



Women's Refugee Commission, Inc.

**Financial Statements
With Supplementary Information**

(Together with Independent Auditors' Report)

Year Ended September 30, 2020

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

WOMEN’S REFUGEE COMMISSION, INC.
FINANCIAL STATEMENTS
(Together with Independent Auditors’ Report)
Year Ended September 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Women's Refugee Commission, Inc.

We have audited the accompanying financial statements of Women's Refugee Commission, Inc. ("WRC") which comprise the statement of financial position as of September 30, 2020, and the related statements of activities and changes in net assets, 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 statement 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 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 WRC as of September 30, 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.

Marks Paneth LLP

Purchase, NY
March 18, 2021

WOMEN'S REFUGEE COMMISSION, INC.
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2020

ASSETS

Cash and cash equivalents	\$ 7,104,867
Contributions and grants receivable	3,122,154
Sub-contractor receivable	510,020
Prepaid expenses and other assets	252,700
Fixed assets, net	121,893
Security deposit	<u>133,420</u>

TOTAL ASSETS **\$ 11,245,054**

LIABILITIES

Accounts payable and accrued expenses	\$ 654,864
Deferred rent	181,772
Refundable advances	550,331
Paycheck Protection Program loan	<u>881,492</u>

TOTAL LIABILITIES **2,268,459**

Commitments and Contingencies

NET ASSETS

Without donor restrictions	2,839,616
With donor restrictions	<u>6,136,979</u>

TOTAL NET ASSETS **8,976,595**

TOTAL LIABILITIES AND NET ASSETS **\$ 11,245,054**

The accompanying notes are an integral part of these financial statements.

WOMEN'S REFUGEE COMMISSION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Corporation and Foundation contributions	\$ 139,197	\$ 1,880,564	\$ 2,019,761
Government grants	280,799	28,733	309,532
United Nations	97,890	190,359	288,249
Other contributions	21,143	15,157	36,300
Individual contributions	1,193,788	-	1,193,788
Concert series	327,419	-	327,419
Special events income	383,917	-	383,917
In-Kind contributions	113,229	-	113,229
Membership dues	35,415	-	35,415
Net assets released from restrictions	<u>7,175,517</u>	<u>(7,175,517)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>9,768,314</u>	<u>(5,060,704)</u>	<u>4,707,610</u>
EXPENSES:			
Program services	8,564,587	-	8,564,587
Fundraising	922,622	-	922,622
Management and general	<u>186,922</u>	<u>-</u>	<u>186,922</u>
TOTAL EXPENSES	<u>9,674,131</u>	<u>-</u>	<u>9,674,131</u>
CHANGES IN NET ASSETS FROM OPERATING ACTIVITIES	94,183	(5,060,704)	(4,966,521)
NON-OPERATING ACTIVITIES			
Foreign currency exchange loss	<u>(64,162)</u>	<u>-</u>	<u>(64,162)</u>
CHANGES IN NET ASSETS	30,021	(5,060,704)	(5,030,683)
Net assets - beginning of year	<u>2,809,595</u>	<u>11,197,683</u>	<u>14,007,278</u>
NET ASSETS - END OF YEAR	<u>\$ 2,839,616</u>	<u>\$ 6,136,979</u>	<u>\$ 8,976,595</u>

The accompanying notes are an integral part of these financial statements.

WOMEN'S REFUGEE COMMISSION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2020

	For the Year Ended September 30, 2020			
	Supporting Services			
	Program Services	Fundraising	Management and General	Total Expenses
Salaries and wages	\$ 3,649,552	\$ 513,322	\$ 7,646	\$ 4,170,520
Payroll taxes and employee benefits	820,388	115,938	1,714	938,040
Total salaries and related costs	4,469,940	629,260	9,360	5,108,560
Professional fees	1,329,438	61,505	66,392	1,457,335
Sub-grants	1,613,762	-	-	1,613,762
Charitable contributions	3,500	-	-	3,500
Dues and subscriptions	52,665	28,949	30,098	111,712
Meetings and conferences	59,225	-	10,333	69,558
Equipment rental	96,375	16,925	10,302	123,602
Facilities	445,292	63,784	862	509,938
Insurance	45,140	7,253	13,412	65,805
Office supplies	10,960	8,357	6,452	25,769
Printing and publications	90,160	68,320	5,306	163,786
Telecommunication	29,884	3,591	5,413	38,888
Travel expenses	158,082	22,533	2,639	183,254
Payroll processing and bank fees	987	6,749	18,887	26,623
Depreciation	37,167	4,966	175	42,308
Miscellaneous expense	8,781	430	7,291	16,502
Subtotal (excluding in-kind expenses)	8,451,358	922,622	186,922	9,560,902
Add: in-kind expenses				
Legal fees	113,229	-	-	113,229
TOTAL EXPENSES	\$ 8,564,587	\$ 922,622	\$ 186,922	\$ 9,674,131

The accompanying notes are an integral part of these financial statements.

