

FINANCIAL STATEMENTS

**INTERNATIONAL CENTER FOR
RESEARCH ON WOMEN**

**FOR THE YEARS ENDED
SEPTEMBER 30, 2010 AND 2009**

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

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GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
International Center for Research on Women
Washington, D.C.

We have audited the accompanying statements of financial position of the International Center for Research on Women (ICRW) as of September 30, 2010 and 2009, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of ICRW's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ICRW's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ICRW as of September 30, 2010 and 2009, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2011 on our consideration of ICRW's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

February 11, 2011

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INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2010 AND 2009

ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,037,714	\$ 1,492,185
Investments (Notes 2, 14 and 15)	10,276,804	11,930,010
Accounts receivable	40,950	77,878
Contracts receivable	611,327	143,826
Contributions receivable, current portion (Note 7)	2,542,151	1,688,486
Advances	16,673	27,864
Prepaid expenses	<u>34,569</u>	<u>25,194</u>
Total current assets	<u>14,560,188</u>	<u>15,385,443</u>
FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, Net of Accumulated Depreciation and Amortization of \$482,045 and \$426,447 for 2010 and 2009, respectively (Note 8)	<u>630,534</u>	<u>756,888</u>
OTHER ASSETS		
Contributions receivable, long-term portion (Note 7)	440,360	6,566,133
Security deposits	<u>115,434</u>	<u>114,434</u>
Total other assets	<u>555,794</u>	<u>6,680,567</u>
TOTAL ASSETS	<u>\$ 15,746,516</u>	<u>\$ 22,822,898</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Current portion of note payable (Note 14)	\$ 204,778	\$ 196,237
Accounts payable	207,213	228,861
Annual leave payable	742,487	835,586
Refundable advances	143,216	249,528
Sublease deposit	<u>-</u>	<u>10,877</u>
Total current liabilities	<u>1,297,694</u>	<u>1,521,089</u>
LONG-TERM LIABILITIES		
Note payable, long-term portion (Note 14)	141,346	346,129
Deferred rent (Note 6)	<u>290,856</u>	<u>209,878</u>
Total long-term liabilities	<u>432,202</u>	<u>556,007</u>
Total liabilities	<u>1,729,896</u>	<u>2,077,096</u>
NET ASSETS		
Unrestricted	2,106,799	2,111,365
Board designated (Note 5)	<u>2,923,849</u>	<u>2,699,777</u>
Total unrestricted	5,030,648	4,811,142
Temporarily restricted (Note 3)	<u>8,985,972</u>	<u>15,934,660</u>
Total net assets	<u>14,016,620</u>	<u>20,745,802</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,746,516</u>	<u>\$ 22,822,898</u>

See accompanying notes to financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009

	<u>2010</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Grants, contracts and contributions:			
U.S. Government	\$ -	\$ 1,316,465	\$ 1,316,465
Foundation and other	3,008,464	2,816,263	5,824,727
Investment income (Note 2)	83,541	-	83,541
Contributed services (Note 10)	42,456	-	42,456
Other revenue	44,405	-	44,405
Net assets released from donor restrictions (Note 4)	<u>11,081,416</u>	<u>(11,081,416)</u>	<u>-</u>
Total support and revenue	<u>14,260,282</u>	<u>(6,948,688)</u>	<u>7,311,594</u>
EXPENSES			
Program Services:			
Research and Programs	5,090,889	-	5,090,889
External Relations Group	372,474	-	372,474
Asia Regional Office	1,549,948	-	1,549,948
Research and Innovation	1,154,748	-	1,154,748
General Activities	<u>2,482,171</u>	<u>-</u>	<u>2,482,171</u>
Total program services	<u>10,650,230</u>	<u>-</u>	<u>10,650,230</u>
Supporting Services:			
General and Administrative	3,323,834	-	3,323,834
Fundraising	<u>219,397</u>	<u>-</u>	<u>219,397</u>
Total supporting services	<u>3,543,231</u>	<u>-</u>	<u>3,543,231</u>
Total expenses	<u>14,193,461</u>	<u>-</u>	<u>14,193,461</u>
Changes in net assets before other item	66,821	(6,948,688)	(6,881,867)
OTHER ITEM			
Unrealized appreciation (depreciation) of investments (Note 2)	<u>152,685</u>	<u>-</u>	<u>152,685</u>
Changes in net assets	219,506	(6,948,688)	(6,729,182)
Net assets at beginning of year	<u>4,811,142</u>	<u>15,934,660</u>	<u>20,745,802</u>
NET ASSETS AT END OF YEAR	<u>\$ 5,030,648</u>	<u>\$ 8,985,972</u>	<u>\$ 14,016,620</u>

See accompanying notes to financial statements.

