



Certified Public Accountants  
and Financial Advisors

**WOMEN DONORS NETWORK**

Financial Statements  
December 31, 2018 and 2017

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Women Donors Network

### Report on the Financial Statements

We have audited the accompanying financial statements of Women Donors Network (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### 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 preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women Donors Network as of December 31, 2018 and 2017, 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.

**SQUAR MILNER LLP**

*SQUAR MILNER LLP*

San Francisco, California  
September 16, 2019

**WOMEN DONORS NETWORK**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2018 and 2017

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,292,015	\$ 2,180,691
Certificates of deposit	122,707	122,340
Pledges receivable, net	680,800	814,515
Program investment	103,035	102,015
Prepaid expenses	35,896	66,166
Other receivables	35,099	8,789
Total current assets	3,269,552	3,294,516
<b>Other Assets</b>		
Pledges receivable, net - non-current	433,309	866,266
Property and equipment, net	94,808	60,559
Deposits	8,535	8,535
Total other assets	536,652	935,360
Total assets	\$ 3,806,204	\$ 4,229,876
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 117,946	\$ 66,652
Accrued vacation liability	31,091	35,280
Accrued sabbatical liability	36,813	36,906
Deferred revenue	8,400	19,200
Total current liabilities	194,250	158,038
<b>Accrued Sabbatical Liability - Non-Current</b>	63,123	62,549
Total liabilities	257,373	220,587
<b>Net Assets Without Donor Restrictions</b>		
Undesignated	849,507	598,877
Board designated	860,000	860,000
Total without donor restrictions	1,709,507	1,458,877
<b>Net assets With Donor Restrictions</b>	1,839,324	2,550,412
Total net assets	3,548,831	4,009,289
Total liabilities and net assets	\$ 3,806,204	\$ 4,229,876

**WOMEN DONORS NETWORK**  
**STATEMENTS OF ACTIVITIES**  
For the Years Ended December 31, 2018 and 2017

	December 31, 2018			December 31, 2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Contributions	\$ 1,408,088	\$ 2,711,137	\$ 4,119,225	\$ 1,597,037	\$ 3,312,316	\$ 4,909,353
Conference registration fees	110,400	-	110,400	92,313	-	92,313
Other program fees	218,900	-	218,900	246,358	-	246,358
Interest and dividends	6,137	-	6,137	2,757	-	2,757
Net assets released from restrictions:						
Purpose accomplished or time restriction expired	3,422,225	(3,422,225)	-	2,146,338	(2,146,338)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<u>5,165,750</u>	<u>(711,088)</u>	<u>4,454,662</u>	<u>4,084,803</u>	<u>1,165,978</u>	<u>5,250,781</u>
<b>EXPENSES</b>						
Program services	4,029,113	-	4,029,113	3,207,722	-	3,207,722
Supporting services						
Management and general	492,455	-	492,455	477,419	-	477,419
Fundraising	393,552	-	393,552	278,969	-	278,969
<b>TOTAL EXPENSES</b>	<u>4,915,120</u>	<u>-</u>	<u>4,915,120</u>	<u>3,964,110</u>	<u>-</u>	<u>3,964,110</u>
<b>CHANGE IN NET ASSETS</b>	250,630	(711,088)	(460,458)	120,693	1,165,978	1,286,671
<b>NET ASSETS - beginning of year</b>	<u>1,458,877</u>	<u>2,550,412</u>	<u>4,009,289</u>	<u>1,338,184</u>	<u>1,384,434</u>	<u>2,722,618</u>
<b>NET ASSETS - end of year</b>	<u>\$ 1,709,507</u>	<u>\$ 1,839,324</u>	<u>\$ 3,548,831</u>	<u>\$ 1,458,877</u>	<u>\$ 2,550,412</u>	<u>\$ 4,009,289</u>

