Contributions</u>	Released from <u>Restrictions</u>	Balance <u>12/31/20</u>
Program restrictions:				
Women Delegates Fund	\$433,629	\$64,888	(\$93,267)	\$405,250
Mobilizing Women for Climate Justice	201,073	1,009,131	(107,053)	1,103,151
UN Women's Major Group	173,843	200,000	(154,256)	219,587
Gender-Responsive Climate Policy	0	134,200	0	134,200
Feminist Green New Deal Coalition	0	45,000	(20,749)	24,251
Feminist Collective Action to COVID and Recovery	<u>0</u>	<u>135,000</u>	<u>(36,596)</u>	<u>98,404</u>
Total program restrictions	808,545	1,588,219	(411,921)	1,984,843
Time restrictions	<u>0</u>	<u>265,000</u>	<u>0</u>	<u>265,000</u>
Total	<u>\$808,545</u>	<u>\$1,853,219</u>	<u>(\$411,921)</u>	<u>\$2,249,843</u>

**Note 5. Prior Period Adjustments**

Prior period adjustments were made to restate the opening net asset balances to increase grants and contributions receivable as of January 1, 2020 for unconditional contributions that were pledged as of December 31, 2019 and to reclass net assets between net asset classes that had been classified incorrectly.

Accordingly, restatements have been made to adjust the following opening balances:

	Balance (as originally stated)	Adjustments	Restated Balance
Grants and contributions receivable	\$137,810	300,011	\$437,821
Net assets - without donor restrictions	\$540,174	(391,867)	\$148,307
Net assets - with donor restrictions	\$116,667	691,878	\$808,545

**Note 6. Retirement Plan**

WEDO sponsors a tax deferred annuity retirement plan that is qualified under Section 403(b) of the Internal Revenue Code. The plan covers all full-time employees immediately upon hire and allows them to make contributions up to the maximum statutory amount. After one year of eligible service, WEDO will contribute matching funds to the retirement plan up to a maximum of 3% of the employee's salary annually. Total contributions by WEDO to the plan were \$5,000 for the year ended December 31, 2020.

**Note 7. Availability and Liquidity**

WEDO maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, WEDO operates its programs within a board approved budget and relies on grants and contributions to fund its operations and program activities.

The following reflects WEDO's financial assets at December 31, 2020 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$873,271
Grants and contributions receivable	1,480,290
Program service fees receivable	<u>13,500</u>
Total financial assets	\$2,367,061
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(1,984,843)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$382,218</u>

**Note 8. Subsequent Events**

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through October 20, 2021, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements have been made.

**Note 9. Other Matters**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an impact on the economies and financial markets of many countries, including the geographical area in which WEDO operates. As of the date of these financial statements, many of the travel restrictions and stay at home orders have been lifted; however, supply chains remain impacted. Management continues to monitor the outbreak; however, as of the date of these financial statements, the potential impact cannot be quantified.