

**International Women's  
Health Coalition, Inc.**

Financial Statements

September 30, 2017 and 2016



Candor. Insight. Results.

# **International Women's Health Coalition, Inc.**

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## **Independent Auditors' Report**

Board of Directors  
International Women's Health Coalition, Inc.

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

We have audited the accompanying financial statements of International Women's Health Coalition, Inc. (the "Coalition") which comprise the statements of financial position as of September 30, 2017 and 2016, and 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.

### **Auditors' 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 auditors' 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 Coalition'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 Coalition'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 International Women's Health Coalition, Inc. as of September 30, 2017 and 2016, 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.

*Baker Tilly Virchow Krause, LLP*

Melville, New York  
March 6, 2018

**International Women's Health Coalition, Inc.**

## Statements of Financial Position

September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 6,050,484	\$ 4,518,765
Grants and contributions receivable, current portion	2,949,140	468,907
Prepaid expenses and other current assets	<u>127,456</u>	<u>59,196</u>
Total current assets	9,127,080	5,046,868
<b>Grants and Contributions Receivable, Net</b>	1,967,726	-
<b>Property and Equipment, Net</b>	28,912	29,653
<b>Other Assets</b>	<u>16,492</u>	<u>-</u>
Total assets	<u><u>\$ 11,140,210</u></u>	<u><u>\$ 5,076,521</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 308,108	\$ 219,714
Grants payable	<u>602,393</u>	<u>95,091</u>
Total current liabilities	910,501	314,805
<b>Deferred Rent</b>	88,594	51,313
<b>Other Liabilities</b>	<u>16,492</u>	<u>-</u>
Total liabilities	<u>1,015,587</u>	<u>366,118</u>
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Unrestricted:		
Board-designated, operating reserve	1,888,732	1,736,252
Board-designated, directors' reserve	<u>2,061,107</u>	<u>1,957,306</u>
Total unrestricted net assets	3,949,839	3,693,558
Temporarily restricted	<u>6,174,784</u>	<u>1,016,845</u>
Total net assets	<u>10,124,623</u>	<u>4,710,403</u>
Total liabilities and net assets	<u><u>\$ 11,140,210</u></u>	<u><u>\$ 5,076,521</u></u>

See notes to financial statements

**International Women's Health Coalition, Inc.**

 Statements of Activities and Changes in Net Assets  
 Years Ended September 30, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and Revenue</b>						
Contributions, foundations and others	\$ 4,377,204	\$ 6,174,784	\$ 10,551,988	\$ 4,645,839	\$ 1,016,845	\$ 5,662,684
Contributions, individuals	554,875	-	554,875	637,546	-	637,546
Grants, government agencies	-	-	-	105,195	-	105,195
Special events	1,086,094	-	1,086,094	720,865	-	720,865
Direct expenses of special events	(190,058)	-	(190,058)	(129,238)	-	(129,238)
Investment income	4,993	-	4,993	3,519	-	3,519
Miscellaneous income	144,598	-	144,598	111,660	-	111,660
Net assets released from restrictions	1,016,845	(1,016,845)	-	100,000	(100,000)	-
Total support and revenue	6,994,551	5,157,939	12,152,490	6,195,386	916,845	7,112,231
<b>Expenses</b>						
<b>Program Services</b>						
Advocacy and policy	1,447,261	-	1,447,261	1,392,568	-	1,392,568
Strengthening international partnerships	2,299,005	-	2,299,005	2,059,370	-	2,059,370
Learning, monitoring and evaluation	713,771	-	713,771	611,183	-	611,183
Coalition institutional capacity	820,797	-	820,797	470,096	-	470,096
Total program services expense	5,280,834	-	5,280,834	4,533,217	-	4,533,217
<b>Institutional Development</b>						
Management, administrative and board liaison	645,514	-	645,514	722,375	-	722,375
Fundraising	811,958	-	811,958	681,805	-	681,805
Total institutional development expense	1,457,472	-	1,457,472	1,404,180	-	1,404,180
Total expenses	6,738,306	-	6,738,306	5,937,397	-	5,937,397
Increase in net assets before foreign currency exchange gain	256,245	5,157,939	5,414,184	257,989	916,845	1,174,834
<b>Realized Foreign Currency Exchange Gain</b>	36	-	36	45	-	45
Increase in net assets	256,281	5,157,939	5,414,220	258,034	916,845	1,174,879
<b>Net Assets, Beginning of Year</b>	3,693,558	1,016,845	4,710,403	3,435,524	100,000	3,535,524
<b>Net Assets, End of Year</b>	\$ 3,949,839	\$ 6,174,784	\$ 10,124,623	\$ 3,693,558	\$ 1,016,845	\$ 4,710,403