**WOMEN'S REFUGEE COMMISSION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (5,030,683)
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation and amortization	42,308
Amortization of discount on contributions receivable	
Changes in operating assets and liabilities:	
Contributions and grant receivable	4,042,114
Sub-contractor receivable	(107,277)
Prepaid expenses and other assets	(101,665)
Security deposit	(365)
Accounts payable and accrued expenses	89,971
Deferred rent	(6,871)
Refundable advances	<u>550,331</u>
Net Cash Used In Operating Activities	(522,137)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of fixed assets	(9,168)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from Paycheck Protection Program loan	<u>881,492</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS	350,187
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CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>6,754,680</u>
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CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,104,867</u>
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The accompanying notes are an integral part of these financial statements.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Women's Refugee Commission, Inc. ("WRC" or the "Organization") was organized under the not-for-profit laws of the State of Delaware in 2013 to improve the lives and protect the rights of women, children and youth displaced by conflict and crisis. WRC envisions a world in which refugees are safe, healthy and self reliant.

WRC was officially established in 1989 as part of the International Rescue Committee until 2014 when it became a separate entity. WRC received its public charity determination from the Internal Revenue Service on April 16, 2014 (effective August 9, 2013) and as such is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Through research and fact-finding field missions, the organization identifies critical problems that affect displaced women, children and young people, including gaps in lifesaving reproductive health care, lack of dignified livelihoods for refugees and, in the U.S., the treatment of asylum-seekers. WRC documents best practices and proposes solutions, and develops innovative tools to improve the way humanitarian assistance is delivered in refugee settings. On Capitol Hill, at the United Nations, and with humanitarian organizations, governments and donors, the organization pushes for improvements in refugee policy and practice until measurable long-term change is realized.

Descriptions of WRC's major programs are as follows:

- **Gender Equality:** While gender has been prioritized in humanitarian response for nearly two decades, the system continues to fail women and girls and those with intersectional identities. Gender is neither understood by practitioners nor prioritized. WRC is working to change that by researching challenges and barriers in the system that impede progress and develop a roadmap for gender transformative approaches to humanitarian interventions. This, WRC believes, will not only enhance the protection and opportunities for displaced women and girls but will increase security, health status, and contribute to the economic development of communities impacted by displacement.
- **Adolescent Girls:** Adolescence is a critical time to inspire and empower girls during pivotal, life transforming years. But when conflicts or crises displace adolescent girls from their homes, families and schools, they face heightened risks of exploitation, sexual and gender-based violence, forced marriage, and early pregnancy. Pregnancy and childbirth are the leading causes of death among girls 15-19 years old in developing countries. Girls are more likely than boys to be denied secondary education, which increases rates of early marriage and early childbearing. They are far more likely to be socially isolated, depriving them of friends, mentors and role models to shape their self-esteem and future well-being.

At the WRC, we begin by strengthening the capacity of the girl herself. We learn from girls what works and what doesn't, and then we partner with local organizations to design unique projects to meet girls' needs and to protect their rights. For girls to be safe and to thrive, they require security and education, health care, social support, and mentors. They flourish when given opportunities to develop the confidence, critical thinking, and support networks necessary to make good, informed decisions for their lives. The WRC identifies adolescent girls' most critical needs, and then formulates and advocates solutions. Our reports include situational assessments, guidance documents, implementation tools, and in-depth reports to share learning.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (Continued)

WRC is also leading inter-agency efforts to research and understand how conflict and displacement impact the practice of child marriage to identify the drivers of such and identify programs and services that mitigate risks and reduce the practice.