**WOMEN DONORS NETWORK**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2018**

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries	\$ 607,070	\$ 298,587	\$ 206,808	\$ 1,112,465
Payroll taxes	41,628	21,109	14,104	76,841
Employee benefits	90,820	44,740	30,988	166,548
Grants	2,047,590	-	-	2,047,590
Professional services	784,369	48,857	89,708	922,934
Travel, conferences and meetings	302,155	16,386	4,108	322,649
Occupancy	77,093	33,196	21,072	131,361
Depreciation and amortization	25,938	3,642	2,312	31,892
Printing and publications	13,525	914	2,693	17,132
Telephone	6,191	2,666	1,692	10,549
Software	4,764	2,020	1,282	8,066
Office supplies	4,377	1,858	1,179	7,414
Insurance	2,330	4,206	637	7,173
Training and education	3,351	1,417	899	5,667
Internet and email fees	3,331	1,378	874	5,583
Postage	1,713	731	464	2,908
Computer equipment	903	384	243	1,530
Membership dues	1,500	-	-	1,500
Licenses and fees	667	434	-	1,101
Furniture and equipment	276	112	71	459
Miscellaneous	9,522	9,818	14,418	33,758
<b>Total Expenses</b>	<b>\$ 4,029,113</b>	<b>\$ 492,455</b>	<b>\$ 393,552</b>	<b>\$ 4,915,120</b>

**WOMEN DONORS NETWORK**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2017**

	<u>Program Services</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 699,047	\$ 249,901	\$ 176,731	\$ 1,125,679
Payroll taxes	46,710	17,492	11,809	76,011
Employee benefits	100,969	36,095	25,527	162,591
Professional services	948,602	100,067	13,090	1,061,759
Grants	857,192	-	-	857,192
Travel, conferences and meetings	377,010	20,200	7,231	404,441
Occupancy	95,509	31,690	19,513	146,712
Depreciation and amortization	26,693	3,138	1,932	31,763
Printing and publications	8,909	2,414	1,692	13,015
Telephone	6,798	2,256	1,389	10,443
Office supplies	6,544	2,171	1,337	10,052
Software	5,103	1,693	1,042	7,838
Insurance	2,856	3,989	584	7,429
Internet and email fees	3,928	1,303	802	6,033
Training and education	3,161	1,049	646	4,856
Computer equipment	2,637	875	539	4,051
Postage	2,483	824	507	3,814
Membership dues	2,750	-	612	3,362
Licenses and fees	410	715	-	1,125
Furniture and equipment	104	35	21	160
Miscellaneous	10,307	1,512	13,965	25,784
<b>Total Expenses</b>	<b>\$ 3,207,722</b>	<b>\$ 477,419</b>	<b>\$ 278,969</b>	<b>\$ 3,964,110</b>



**WOMEN DONORS NETWORK**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (460,458)	\$ 1,286,671
Adjustments to reconcile change in net assets to net cash from operating activities:		
Amortization of discount on pledges receivable	(80,343)	77,593
Change in allowance for uncollectible pledges	(50,000)	110,000
Depreciation and amortization	31,892	31,763
Loss on disposal of equipment	7,391	-
(Increase) decrease in operating assets:		
Pledges and other receivables	670,705	(1,157,912)
Program investments	(1,020)	(507)
Prepaid expenses	30,270	102
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	47,586	(30,245)
Deferred revenue	(10,800)	9,000
<b>Net cash provided by operating activities</b>	<b>185,223</b>	<b>326,465</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Reinvested interest earned on certificates of deposit	(367)	(367)
Purchases of property and equipment	(73,532)	(36,552)
<b>Net cash used in investing activities</b>	<b>(73,899)</b>	<b>(36,919)</b>
<b>Net increase in cash and cash equivalents</b>	<b>111,324</b>	<b>289,546</b>
<b>CASH AND CASH EQUIVALENTS</b> - beginning of the year	<b>2,180,691</b>	<b>1,891,145</b>
<b>CASH AND CASH EQUIVALENTS</b> - end of the year	<b>\$ 2,292,015</b>	<b>\$ 2,180,691</b>

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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**1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Women Donors Network (the “Organization”) is a California nonprofit organization located in San Francisco, California that seeks to build the progressive movement through the power of philanthropy, women’s leadership, and collective and individual action. The Organization is primarily supported through private grants and contributions.