See notes to financial statements

**International Women's Health Coalition, Inc.**

 Statement of Functional Expenses  
 Year Ended September 30, 2017

	Program Services					Institutional Development			
	Advocacy and Policy	Strengthening International Partnerships	Learning, Monitoring and Evaluation	Coalition Institutional Capacity	Total Program Services	Management, Administrative and Board Liaison	Fundraising	Total Institutional Development	Total Expenses
Salaries	\$ 498,759	\$ 427,883	\$ 305,443	\$ 390,668	\$ 1,622,753	\$ 384,207	\$ 464,461	\$ 848,668	\$ 2,471,421
Fringe benefits	127,234	115,569	65,753	82,515	391,071	111,500	113,488	224,988	616,059
Total salaries and fringe benefits	625,993	543,452	371,196	473,183	2,013,824	495,707	577,949	1,073,656	3,087,480
Grants	444,822	1,521,542	191,773	4,889	2,163,026	-	6,634	6,634	2,169,660
Professional fees	49,043	18,145	19,386	108,446	195,020	11,586	23,033	34,619	229,639
Accounting and legal	10,056	8,624	6,224	7,662	32,566	8,639	8,618	17,257	49,823
Occupancy	112,797	98,858	71,390	87,899	370,944	64,514	114,486	179,000	549,944
Equipment rental, repairs and maintenance	7,049	6,042	4,364	5,479	22,934	5,005	6,042	11,047	33,981
Staff travel	97,434	53,098	18,614	29,511	198,657	1,405	12,931	14,336	212,993
Board travel	-	-	-	12,243	12,243	19,149	96	19,245	31,488
Telephone	6,876	4,795	3,409	4,217	19,297	3,814	4,668	8,482	27,779
Office supplies	3,522	2,566	1,472	1,812	9,372	1,911	2,517	4,428	13,800
Meetings and conferences	63,162	3,654	4,615	1,331	72,762	11,126	22,552	33,678	106,440
Printing and reproduction	2,148	1,210	3,346	20,369	27,073	1,613	4,195	5,808	32,881
Postage and shipping	237	320	273	1,887	2,717	528	1,055	1,583	4,300
Insurance	6,797	5,826	4,208	5,179	22,010	4,531	5,826	10,357	32,367
Licenses and permits	3,555	18,975	4,233	18,830	45,593	9,684	6,456	16,140	61,733
Dues and subscriptions	6,650	5,874	5,010	4,095	21,629	448	354	802	22,431
Depreciation and amortization	3,077	2,771	1,875	2,414	10,137	510	2,744	3,254	13,391
Staff development	300	169	250	16,548	17,267	975	201	1,176	18,443
Bank charges	2,214	1,986	1,420	1,469	7,089	2,293	9,709	12,002	19,091
Miscellaneous	1,529	1,098	713	12,221	15,561	1,266	1,892	3,158	18,719
Recruiting	-	-	-	1,113	1,113	810	-	810	1,923
Total expenses	\$ 1,447,261	\$ 2,299,005	\$ 713,771	\$ 820,797	\$ 5,280,834	\$ 645,514	\$ 811,958	\$ 1,457,472	\$ 6,738,306