- **Disabilities Among Refugees:** An estimated 7.5 to 11 million displaced persons live with a disability. They remain among the most hidden, neglected and socially excluded of any population in the world today. Because of physical and social barriers, they are unable to access mainstream assistance programs offered to other refugees. The Women's Refugee Commission is working to ensure that all service providers working with conflict-affected populations take into account the specific needs of persons with disabilities in their programming. WRC has led global efforts on disability inclusion in humanitarian contexts and served on the task team to develop the U.N. Inter-Agency Standing Committee Guidelines on the Inclusion of Persons with Disabilities in Humanitarian Action. This year, WRC conducted virtual trainings for practitioners and Organizations of Persons with Disabilities on implementation of the Guidelines.
- **Gender-Based Violence:** Around the world, up to six of every ten women experience physical and/or sexual violence in their lifetime. During war or other humanitarian crises—such as the brutal conflict currently occurring in Syria—the risks to women and girls are heightened. With the breakdown of moral and social order that occurs during emergencies, women and girls are particularly vulnerable to physical abuse and exploitation, rape and human trafficking. Perpetrators may be family members, neighbors or others in the community, members of armed groups or, in some instances, humanitarian workers. Even after a crisis abates, gender-based violence (GBV) may continue at high levels as communities struggle to heal and rebuild. WRC is the Non-Governmental Organization (“NGO”) lead on the multi-stakeholder, Call to Action to Address GBV in Emergencies. This includes supporting the Government lead (Canada in 2018 - 2020/ Denmark in 2021 - 2023), supporting rollout in at the country level, analyzing partner commitments to address gaps, and capturing progress against the Call to Action roadmap indicators.

WRC has also led global efforts on researching sexual violence against displaced men, boys, and LGBTQ populations and has put these underserved populations on the humanitarian agenda through fact-finding research, the development of guidance and resources, and the provision of technical assistance.

- **Livelihoods:** As the average length of displacement continues to increase – now some 20 years, on average, the Women's Refugee Commission advocates for the right to work for all displaced populations and is working to ensure that economic programs are effective, appropriate and sustainable. WRC's work includes ensuring safe economic opportunities for women, promoting the use of cash to achieve protection outcomes including reductions in risk of gender-based violence, and promoting the use of a WRC developed index to measure the impacts of livelihood programs.

WRC is leading global efforts on the use of cash transfers in gender-based violence programming – both as a tool of prevention and also part of response to enhance access to support services. WRC's toolkit on cash and GBV is now being piloted in multiple settings with operational agency partners.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (Continued)

WRC also co-leads the Refugee Self-Reliance Initiative that has three prongs of focus – measurement, programming, and advocacy. With partners WRC developed the first tool for measuring refugee household's self-reliance, the Self-Reliance Index, which is now being used by 7 organizations in 8 different countries to measure the impacts of their livelihood programs. By building the evidence base, WRC intends to identify which programs work best where and for whom, and to advocate with donors for the funding of self-reliance programming and for hosting governments to create an enabling environment for refugees' economic lives.

- **Migrant Rights & Justice:** The Migrants Rights and Justice (MRJ) program works to ensure fair access to asylum in the U.S. for those fleeing persecution and violence, promotes the use of alternatives to detention especially of asylum seeking children and families, humane conditions in detention facilities when they are used, and access to legal services for their asylum claims. The MRJ program successfully advocated against the family separation policy, for better protections for unaccompanied minors arriving in the U.S., and for release of families when feasible. WRC, working with partners, assisted in the reunification of thousands of children who had been separated from their families and has drafted a more humane asylum policy for the incoming administration.
- **Sexual & Reproductive Health:** WRC's Sexual and Reproductive Health Program works to improve services for displaced women and girls in Maternal & Newborn Health, family planning, sexually transmitted infections, including HIV/AIDS, and for needed health services for survivors of gender-based violence. WRC advocates to UN agencies, governments and donors on all components of reproductive health, including the priority services of the Minimum Initial Service Package (MISP) in the early days of new emergencies. Currently, WRC is working with multiple partners to bring comprehensive sexual and reproductive health services to the most marginalized populations in some of the world's most challenging environments. In addition, WRC has been working with the Government of Borno State, Nigeria to build the capacity of the local health department and strengthen the health worker cadre.

WRC also serves as the Secretariat for the Inter-Agency Working Group on Reproductive Health in Emergencies and leads efforts on family planning, safe access to abortion care, and adolescent sexual and reproductive health services.