The Organization’s program activities during the year ended December 31, 2018, included an ongoing Reflective Democracy Campaign to research and publicize data on the race and gender of elected officials and candidates at all levels in the United States and to illuminate and remove the structural barriers to achieving a democracy where our leaders will demographically reflect the American people; a collaborative funding initiative to support the Movement for Black Lives; a collaborative funding vehicle in partnership with several other organizations, called the Emergent Fund, which supports vulnerable communities that are under attack by current federal policies and priorities; the development of three new initiatives called Impact Collectives, which are designed to help the Organization’s donors learn and fund collaboratively in three overarching strategic areas, including a Safe & Sustainable Future for All, Participation & Representation for All, and Opportunity & Equality for All; webinars on issues of interest to women philanthropists; a series of online seminars about values-aligned investing for women donors; regional meetings where groups of Organization members and prospective members networked and learned together; a skills-building retreat held in Chicago, Illinois; and finally an Annual Conference, “WDN Connect: 2018,” which was held in Seattle, Washington, where 150 women donors gathered to learn to be more effective philanthropists, exchange ideas with grassroots leaders and experts, build community, and develop collaborative social change strategies.

The Organization’s program activities during the year ended December 31, 2017, included an ongoing Reflective Democracy Campaign to research and publicize data on the race and gender of elected officials and candidates at all levels in the United States and to illuminate and remove the structural barriers to achieving a democracy where our leaders will demographically reflect the American people; a collaborative funding initiative to support the Movement for Black Lives; collaborative funding through the Organization’s donor circles to award grants to organizations working to promote reproductive health and justice, to develop grassroots criminal justice campaigns to reverse discriminatory practices, to support indigenous communities most impacted by extreme energy extraction, to promote immigration reform that addresses the needs of women and families, and to support women leaders working for peace and human rights internationally; an advocacy and lobbying training in Washington, DC; a new collaborative funding vehicle called the Emergent Fund which supports vulnerable communities that are under attack by current federal policies and priorities; webinars on issues of interest to women philanthropists; regional meetings where groups of Organization members and prospective members networked and learned together; two skills-building retreats for women donors; and finally an Annual Conference, “WDN Connect: 2017,” which was held in Atlanta, Georgia, where more than 130 women donors gathered to learn to be more effective philanthropists, exchange ideas with grassroots leaders and experts, build community, and develop collaborative social change strategies.

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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**1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

A summary of the Organization's significant accounting policies follows:

***Method of Accounting***

The financial statements of the Organization have been prepared using the accrual method of accounting, which involves the recognition of revenues and gains when earned and expenses and losses when incurred.

***Basis of Presentation***

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets without donor restrictions* represent net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated a portion of this class of net assets for operating reserves. The amounts designated are not available for the Organization's operations without the Board of Directors' approval.

*Net Assets with donor restrictions* represent net assets subject to donor-imposed stipulations. Some donor-imposed restrictions may be met either by actions of the Organization and/or the passage of time.

***Concentrations of Credit Risk***

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. Risks associated with cash and cash equivalents are mitigated by banking with creditworthy institutions. Such balances with any one institution may, at times, be in excess of federally insured amounts (\$250,000 per depositor). The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less, to be cash equivalents.

***Certificates of Deposit***

The Organization reports certificates of deposit at cost plus accrued interest. Unless the Organization identifies events or changes in circumstances that might have an adverse effect on the carrying value of these certificates, management does not evaluate such certificates for impairment.

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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**1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Pledges Receivable***

Pledges receivable include unconditional promises to give from donors. Pledges receivable are recorded at net realizable value. Pledges receivable that are expected to be received in future years are discounted to the anticipated present value of future cash flows using a discount rate. The Organization provides an allowance for estimated uncollectible contributions.