See notes to financial statements

**International Women's Health Coalition, Inc.**

Statement of Functional Expenses

Year Ended September 30, 2016

	Program Services					Institutional Development			Total Expenses
	Advocacy and Policy	Strengthening International Partnerships	Learning, Monitoring and Evaluation	Coalition Institutional Capacity	Total Program Services	Management, Administrative and Board Liaison	Fundraising	Total Institutional Development	
Salaries	\$ 469,316	\$ 373,539	\$ 304,902	\$ 227,518	\$ 1,375,275	\$ 349,082	\$ 389,186	\$ 738,268	\$ 2,113,543
Fringe benefits	116,751	91,609	74,019	56,958	339,337	87,342	95,601	182,943	522,280
Total salaries and fringe benefits	586,067	465,148	378,921	284,476	1,714,612	436,424	484,787	921,211	2,635,823
Grants	447,638	1,325,491	63,100	-	1,836,229	-	1,567	1,567	1,837,796
Professional fees	53,841	32,996	33,217	63,990	184,044	6,918	14,963	21,881	205,925
Accounting and legal	17,164	11,611	5,048	4,039	37,862	6,355	6,266	12,621	50,483
Occupancy	109,292	99,242	79,883	61,317	349,734	92,900	94,377	187,277	537,011
Equipment rental, repairs and maintenance	6,733	4,823	3,798	4,586	19,940	4,469	5,205	9,674	29,614
Staff travel	92,681	66,296	25,849	9,818	194,644	1,094	17,282	18,376	213,020
Board travel	10	200	-	-	210	68,318	-	68,318	68,528
Telephone	5,286	3,539	2,756	2,267	13,848	3,510	3,283	6,793	20,641
Office supplies	2,231	1,710	1,376	982	6,299	1,778	1,503	3,281	9,580
Meetings and conferences	49,702	2,998	1,694	15	54,409	11,103	21,143	32,246	86,655
Printing and reproduction	2,993	1,403	1,135	4,000	9,531	1,298	3,854	5,152	14,683
Postage and shipping	65	698	58	137	958	695	2,535	3,230	4,188
Insurance	7,746	6,262	4,864	3,703	22,575	8,999	4,803	13,802	36,377
Licenses and permits	1,691	17,185	2,490	14,663	36,029	4,581	2,361	6,942	42,971
Dues and subscriptions	2,988	1,898	1,645	2,960	9,491	415	3,990	4,405	13,896
Depreciation and amortization	2,202	2,258	1,817	1,068	7,345	2,056	2,549	4,605	11,950
Staff development	806	1,286	748	11,614	14,454	1,243	1,449	2,692	17,146
Bank charges	1,591	1,675	1,055	-	4,321	1,194	2,664	3,858	8,179
Miscellaneous	1,841	12,651	1,729	461	16,682	1,271	7,224	8,495	25,177
Recruiting	-	-	-	-	-	67,754	-	67,754	67,754
Total expenses	\$ 1,392,568	\$ 2,059,370	\$ 611,183	\$ 470,096	\$ 4,533,217	\$ 722,375	\$ 681,805	\$ 1,404,180	\$ 5,937,397

See notes to financial statements



**International Women's Health Coalition, Inc.**

## Statements of Cash Flows

Years Ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>Cash Flows from Operating Activities</b>		
Increase in net assets	\$ 5,414,220	\$ 1,174,879
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	13,391	11,950
Foreign currency exchange gain	(36)	(45)
Deferred rent	37,281	47,302
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Grants and contributions receivable	(4,447,923)	(310,963)
Prepaid expenses and other current assets	(68,260)	47,472
Other assets	(16,492)	-
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	88,394	(97,560)
Grants payable	507,302	(45,350)
Deferred revenue	-	(181,650)
Other liabilities	16,492	-
Net cash provided by operating activities	<u>1,544,369</u>	<u>646,035</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	<u>(12,650)</u>	<u>-</u>
Net cash used in investing activities	<u>(12,650)</u>	<u>-</u>
Increase in cash and cash equivalents	1,531,719	646,035
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>4,518,765</u>	<u>3,872,730</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 6,050,484</u>	<u>\$ 4,518,765</u>

