

**WOMEN'S FEDERATION FOR
WORLD PEACE, INC.
Financial Statements and
Independent Accountants' Review Report
Years Ended December 31, 2021 and 2020**

CONTENTS

	Page
Independent Accountants' Review Report	1
Financial Statements:	
Statements of Financial Position.....	2
Statements of Activities	3
Statements of Functional Expenses	4-5
Statements of Cash Flows.....	6
Summary of Significant Accounting Policies.....	7-9
Notes to Financial Statements.....	10-13

BRUNHOFER & BALISE, LLP
Certified Public Accountants

287 N Farview Avenue
Paramus, New Jersey 07652
201-599-9899

Independent Accountants' Review Report

Board of Directors
Women's Federation for World Peace, Inc.
New York, New York

We have reviewed the accompanying financial statements of Women's Federation for World Peace, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, 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 entity 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.

We are required to be independent of Women's Federation for World Peace, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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.

Brunhofer & Balise, LLP

Paramus, NJ
November 14, 2022

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

**Statements of Financial Position
December 31,**

ASSETS	<u>2021</u>	<u>2020</u>
Current Assets		
Cash and cash equivalents	\$ 372,097	\$ 305,044
Accounts receivable	0	650
Total Current Assets	<u>372,097</u>	<u>305,694</u>
Property and equipment		
Property and equipment, at cost	12,202	10,757
Less accumulated depreciation	(9,995)	(8,544)
Net Property and Equipment	<u>2,207</u>	<u>2,213</u>
Other Assets		
Security deposits	486	486
Total Other Assets	<u>486</u>	<u>486</u>
TOTAL ASSETS	<u><u>\$ 374,790</u></u>	<u><u>\$ 308,393</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 8,284	\$ 7,253
Payroll payable	3,096	3,322
Total Current Liabilities	<u>11,380</u>	<u>10,575</u>
TOTAL LIABILITIES	<u>11,380</u>	<u>10,575</u>
Net Assets		
Net assets without donor restrictions	332,664	283,726
Net assets with donor restrictions	30,746	14,092
TOTAL NET ASSETS	<u>363,410</u>	<u>297,818</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 374,790</u></u>	<u><u>\$ 308,393</u></u>

WOMEN’S FEDERATION FOR WORLD PEACE, INC.

**Statements of Activities
Years Ended December 31,**

	<u>2021</u>	<u>2020</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE		
Cash contributions, unrestricted	\$ 223,132	\$ 166,361
Membership dues	106,547	98,717
Paycheck Protection Program loan forgiveness	44,052	44,053
Noncash contributions received	24,450	21,450
Program service revenue	475	1,360
Special event revenue, net of expenses of \$529 and \$64, respectively	1,228	177
Interest income	22	1,266
Total Revenue, Unrestricted	399,906	333,384
Net Assets Released from Restrictions		
Restrictions satisfied by payments	34,608	53,956
Total Unrestricted Support and Reclassifications	434,514	387,340
EXPENSES		
Creating a Culture of Peace program	211,733	207,890
Women Serving the World program	37,355	57,181
General and administrative	123,643	108,683
Fundraising activities	12,845	13,481
Total Expenses	385,576	387,235
Increase (Decrease) in Net Assets Without Donor Restrictions	48,938	105
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions with donor restrictions received	51,262	53,969
Net assets released from restrictions	(34,608)	(53,956)
Increase (Decrease) in Net Assets With Donor Restrictions	16,654	13
INCREASE (DECREASE) IN NET ASSETS:	\$ 65,592	\$ 118
Net Assets, at Beginning of Year	297,818	297,700
Net Assets, at End of Year	\$ 363,410	\$ 297,818

WOMEN’S FEDERATION FOR WORLD PEACE, INC.