- **Statelessness:** An estimated 12 million people worldwide are stateless, with no country to call home. They are not recognized as nationals of the countries where they live, and as a result are denied basic human rights. For many people, this situation arises because of gender discrimination in nationality laws. This occurs when nationality legislation prevents women from acquiring, changing, retaining or passing on their nationality to their children and/or their spouses on an equal basis with men. Twenty-four countries around the world, 11 of them in the Middle East and North Africa, still have discriminatory nationality laws that make it impossible for women to transfer their nationality to their children or to their non-national spouses. It also impacts inheritance and property rights, leaving those affected unable to transfer their financial and material resources to their children.

WRC leads a global campaign on Equal Nationality Rights to address gender discrimination in nationality laws. Steering Committee members include UNHCR, UN Women, UNICEF, Equal Rights Trust, the International Statelessness Institute, and Equality Now. With the Steering Committee and a host of national partners, WRC works with parliamentarians around the world to enact changes in their national laws and policies to end gender discrimination in the nationality laws as a means of reducing statelessness and expanding rights for affected individuals and families.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. *Basis of Accounting*** - WRC adheres to accounting principles generally accepted in the United States of America ("GAAP").
- B. *Cash and Cash Equivalents*** - Cash equivalents include all highly liquid debt investments with a maturity of three months or less when acquired.
- C. *Basis of Presentation*** – The Organization's financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") guidance on reporting information regarding its financial position and activities for not-for-profit organizations. Under that guidance, the Organization is required to report information regarding its net assets and revenues, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:
- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations, including board designated funds functioning as endowment.
 - With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they be maintained permanently by the Organization, and net assets from endowments not yet appropriated for spending. When time and purpose restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as without donor restrictions revenues and support.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled, the stipulated time period has elapsed, or endowment earnings are appropriated) are reported as net assets released from restrictions.

- D. *Revenue Recognition*** – In accordance with GAAP, contributions received are classified depending on the existence or the nature of any donor restrictions. All contributions are considered support without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions and increase those net assets classes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Unless material, WRC does not discount to present value pledges and grants to be received after more than one year.

Contributions received, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are recognized as revenue in the period when the conditions are met.

Government grants for cost reimbursement contracts are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, WRC records advances from government funders.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government and foundation grants are nonexchange transactions accounted for under ASU 2018-08. Multi-year governmental contracts included under government grants are cancellable by the funder upon its sole discretion. Governmental and foundation grants are recognized as revenue when barriers within the contract are overcome and there is no longer a right of return from obligation. Grants and contracts amounted to \$2,329,293 for the year ended September 30, 2020. There are instances when WRC receives advances from the governmental sources and foundations. Such advances are recorded as refundable advances in the accompanying statement of financial position.

As of September 30, 2020, the Organization received conditional grants and contracts from government agencies in the aggregate amount of \$956,611. Such grants have not been recognized in the accompanying financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and the Agency may be required to return the funds already remitted.

- E. *Allowance for Uncollectible Contributions and Grants Receivable*** - WRC determines whether an allowance for uncollectible contributions and grants receivable should be provided based on management's analysis of specific promises to give. WRC determined that no allowance was necessary as of September 30, 2020.
- F. *Sub-contractor receivable*** - Sub-contractor receivable represents advances paid to sub-contractors to perform certain obligations as per their contract with WRC. The receivables will be expensed once a financial report is received from the sub-contractor and approved by WRC. In the event that the sub-contractor does not expend the entire sub-contract amount, the remaining balance is owed back to WRC.
- G. *In-Kind Contributions*** - WRC records contributed services at their estimated fair value on the date of receipt. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated services consisting of legal fees amounted to \$113,229 for the year ended September 30, 2020.
- H. *Fixed Assets*** - Fixed assets are stated at cost. WRC capitalizes fixed assets with a cost of \$1,000 or more and a useful life greater than one year. Depreciation is provided on a straight-line basis over the estimated lives of the assets. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the remaining term of the applicable lease.
- I. *Functional Allocation of Expenses*** - The costs of providing the various program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services.

The financial statements report certain categories of expenses that are attributed to more than one program or function. Therefore, expenses require allocation on a reasonable basis that are consistently applied. The expenses that are allocated include salaries, payroll taxes and employee benefits, which are based on estimates of time and effort spent on direct administration or program services. Professional fees, dues and subscriptions, meetings and conferences, equipment rental,

**WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

office supplies, printing and publications, telecommunications and travel are expenses tracked by account across functions. Other expenses that are allocated include facilities, insurance, payroll processing and bank fees.