See notes to financial statements

# **International Women's Health Coalition, Inc.**

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Notes to Financial Statements  
September 30, 2017 and 2016

## **1. Description of Organization and Summary of Significant Accounting Policies**

### **Nature of Operations**

International Women's Health Coalition, Inc. (the "Coalition") advances the sexual and reproductive health and rights of women and young people, particularly adolescent girls, in Africa, Asia, Latin America, and the Middle East. The Coalition furthers this agenda by supporting and strengthening leaders and organizations working at the community, national, regional, and global levels, and by advocating for international and U.S. policies, programs, and funding. The Coalition builds bridges between local realities and international policy by connecting women and young people in the Global South to key decision-makers. In doing so, the Coalition brings local voices to global debates and in turn, makes global processes and policies more understandable and actionable at the local level.

### **Basis of Presentation**

The financial statements of the Coalition have been prepared on an accrual basis in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP").

### **Net Assets**

The Coalition's financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets, based upon the existence or absence of donor-imposed restrictions, as follows:

#### **Unrestricted Net Assets**

Unrestricted net assets include amounts that have not been donor restricted and are available for use in carrying out the general operations of the Coalition. Board-designated net assets include unrestricted net assets that have been designated by the board for specific purposes.

#### **Temporarily Restricted Net Assets**

Temporarily restricted net assets include amounts that have been limited by donor-imposed stipulations that expire with the passage of time and/or can be fulfilled and removed by the actions of the Coalition pursuant to those stipulations.

#### **Permanently Restricted Net Assets**

Permanently restricted net assets include amounts whereby donors have stipulated that the principal contributed be maintained in perpetuity. The Coalition has no permanently restricted net assets.

### **Contributions**

Unconditional promises to give are recorded as receivables when received. Grants and contributions receivable due in one year are recorded at their net realizable values. Grants and contributions receivable due in more than one year are recorded at the present value of their net realizable values, using risk adjusted interest rates applicable to the years in which the contributions are to be received to discount the amounts.

## **International Women's Health Coalition, Inc.**

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Notes to Financial Statements  
September 30, 2017 and 2016

The Coalition reports gifts of cash and other assets as restricted assets, if they are received with donor stipulations that limit the use of the donated assets. Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Coalition reports gifts of land, buildings and equipment as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Coalition reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### **Donated Services**

In accordance with U.S. GAAP, donated services requiring specific expertise are recorded as an in-kind contribution and related expense at their fair value as determined by donors.

### **Allowance for Doubtful Accounts**

Management must make estimates of the uncollectability of all grants and contributions receivable. Management specifically analyzes receivable balances, payment patterns and changes in circumstances when evaluating the need for an allowance for doubtful accounts.

### **Property and Equipment**

Property and equipment are carried at cost less accumulated depreciation and amortization. Depreciation is provided using the straight-line method over the estimated useful lives of the assets ranging from three to ten years. Amortization of leasehold improvements is provided over the shorter of their useful lives or the terms of the lease period using the straight-line method. The Coalition capitalizes property and equipment with a cost of \$1,500 or higher.

### **Grant Expense and Payable**

Grant expense is recorded when an unconditional promise to a grantee is made. Grants payable in more than one year are recorded at the present value, using risk adjusted interest rates applicable to the years in which the grants are to be paid to discount the amounts.

### **Annual Sick Leave**

The Coalition does not accrue unused sick days as the payment of compensation is not probable or reasonably estimable.

### **Income Taxes**

The Coalition is incorporated in the State of New York as a nonprofit organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income tax is required.

## **International Women's Health Coalition, Inc.**

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Notes to Financial Statements  
September 30, 2017 and 2016

### **Uncertain Tax Positions**

Management has evaluated the Coalition's tax positions and concluded that the Coalition has not taken any uncertain tax positions that require adjustment to the financial statements to comply with the provisions of Accounting Standards Codification 740.