**Statement of Functional Expenses
Year Ended December 31, 2021**

	<u>Total</u>	<u>Creating a Culture of Peace</u>	<u>Women Serving the World</u>	<u>General and Admin.</u>	<u>Fundraising</u>
Bank charges	\$ 3,406	\$ 0	\$ 66	\$ 3,340	\$ 0
Conference expenses	3,909	3,730	0	179	0
Depreciation	1,451	0	0	1,451	0
Donations and grants	41,533	6,325	35,208	0	0
Employee benefits	119	0	0	119	0
Insurance expense	2,368	0	0	2,368	0
Licenses and fees	563	0	0	563	0
Member and registration fees	195	195	0	0	0
Office expenses	3,533	0	0	3,533	0
Payroll expense	214,050	126,926	1,906	73,389	11,829
Payroll taxes	17,039	10,182	153	5,756	948
Postage and freight	2,531	285	0	2,246	0
Printing and publishing	2,316	584	9	1,692	31
Professional fees	43,523	28,768	0	14,755	0
Promotional expenses	22,332	21,549	13	770	0
Rent and utilities	24,696	12,225	0	12,471	0
Supplies	37	0	0	0	37
Telephone	1,553	695	0	858	0
Travel	329	269	0	60	0
Vehicle expenses	93	0	0	93	0
Total Functional Expenses	<u>\$ 385,576</u>	<u>\$ 211,733</u>	<u>\$ 37,355</u>	<u>\$ 123,643</u>	<u>\$ 12,845</u>

WOMEN’S FEDERATION FOR WORLD PEACE, INC.

**Statement of Functional Expenses
For the Year Ended December 31, 2020**

	<u>Total</u>	<u>Creating a Culture of Peace</u>	<u>Women Serving the World</u>	<u>General and Admin.</u>	<u>Fundraising</u>
Bank charges	\$ 3,365	\$ 18	\$ 300	\$ 3,047	\$ 0
Conference expenses	4,018	3,903	0	115	0
Depreciation	1,286	0	0	1,286	0
Donations and grants	73,492	18,862	54,630	0	0
Employee benefits	0	0	0	0	0
Insurance expense	2,131	0	0	2,131	0
Licenses and fees	607	0	0	607	0
Member and registration fees	5,507	5,507	0	0	0
Office expenses	3,127	5	0	2,122	1,000
Payroll expense	191,538	109,909	1,879	69,457	10,293
Payroll taxes	14,581	8,417	144	5,232	788
Postage and freight	735	28	0	707	0
Printing and publishing	2,342	1,596	0	396	350
Professional fees	34,745	23,759	0	10,986	0
Promotional expenses	19,261	18,524	228	509	0
Rent and utilities	21,450	10,725	0	10,725	0
Repairs and maintenance	0	0	0	0	0
Supplies	1,050	0	0	0	1,050
Telephone	2,056	934	0	1,122	0
Travel	5,649	5,455	0	194	0
Vehicle expenses	295	248	0	47	0
Total Functional Expenses	<u>\$ 387,235</u>	<u>\$ 207,890</u>	<u>\$ 57,181</u>	<u>\$ 108,683</u>	<u>\$ 13,481</u>

WOMEN’S FEDERATION FOR WORLD PEACE, INC.

**Statements of Cash Flows
For the Years Ended December 31,**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 65,592	\$ 118
Adjustments to reconcile changes in net assets to net cash:		
Depreciation expense	1,451	1,286
Paycheck Protection Program loan forgiveness	(44,052)	(44,053)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	690	152
Increase (decrease) in accounts payable	991	(8,987)
Increase (decrease) in accrued expenses	(226)	1,632
Total adjustments	<u>(41,146)</u>	<u>(49,970)</u>
Net cash provided (used) by operating activities	24,446	(49,852)
Cash flows from investing activities		
Purchases of fixed assets and capital improvements	<u>(1,445)</u>	<u>(1,477)</u>
Net cash provided (used) by investing activities	(1,445)	(1,477)
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loans	<u>44,052</u>	<u>44,053</u>
Net cash provided (used) by financing activities	<u>44,052</u>	<u>44,053</u>
Net increase (decrease) in cash	<u>\$ 67,053</u>	<u>\$ (7,276)</u>
Cash at beginning of year	<u>305,044</u>	<u>312,320</u>
Cash at end of year	<u>\$ 372,097</u>	<u>\$ 305,044</u>