***Program Investments***

To promote women's leadership and economic empowerment, the Organization maintains a program-related investment in a community investment note to Calvert Foundation. The program investment is valued at cost plus accrued interest. This investment in the Women Investing in Women Initiative provides loan capital to organizations working to empower women through projects that support education, microfinance, health care, childcare, housing, and leadership development.

***Property, Equipment and Depreciation***

The Organization records acquisitions of durable equipment with a cost of \$1,000 or more and leasehold improvements that significantly prolong the useful lives of assets as property and equipment. Property and equipment are recorded at cost when purchased and fair value when received as a donation. Property and equipment are depreciated over the estimated useful lives of the respective assets, primarily three to five years, using the straight-line method of depreciation.

***Grants Payable***

Grants to others are recorded as an expense when unconditionally committed by the Organization. At December 31, 2018 and 2017, there were no outstanding grants payable.

***Income Tax Status***

The Organization is recognized as a public charity exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code, whereby only unrelated business income, as defined by Section 512(a)(1) of the Internal Revenue Code and similar code section of the California Revenue and Taxation Code, is subject to income tax.

Each year management considers whether any material tax positions the Organization has taken are more likely than not to be sustained upon examination by the applicable taxing authority. Management believes that any positions the Organization has taken are supported by substantial authority and, hence, do not need to be measured or disclosed in these financial statements.

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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**1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Revenue Recognition***

*Contributions*

Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Gifts of property and equipment are recorded as net assets without donor restrictions unless explicit donor stipulations specify how the donated asset 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 net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired long-lived assets are placed in service.

*Conferences Registration Fees*

Registration fees for conferences are recognized on the date of the conference. Fees paid in advance of the conference are recorded as deferred revenue.

*Program Fees*

Program fees represent fees paid for events such as seminars, donor trips, and donor retreats, which are recognized as income on the date of the event. Fees received near the end of the year for an event in the subsequent year are recorded as deferred revenue.

***Allocation of Expenses***

The statement of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the programs and supporting services benefited based on the percentage of time employees work in each functional area.

***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. These estimates and assumptions 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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**1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Recently Issued Accounting Standards***

The Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customers (Topic 606) (“ASU 2014-09”). The new standard is based on principles that govern the recognition of revenue at an amount an entity expects to be entitled when products are transferred to customers. This new standard will be effective for the Organization for the year ending December 31, 2019. The Organization is currently evaluating its impact on its financial statements.

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made (Topic 958). These amendments clarify and improve the scope and accounting guidance around contributions of cash and other assets received and made by all entities, including business entities. The amendments should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions), or as exchange (reciprocal) transactions and (2) determining whether a contribution is conditional or unconditional. The new ASU does not apply to transfers of assets from governments to businesses.

ASU 2018-08 will be effective for annual financial statements issued for fiscal years beginning after December 15, 2018 for entities that serves as a resource recipient, and years beginning after December 15, 2019 for entities that serve as a resource provider. The Organization is currently assessing the potential impact of this guidance on its financial statements.

The FASB also issued ASU No. 2016-02, Leases (Topic 842) (“ASU 2016-02”) for lease accounting to increase transparency and comparability among companies by requiring the recognition of lease assets and lease liabilities by lessees. The new standard will be effective for the Organization for the fiscal year ending December 31, 2020. The Organization is currently evaluating the timing of its adoption and its impact on its financial statements.

***Subsequent Events***

Management has evaluated events and transactions for potential recognition or disclosure through September 16, 2019, the date which the financial statements were made available to be issued.

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**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

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## 2. NEW ACCOUNTING PRONOUNCEMENT

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The Organization has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standards change the following aspects of the Organization's financial statements:

1. The unrestricted net asset class has been renamed net assets without donor restrictions.
2. The temporarily restricted net asset class has been renamed net assets with donor restrictions.
3. The financial statements include a new disclosure about liquidity and availability of resources (Refer to note 3).