### **Functional Allocation of Expenses**

The cost of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### **Statements of Cash Flows**

For purposes of the statements of cash flows, the Coalition considers all highly liquid debt instruments purchased with an original maturity of three months or less on the date of purchase to be cash equivalents.

### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Recent Accounting Standards**

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and related liabilities on the statement of financial position and disclosing key information about leasing arrangements. ASU 2016-02 is effective for non-public entities for fiscal years beginning after December 15, 2019. Management is currently evaluating the impact of adopting ASU 2016-02 on the Coalition's financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The new guidance is intended to improve and simplify the current net asset classification requirements and information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. ASU 2016-14 is to be applied retroactively with transition provisions. Management is currently evaluating the impact of adopting ASU 2016-14 on the Coalition's financial statements.

### **Evaluation of Subsequent Events**

Management has evaluated subsequent events through March 6, 2018, the date the financial statements are available for issuance, for inclusion or disclosure in the financial statements.

## International Women's Health Coalition, Inc.

Notes to Financial Statements  
September 30, 2017 and 2016

### 2. Grants and Contributions Receivable

Grants and contributions receivable are comprised of unconditional promises to give and consist of the following:

	<u>2017</u>	<u>2016</u>
Unconditional promises to give before discount	\$ 4,949,140	\$ 468,907
Less discount on grants and contributions receivable	<u>32,274</u>	<u>-</u>
Net unconditional promises to give	<u>\$ 4,916,866</u>	<u>\$ 468,907</u>
Amounts due in:		
Less than one year	\$ 2,949,140	\$ 468,907
One to two years	<u>1,967,726</u>	<u>-</u>
	<u>\$ 4,916,866</u>	<u>\$ 468,907</u>

The discount rate used to calculate the net present value of the grants and contributions as of September 30, 2017 was 1.31%. No allowance for uncollectible grants and contributions was deemed necessary as of September 30, 2017 or 2016.

As of September 30, 2017, the Coalition has unrecognized conditional grants of \$3,275,000. The revenue associated with these grants will be recorded by the Coalition upon meeting the requirements of the grants. The Coalition expects to recognize \$2,775,000 and \$500,000 in the years ending September 30, 2018 and 2019, respectively, if the conditions, which represent satisfactory compliance with grant requirements, are met.

### 3. Property and Equipment

Property and equipment consists of the following as of September 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Leasehold improvements	\$ 98,274	\$ 98,274
Computer equipment	195,313	257,768
Office furniture and equipment	<u>62,596</u>	<u>134,867</u>
	356,183	490,909
Less accumulated depreciation and amortization	<u>327,271</u>	<u>461,256</u>
Total	<u>\$ 28,912</u>	<u>\$ 29,653</u>

### 4. Grants Payable

The Coalition has made grant commitments to various not-for-profit organizations. As of September 30, 2017 and 2016, grants payable were \$602,393 and \$95,091, respectively, which were due in less than one year.

## International Women's Health Coalition, Inc.

Notes to Financial Statements  
September 30, 2017 and 2016

### 5. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of amounts restricted for the following as of September 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Time restrictions	\$ 4,467,726	\$ 435,000
Time and purpose restrictions:		
Empowering youth in Latin America	-	6,845
Adolescent rights and health	559,772	575,000
U.S. foreign policy	300,000	-
In-country advocacy	747,286	-
Middle East and North Africa	100,000	-
	<u>1,707,058</u>	<u>581,845</u>
Total	<u>\$ 6,174,784</u>	<u>\$ 1,016,845</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or passage of time as follows for the years ended September 30, 2017 and 2016, respectively:

	<u>2017</u>	<u>2016</u>
Time restrictions	\$ 435,000	\$ 100,000
Empowering youth in Latin America	6,845	-
Adolescent rights and health	575,000	-
Total	<u>\$ 1,016,845</u>	<u>\$ 100,000</u>

### 6. Board-Designated Net Assets

Board-designated net assets consist of amounts designated for the following as of September 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Operating reserve (a)	\$ 1,888,732	\$ 1,736,252
Directors' reserve (b)	2,061,107	1,957,306
Total	<u>\$ 3,949,839</u>	<u>\$ 3,693,558</u>

(a) Includes net assets which are board-designated as a reserve for short-term operating costs.