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Summary of Significant Accounting Policies Years Ended December 31, 2021 and 2020

Nature of Organization

Women's Federation for World Peace, Inc. ("the Federation") is a not-for-profit organization incorporated in New York on January 13, 1993. The Federation is exempt from federal income tax under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3). The Federation was organized to unite women in the causes of promoting world peace and in the building of moral families, societies, nations, and a moral world. It sponsors various conferences, speeches, seminars, and other activities to fulfill these goals. These statements reflect the financial activities of the Federation's national functions and all of its local chapters. The Federation is supported by donations from the public, and by dues from members.

Significant Accounting Policies

This summary of significant accounting policies of the Federation is presented to assist in understanding the Federation's financial statements. These policies conform to accounting principles generally accepted in the United States of America. The financial statements and notes are representations of the Federation's management, which is responsible for their integrity and objectivity.

Basis of Presentation and Recent Accounting Pronouncements

In August 2016 the FASB issued Accounting Standards Update No. 2017-14 (ASU 2017-14), "Presentation of Financial Statements of Not-for-Profit Entities." This ASU amends the prior reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: 1) requiring the presentation of only two classes of net assets, now entitled "net assets without donor restrictions" and "net assets with donor restrictions"; 2) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the methods used to allocate costs; 3) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources; and 4) requiring enhanced disclosures for board-designated amounts of net assets. ASU 2017-14 is effective for fiscal years beginning after December 15, 2017, and the Federation adopted it as of January 1, 2018.

As of January 1, 2020, the Federation adopted the provisions of FASB's ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), and the related ASUs. This ASU only applies to the Federation's program service revenue (program fees and sales of publications), which is less than 10% of the Federation's total Revenue. The adoption of this ASU had no cumulative effect on net assets as of January 1, 2020. See Revenue Recognition, below.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Summary of Significant Accounting Policies (Continued) Years Ended December 31, 2021 and 2020

Basis of Accounting

The financial statements of the Federation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents, and Credit Risk

For purposes of the Statements of Cash Flows, the Federation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Federation's cash investments are placed with high credit-quality financial institutions and may exceed the amount of federal deposit insurance.

Property and Equipment

Property and equipment are carried at cost. All equipment costing \$1,000 or more has been capitalized. Depreciation of all capitalized assets is computed by the straight-line method over estimated useful lives.

Forgivable Loans – Paycheck Protection Program Loan

The Federation has elected to account for forgivable loans received through the Small Business Administration under the CARES Act Paycheck Protection Program (PPP), as, in substance, grants that are expected to be forgiven in accordance with Accounting Standards Codification (ASC) 958 Not-for-Profit Entities. The Federation therefore treats the PPP loan proceeds as a “conditional contribution” which is defined as “a contribution that is subject to a donor-imposed condition” such as the requirement for PPP loan proceeds to be used to pay eligible expenses. The PPP loan proceeds are initially recorded as a refundable advance liability on the statement of financial position, until the conditions of PPP loan forgiveness are substantially met. As the conditions for forgiveness are substantially met or explicitly waived, the Federation recognizes contribution income and the refundable advance liability is reduced.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and the Statements of Functional Expenses. The expenses that are allocated include salaries and payroll taxes which are allocated on the basis of time and effort, and rent which is allocated by use of space. General and administrative expenses include those expenses that are not directly identifiable with another specific function but provide for the overall support and direction of the Federation.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Summary of Significant Accounting Policies (Continued) Years Ended December 31, 2021 and 2020

Revenue Recognition

Contributions are reported at fair value at the date the contribution is received. Membership fees are treated the same way since they are a form of contribution; the only direct benefit to members is access to the Federation's electronic newsletter. Contributions received with donor restrictions that limit the use of the donated assets are reported as temporarily restricted support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reported as unrestricted net assets and reported in the statement of changes in net assets as net assets released from restrictions.