The changes have the following effect on net assets at December 31, 2017:

<u>Net Asset Class</u>	<u>As Originally Presented</u>	<u>After Adoption of ASU 2016-14</u>
Unrestricted net assets	\$ 1,458,877	\$ -
Net assets without donor restrictions	-	1,458,877
Temporarily restricted net assets	2,550,412	-
Net assets with donor restrictions	<u>-</u>	<u>2,550,412</u>
Total net assets	<u>\$ 4,009,289</u>	<u>\$ 4,009,289</u>

## 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization has a policy to build and maintain a four-month operating reserve indexed to the annual operating expense budget, exclusive of grants awarded through its grant-making initiatives. The Organization also has a policy that it will maintain an additional carryforward of current financial assets without donor restrictions less current liabilities, over and above the board-designated four-month reserve, sufficient to help pay for special projects in the future. To achieve these targets, the entity forecasts its future needs during the annual budgeting process, monitors its liquidity quarterly, and monitors its reserves annually.

**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

**3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS** (continued)

The Organization defines general expenditures as ongoing program, management and general, and fundraising expenses. The table below presents financial assets available to fund general operating expenses within one year at December 31, 2018:

Financial assets at December 31, 2018:

Cash and cash equivalents	\$ 2,292,015
Certificates of deposit	122,707
Pledges receivable, net	1,114,109
Program investment	103,035
Other receivables	<u>35,099</u>
Total financial assets	<u>3,666,965</u>

Less amounts not available to be used within one year:

Net assets with donor restrictions, time restrictions	(556,500)
Net assets with donor restrictions, purpose restrictions	(385,400)
Net assets without donor restrictions - board designated	<u>(860,000)</u>
Financial assets not available to meet general expenditures within one year	<u>(1,801,900)</u>
	<u>\$ 1,865,065</u>

**4. PLEDGES RECEIVABLE**

At December 31, 2018 and 2017, pledges receivable consisted of the following:

	<u>2018</u>	<u>2017</u>
Receivable in less than one year	\$ 680,800	\$ 814,515
Receivable in one to five years	<u>613,500</u>	<u>1,176,800</u>
Total pledges receivable	1,294,300	1,991,315
Allowance for uncollectible receivables	(130,000)	(180,000)
Unamortized discount	<u>(50,191)</u>	<u>(130,534)</u>
Pledges receivable, net	<u>\$ 1,114,109</u>	<u>\$ 1,680,781</u>

Pledges receivable with due dates extending beyond one year were discounted using discount rates between 3.23% and 7.82% at December 31, 2018, and between 3.83% and 7.83% at December 31, 2017.



**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

**5. PROPERTY AND EQUIPMENT**

At December 31, 2018 and 2017, property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 42,712	\$ 44,132
Website	128,733	83,083
Software	<u>3,500</u>	<u>3,500</u>
Total property and equipment	174,945	130,715
Accumulated depreciation and amortization	<u>(80,137)</u>	<u>(70,156)</u>
Property and equipment, net	<u>\$ 94,808</u>	<u>\$ 60,559</u>

**6. NET ASSETS WITH DONOR RESTRICTIONS**

At December 31, 2018 and 2017, net assets with donor restrictions consisted of the following:

	<u>2018</u>	<u>2017</u>
Time restrictions	\$ 1,453,924	\$ 1,881,682
Impact Collectives	228,897	-
Reflective Democracy Campaign	213,471	543,059
Jean Hardisty Catalytic Impact Fund	92,763	320,663
Action funds	18,000	23,000
Donna P. Hall Leadership Awards	11,460	51,814
Reproductive Health circle	-	14,768
Middle East Peace & Democracy circle	-	12,852
Women Building a Just Peace circle	-	4,650
Earth circle	-	3,908
Criminal (In)Justice circle	-	3,550
Other purposes	<u>1,000</u>	<u>1,000</u>
	2,019,515	2,860,946
Allowance for uncollectible restricted pledges	(130,000)	(180,000)
Unamortized discount related to restricted pledges	<u>(50,191)</u>	<u>(130,534)</u>
	<u>\$ 1,839,324</u>	<u>\$ 2,550,412</u>