- J. *Use of Estimates*** - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the period. Accordingly, actual results could differ from those estimates.
- K. *Income Taxes*** - WRC follows FASB Accounting Standards Codification (“ASC”) Topic 740, which provides standards for establishing classifying any tax provisions for uncertain tax positions.
- L. *Recent Authoritative Pronouncements*** - FASB Accounting Standards Update (“ASU”) 2018-08 “Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made”, was adopted for the year ended September 30, 2020. ASU 2018-08 aims to assist entities in evaluating whether contributions should be accounted for as contributions or exchange transactions and determination as to whether a contribution is conditional.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Organization regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents. Additionally, as discussed in more detail in Note 11, the Organization maintains a \$100,000 line of credit, of which \$100,000 remained available as of September 30, 2020.

As of September 30, 2020, the Organization’s financial assets available for general expenditures within one year of the statement of financial position comprise of the following:

Cash and cash equivalents	\$	7,104,867
Contributions and grants receivable, net		3,122,154
Less: with donor restrictions		<u>(6,136,979)</u>
Total	\$	<u><u>4,090,042</u></u>

NOTE 4 – CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grant receivable consist of the following as of September 30, 2020:

Due within one year	\$	3,122,154
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WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 5 – FIXED ASSETS

Fixed assets are capitalized and carried at cost, less accumulated depreciation.

Depreciation is computed on the straight-line basis over the estimated useful lives. A summary of fixed assets is as follows as of September 30, 2020:

Office Equipment	\$	70,855
Furniture and Fixtures		177,269
Leasehold Improvements		71,191
		319,315
Less accumulated depreciation		(197,422)
		\$ 121,893

Depreciation and amortization expense amounted to \$42,308 for year ended September 30, 2020.

NOTE 6 – PAYCHECK PROTECTION PROGRAM LOAN

On April 29, 2020, the Organization qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration (“SBA”) under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender (the “PPP Lender”), for an aggregate principal amount of \$881,492 (the “PPP Loan”). The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loan is subject to forgiveness under the Paycheck Protection Program upon the Organization’s request to the extent that the PPP Loan proceeds are used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Organization. Management has opted to account for the proceeds as a loan under FASB ASC 470 until the loan is, in part or wholly, forgiven and the Organization has been legally released.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of September 30, 2020:

Migrants Rights and Justice	\$	962,326
Global Campaign		47,725
Sexual & Reproductive Health		1,679,305
IAWG		1,422,070
Gender-Based Violence		289,302
Social Inclusion		1,494,804
Economic Empowerment & Self-Reliance		69,072
Time Restricted		172,375
		\$ 6,136,979

Net assets were released from donor restrictions during the year ended September 30, 2020 by incurring expenses satisfying the restricted purpose or occurrence specified by the donors and amounted to \$7,175,517.

**WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

NOTE 8 – CONCENTRATIONS

A. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that may exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limit amount of \$250,000 per depositor.

The Organization had insured cash accounts that exceeded the FDIC insurance limit for the year ended September 30, 2020 by approximately \$6,855,000.

B. Concentration of Revenues and Receivables

At September 30, 2020, contributions and grants receivable included receivables from two donors totaling \$2,018,432 that represented approximately 65% of the total contributions and grants receivable.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Organization has two office leases

On February 12, 2016, WRC signed a ten-year and four months lease agreement for office space in New York City effective May 1, 2016.

On December 8, 2014, WRC signed a three-year and four months lease agreement for office space in Washington D.C. effective February 1, 2015. The original lease was extended on March 19, 2018 effective June 1, 2018. This extension was for three years and three months.

Future minimum payments under these lease agreements for years subsequent to September 30, 2020 are as follows:

2021	\$	471,924
2022		416,384
2023		424,710
2024		433,204
2025		441,866
Thereafter		372,480
		\$ 2,560,568

Rent and other expenses incurred under these agreements for the year ended September 30, 2020 amounted to approximately \$510,000 and are included in facilities expense in the accompanying statement of functional expenses.

WOMEN'S REFUGEE COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE 10 – EMPLOYEE BENEFIT PLANS

Effective August 1, 2014, WRC established a 403(b) Savings Plan (the "Plan"), which is a spin-off from the International Rescue Committee 403(b) Savings Plan, established on October 1, 2013. The Plan covers all U.S. based and expatriate personnel subject to eligibility requirements. WRC makes contributions based on a prescribed matching schedule of employee contributions. Basic employee contributions up to 6% of the participant's compensation are eligible for matching contributions by WRC.