As of January 1, 2020, the Federation adopted the provisions of the FASB's ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), and the related ASUs. Topic 606 applies only to the Federation's program service revenue, which is less than 5% of the Federation's total revenue.

Topic 606 requires the Federation to recognize its program service revenue in a way that depicts the transfer of promised services to customers in an amount that reflects the consideration which the Federation expects to receive in exchange for those services. To determine revenue recognition for the arrangements that are within the scope of Topic 606, the Federation performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Federation satisfies a performance obligation.

The Federation has two types of program service revenue to which Topic 606 applies: conference fees, and sale of publications. The performance obligations for these implied contracts may include allowing attendance at Federation conferences, or providing small purchased publications. The pricing and payments revenue from the sale of goods and services are based on the Federation's pre-determined rates. There is no allocation of transaction prices to performance obligations, as there is only one performance obligation for each contract. Conference fee revenue is recognized at the conclusion of the conference, and publication sales revenue is recognized when the publication is delivered. Payment for conferences and publications is generally received at the same time, or sometimes in advance.

Donated Services

The Federation receives a substantial amount of services donated by many individuals, without compensation, in support of the Federation's activities. The financial statements do not reflect the value of those contributed services.

Use of Estimates

The preparation of financial statements in conformity 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. Accordingly, actual results could differ from those estimates.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Notes to Financial Statements Years Ended December 31, 2021 and 2020

NOTE A - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following, as of December 31,

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 514	\$ 514
Office equipment	<u>11,688</u>	<u>10,243</u>
Total property and equipment	12,202	10,757
Less: accumulated depreciation	<u>(9,995)</u>	<u>(8,544)</u>
Net property and equipment	\$ <u>2,207</u>	\$ <u>2,213</u>

NOTE B – NET ASSETS WITH DONOR RESTRICTIONS

In 2001 the Federation began to raise funds for eight schools in Africa. This effort developed into the Schools of Africa Project, whereby local chapters of the Federation raise funds to help maintain and expand these schools. The Federation had a balance of \$3,812 in net assets with donor restrictions for the African schools as of December 31, 2019. During 2020, the Federation received additional restricted contributions of \$32,920 and paid \$33,000 in support of the Africans school project, leaving a balance of \$3,732 in net assets with donor restrictions for the African Schools as of December 31, 2020. During 2021, the Federation received an additional \$25,213 and paid \$0 in support of the African schools project. The Federation thus had a remaining balance of \$28,945 in net assets with donor restrictions for the African schools as of December 31, 2021.

The Federation also had a balance of \$10,267 in net assets with donor restrictions for educational and relief projects in Cambodia and other countries, as of December 31, 2018. During 2020, the Federation received restricted contributions of \$21,049 for international relief and education projects in Jordan, Cambodia, and elsewhere, and spent \$20,956 in support of these projects during 2020. The Federation thus had a remaining balance of \$10,360 in net assets with donor restrictions for educational and relief projects in Jordan, Cambodia, Korea, and elsewhere as of December 31, 2020. During 2021, the Federation received additional restricted contributions of \$26,049 for international relief and education projects in Jordan, Cambodia, and elsewhere, and spent \$34,608 in support of these projects during 2021. The Federation thus had a remaining balance of \$1,801 in net assets with donor restrictions for educational and relief projects in Jordan, Cambodia, Korea, and elsewhere as of December 31, 2021.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Notes to Financial Statements (Continued) Years Ended December 31, 2021 and 2020

NOTE C – BOARD-DESIGNATED FUND

In 2017 the Board designated a \$290,000 unrestricted donation received by the Federation as the “G.M. Young Fund”, to be used to expand and improve the Federation’s outreach strategies. A top priority for the fund is supporting and building the Global Women Peace Network, which held five regional launch events in the United States in 2019. In addition, the fund is used to pay for updates to the Federation’s educational program materials, strengthen the Federation’s social media presence, and give more support to local Federation chapters throughout the United States.