(b) Includes net assets which are board-designated as a reserve for use in sustaining operations upon board authorization.

## International Women's Health Coalition, Inc.

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Notes to Financial Statements  
September 30, 2017 and 2016

### 7. Commitments and Contingencies

#### Operating Lease

The Coalition currently leases office space under a noncancelable operating lease through August 31, 2025. In addition to base rentals, the lease provides for additional rent in the form of the Coalition's proportionate share of the increase in real estate taxes and operating expenses over a base year. The Coalition recognizes rent expense on a straight-line basis beginning with the first month of occupancy. Rent expense on a straight-line basis in excess of rental payments is recorded as a liability.

Approximate future minimum lease payments under the noncancelable operating lease are as follows:

Years ending September 30:	
2018	\$ 421,000
2019	432,000
2020	442,000
2021	454,000
2022	465,000
Thereafter	<u>1,423,000</u>
Total	<u>\$ 3,637,000</u>

Rent expense on a straight-line basis approximated \$483,000 and \$480,000 for the years ended September 30, 2017 and 2016, respectively.

During the year ended September 30, 2015, the Coalition entered into a three-year and three-month non-cancelable lease agreement to sublease some of its office space. Total receipts under sublease agreements approximated \$106,000 and \$103,000 for the years ended September 30, 2017 and 2016, respectively.

Approximate future receipts under the noncancelable sublease are as follows:

Year ending September 30:	
2018	<u>\$ 100,000</u>
Total	<u>\$ 100,000</u>

## **International Women's Health Coalition, Inc.**

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Notes to Financial Statements  
September 30, 2017 and 2016

### **8. Retirement Plans**

The Coalition maintains a tax shelter annuity plan for the benefit of all eligible employees. The Coalition is required to contribute 5% of eligible employees' compensation and match the employee's contribution up to 3% of the employee's compensation, for employees working 20 hours per week or more, as specified in the provisions of the Plan. Retirement contribution expense charged to operations for the years ended September 30, 2017 and 2016 approximated \$145,000 and \$131,000, respectively.

During the year ended September 30, 2017, the Coalition established a 457(b) deferred compensation plan (the "Plan") for one employee. Pursuant to the Plan agreement, the Plan's assets are considered general assets of the Coalition until the assets are distributed to the beneficiary. As a result, the Plan's net assets available for benefits of \$16,492 as of September 30, 2017 are included in other assets and other liabilities on the Foundation's statements of financial position. The Foundation expensed employer contributions for the Plan of approximately \$16,000 for the year ended September 30, 2017.

### **9. Concentrations**

Financial instruments which potentially subject the Coalition to concentrations of credit risk consist principally of receivables and temporary cash investments. From time to time, the cash balances exceed the Federal Depository Insurance Coverage limit. The Coalition places its temporary cash investments with various financial institutions. Certain of the Coalition's receivables may be denominated in foreign currencies and are subject to exchange rate fluctuations.

As of September 30, 2017, 91% of grants and contributions receivable were due from two separate organizations, with each representing greater than 10% of total grants and contributions receivable. As of September 30, 2016, 75% of grants and contributions receivable were due from one organization.

For 2017, 49% of total revenues of the Coalition were from one organization. For 2016, 47% of total revenues of the Coalition were from three separate organizations, with each representing greater than 10% of total revenues.

### **10. Related Party Transactions**

During the years ended September 30, 2017 and 2016, approximately \$648,000 and \$568,000, respectively, of support and revenue was from Coalition board members.