Matching contributions are deposited in the Plan each payroll period based on the following formula:

- 100% of the basic employee contribution up the first 3% of compensation.
- 50% of the basic employee contribution up to the next 3% of compensation.

WRC contributed \$158,786 to the Plan for the year ended September 30, 2020.

NOTE 11 – LINE OF CREDIT

The Organization attained a line of credit effective June 1, 2018 for \$100,000 with TD Bank, N.A. ("Lender"), of which \$100,000 was unused at September 30, 2020 and as of the date of the independent auditors' report. Bank advances on the credit line are payable on demand and carry an interest rate of no less than 4.75%. The credit line is secured by all assets of the Organization. The Organization will have to pay this loan in full immediately upon Lender's demand.

NOTE 12 – CORONAVIRUS

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic, which continues to spread throughout the United States. The Organization could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Organization's business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. Accordingly, the Organization cannot predict the extent to which its financial condition and results of operations will be affected.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the statement of financial position date through March 18, 2021, the date the financial statement were available to be issued.

On December 27, 2020, in response to COVID-19, the federal government passed part 2 of the Coronavirus Aid, Relief, and Economic Stability Act. The Organization applied for this loan through an SBA authorized lender and received \$861,817 on February 26, 2021.

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M A R K S P A N E T H
ACCOUNTANTS & ADVISORS

The Board of Directors of
Women's Refugee Commission, Inc.

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

We have audited the financial statements of Women's Refugee Commission, Inc. as of and for the year ended September 30, 2020 and our report thereon dated March 18, 2021, which expressed an unmodified opinion on those financial statements, appears on pages 1-2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of expenses for the year ended September 30, 2020 relating to The Swiss Confederation Swiss Federal Department of Foreign Affairs and The International Planned Parenthood Federation are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Marks Paneth LLP

March 18, 2021
Purchase, NY

WOMEN'S REFUGEE COMMISSION, INC.
SCHEDULE OF EXPENSES RELATING TO THE SWISS CONFEDERATION
SWISS FEDERAL DEPARTMENT OF FOREIGN AFFAIRS
CONTRACT NO. 81051068
Year Ended September 30, 2020

	<u>Total Adjusted Budget</u>	<u>Previous Periods Expenses</u>	<u>Current Period Expenses</u>	<u>Grant-to-Date Expenses</u>	<u>Variance (Over)Under</u>
Categories					
Personnel and Fringe	\$ 60,910	\$ 50,915	\$ 16,323	\$ 67,238	\$ (6,328)
Travel	34,500	28,771	-	28,771	5,729
Consultant/Audit Fees	125,000	121,827	1,365	123,192	1,808
Other Direct Costs	6,863	6,818	1,496	8,314	(1,451)
Total Direct Cost	<u>227,273</u>	<u>208,331</u>	<u>19,184</u>	<u>227,515</u>	<u>(242)</u>
Indirect Cost	<u>22,727</u>	<u>20,566</u>	<u>1,919</u>	<u>22,485</u>	<u>242</u>
Total Expenditures	<u>\$ 250,000</u>	<u>\$ 228,897</u>	<u>\$ 21,103</u>	<u>\$ 250,000</u>	<u>\$ -</u>

See independent auditors' report on supplementary information.

WOMEN'S REFUGEE COMMISSION, INC.
SCHEDULE OF EXPENSES RELATING TO THE
INTERNATIONAL PLANNED PARENTHOOD FEDERATION
Year Ended September 30, 2020

	<u>Total Budget</u>	<u>Previous Periods Expenses</u>	<u>Current Year Expenses</u>	<u>Grant-to-Date Expenses</u>	<u>Variance (Over)Under</u>
Categories					
Personnel	\$ 318,276	\$ 133,574	\$ 188,419	\$ 321,993	\$ (3,717)
Consultant/Audit Fees	32,800	2,762	24,728	27,490	5,310
Other Direct Costs	57,747	18,275	46,863	65,138	(7,391)
Total Direct Cost	<u>408,823</u>	<u>154,611</u>	<u>260,010</u>	<u>414,621</u>	<u>(5,798)</u>
Indirect Cost	<u>77,861</u>	<u>28,959</u>	<u>46,917</u>	<u>75,876</u>	<u>1,985</u>
Total Expenditures	<u>\$ 486,684</u>	<u>\$ 183,570</u>	<u>\$ 306,927</u>	<u>\$ 490,497</u>	<u>\$ (3,813)</u>

See independent auditors' report on supplementary information.