The balance in the fund was \$118,322 as of December 31, 2019. During 2020, \$12,819 of the fund was spent for Board-approved purposes, leaving a balance of \$105,503 as of December 31, 2020. During 2021, \$14,220 of the fund was spent for Board-approved purposes. The Federation thus had a remaining balance of \$91,283 in the fund as of December 31, 2021.

NOTE D – PAYCHECK PROTECTION PROGRAM FORGIVABLE LOANS

In May 2020 the Federation received a \$44,053 Paycheck Protection Program (PPP) forgivable loan from the Small Business Administration as authorized under the CARES Act. The Federation elected to treat these loans as conditional contributions, in accordance with ASC 958 Not-for-Profit Entities. The Federation therefore initially recorded these PPP loans as refundable advance liabilities on its statement of financial position, and then reduced this liability and recognized contribution income as the PPP loan proceeds were used to pay eligible expenses, which the Federation considered as similar to satisfying a donor-imposed condition. As of October 2020, the entire loan had been spent for eligible expenses, and accordingly the Federation’s statement of financial position no longer showed any remaining refundable advance liability, and the full \$44,053 was recognized as Paycheck Protection Program loan forgiveness revenue on the Federation’s statement of activities, subject to formal recognition of the forgiveness by the SBA. In January 2021 the loan was fully forgiven by the SBA.

In February 2021 the Federation applied for and received a “second draw” PPP loan of \$44,052. The Federation fully spent that amount for eligible expenses in the same year, and the loan was fully forgiven by the SBA in August 2021.

NOTE E – DONATED USE OF FACILITIES

The Federation received free use of facilities with a fair value of \$24,450 and \$21,450 for the years ended December 31, 2021 and 2020, respectively. These amounts are included in contributions and expenses in the statement of activities.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Notes to Financial Statements (Continued) Years Ended December 31, 2021 and 2020

NOTE F – CONCENTRATIONS

The Federation received 28% and 24% of its income from one related organization, in the years ended December 31, 2021 and 2020, respectively.

NOTE G – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Federation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Federation's financial assets as of December 31, 2021 and 2020, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the governing board has set aside the funds for specific contingency reserves and projects as board designated endowments. Note however that should the Federation experience an unexpected financial need, the Board could use money in the Board-designated fund to meet that need.

	<u>2021</u>	<u>2020</u>
Current assets, excluding non-financial assets	\$ 372,097	\$ 305,694
Additions:	0	0
Subtraction: net assets with donor restrictions	(30,746)	(14,092)
Subtraction: Board-designated fund	<u>(91,283)</u>	<u>(105,503)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>250,068</u>	\$ <u>186,099</u>

In addition to these available financial assets, Management expects that the Federation's annual expenditures will be funded by new contributions from donors, membership fees, and program service revenue.

WOMEN'S FEDERATION FOR WORLD PEACE, INC.

Notes to Financial Statements (Continued) Years Ended December 31, 2021 and 2020

NOTE H – RELATED PARTIES

The Federation received cash contributions of \$91,500 and donated used of space with a fair market value of \$21,450, from a nonprofit organization with a director in common with the Federation during the year ended December 31, 2020.

The Federation donated \$1,690 during 2020 to a non-profit organization which had a director in common with the Federation.

The Federation paid \$4,425 and \$2,400 in membership and conference fees during 2021 and 2020, respectively, to a non-profit organization which has an officer in common with the Federation.

NOTE I– SUBSEQUENT EVENTS

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 14, 2022, which is the date the financial statements were available to be issued. There are no subsequent events or transactions that require recognition or disclosure in these financial statements.