**WOMEN DONORS NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018 and 2017**

**6. NET ASSETS WITH DONOR RESTRICTIONS** (continued)

During the year ended December 31, 2018 and 2017, net assets were released from restrictions by incurring expenditures satisfying the restricted purposes, or by occurrences of other events specified by donors, as follows:

	<b>2018</b>	<b>2017</b>
Reflective Democracy Campaign	\$ 1,157,542	\$ 766,629
Jean Hardisty Catalytic Impact Fund	941,683	309,397
Passage of time	849,683	350,944
Impact Collectives	339,785	-
Reproductive Health Circle	56,768	125,000
Donna P. Hall Leadership Awards	50,354	-
Middle East Peace & Democracy Circle	12,852	36,578
Earth Circle	8,908	153,601
Women Building A Just Peace	4,650	-
Criminal (In)Justice Circle	-	156,379
Philanthropy Fellowship Program	-	130,912
Immigration Circle	-	91,407
Gulf Coast Circle	-	19,700
Film & Media Circle	-	5,569
Progressive Political Infrastructure	-	222
	\$ 3,422,225	\$ 2,146,338

**7. RETIREMENT PLAN**

Included in the Organization's employee benefits expense is the Organization's contributions made to individual SEP IRA accounts for each regular employee who works at least 20 hours per week. The Organization's contribution is 5% of each employee's salary. All SEP IRA account balances are 100% vested. Total employer contributions to these plans for the years ended December 31, 2018 and 2017, were \$61,410 and \$56,449 respectively.

**8. SABBATICAL LEAVE**

During the year ended December 31, 2015, the Organization instituted a policy to provide a 3-month paid sabbatical leave to eligible employees. The policy was implemented retroactively for all eligible employees based on their employment date. At December 31, 2018 and 2017, the accrued sabbatical liability was \$99,936 and \$99,455, respectively.

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**WOMEN DONORS NETWORK**  
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**9. OPERATING LEASES**

The Organization leases its office space under a noncancelable operating lease arrangement expiring on September 30, 2019. The lease contains scheduled annual increases and requires payment of the tenant's share of property taxes and operating expenses.

Future minimum lease payments at December 31, 2018 are as follows:

**Year ending December 31,**

2019	<u>\$ 60,726</u>
	<u>\$ 60,726</u>

Rental expense for the years ended December 31, 2018 and 2017, was \$129,948 and \$140,256, respectively.

The Organization terminated its lease early and entered into a new operating lease as of February 2019 (refer to Note 11), which commenced on June 1, 2019.

**10. RELATED PARTY TRANSACTIONS**

In December 2017, a new separate legal entity called WDN Action was formed, as a nonprofit corporation exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code. The purpose of this organization is to advance a just, equitable, and sustainable world through advocacy, funding, and civic engagement of underrepresented communities.

On December 7, 2017, the Organization entered into a resource sharing agreement (the "Agreement") with WDN Action. Under the terms of the Agreement, the Organization and WDN Action share a variety of personnel, facilities and goods and services. The Organization allocates shared costs between the Organization and WDN Action.

For the years ended December 31, 2018 and 2017, the Organization allocated approximately \$157,267 and \$7,974, respectively, of expenses to WDN Action under the Agreement.

At December 31, 2018 and 2017, the Organization had accounts receivable totaling \$35,269 and \$8,425, respectively, from WDN Action.

During the year ended December 31, 2018, the Organization awarded grants to WDN Action totaling \$125,000.

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**WOMEN DONORS NETWORK**  
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**11. SUBSEQUENT EVENT**

On February 6, 2019, the Organization entered into a noncancelable operating lease arrangement, for its office space, which commenced on June 1, 2019 and expiring on May 31, 2024. The lease contains lease payments starting at \$26,837, with scheduled annual increases and requires payment of the tenant's share of property taxes and operating expenses.