2009		
Unrestricted	Temporarily Restricted	Total
\$ -	\$ 1,543,736	\$ 1,543,736
1,634,891	11,041,746	12,676,637
188,913	-	188,913
85,440	-	85,440
73,333	-	73,333
<u>10,860,041</u>	<u>(10,860,041)</u>	<u>-</u>
<u>12,842,618</u>	<u>1,725,441</u>	<u>14,568,059</u>
4,165,816	-	4,165,816
325,370	-	325,370
157,334	-	157,334
1,916,404	-	1,916,404
<u>2,461,775</u>	<u>-</u>	<u>2,461,775</u>
<u>9,026,699</u>	<u>-</u>	<u>9,026,699</u>
2,957,085	-	2,957,085
<u>486,220</u>	<u>-</u>	<u>486,220</u>
<u>3,443,305</u>	<u>-</u>	<u>3,443,305</u>
<u>12,470,004</u>	<u>-</u>	<u>12,470,004</u>
372,614	1,725,441	2,098,055
<u>(92,277)</u>	<u>-</u>	<u>(92,277)</u>
280,337	1,725,441	2,005,778
<u>4,530,805</u>	<u>14,209,219</u>	<u>18,740,024</u>
<u>\$ 4,811,142</u>	<u>\$ 15,934,660</u>	<u>\$ 20,745,802</u>

See accompanying notes to financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (6,729,182)	\$ 2,005,778
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	132,872	169,956
Realized and unrealized (gain) loss on investment	(152,685)	89,997
Discount on long-term receivables	(286,194)	88,468
(Increase) decrease in:		
Accounts receivable	36,928	(3,676)
Contracts receivable	(467,501)	(128,312)
Contributions receivable	5,558,302	1,283,706
Advances	11,191	(15,979)
Prepaid expenses	(9,375)	9,395
Security deposits	(1,000)	24,740
Increase (decrease) in:		
Accounts payable	(21,648)	(262,051)
Annual leave payable	(93,099)	(77,830)
Refundable advances	(106,312)	210,220
Sublease deposit	(10,877)	10,877
Deferred rent	<u>80,978</u>	<u>67,472</u>
Net cash provided (used) by operating activities	<u>(2,057,602)</u>	<u>3,472,761</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture, equipment and leasehold improvements	(6,518)	(10,980)
Purchase of investments	(10,391,182)	(5,861,669)
Proceeds from sale of investments	<u>12,197,073</u>	<u>3,270,640</u>
Net cash provided (used) by investing activities	<u>1,799,373</u>	<u>(2,602,009)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on note payable	<u>(196,242)</u>	<u>(188,054)</u>
Net cash used by financing activities	<u>(196,242)</u>	<u>(188,054)</u>
Net increase (decrease) in cash and cash equivalents	(454,471)	682,698
Cash and cash equivalents at beginning of year	<u>1,492,185</u>	<u>809,487</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,037,714</u>	<u>\$ 1,492,185</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	<u>\$ 17,092</u>	<u>\$ 28,502</u>

See accompanying notes to financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2010 AND 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The International Center for Research on Women (ICRW) is a private, non-profit organization, dedicated to promoting social and economic development with women's full participation. ICRW works in collaboration with policymakers, practitioners and researchers throughout Africa, Asia and Latin America in formulating policy and actions concerning: the economic, social and health status of women in developing countries; women's critical contributions to development, given their dual productive and reproductive roles; and policy and program features that can improve the situation of poor women while making development interventions more effective.

Focusing on economic policies, family and household structure, health and nutrition, and agriculture and the environment, ICRW's programs consist of policy-oriented research, program support and analysis services, and communications forums.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Recently issued accounting standards -

In June 2009, the Financial Accounting Standards Board (FASB) issued FASB ASC 105, *Generally Accepted Accounting Principles*, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, ICRW has updated references to GAAP in its financial statements issued for the years ended September 30, 2010 and 2009. The adoption of FASB ASC 105 did not impact ICRW's financial position or results of operations.

Cash and cash equivalents -

Cash and cash equivalents consist of monies deposited in various checking accounts, money market accounts and investments in certificates of deposit having initial maturities of three months or less.

ICRW maintains a field office in India. ICRW had \$76,018 and \$83,091 of cash and cash equivalents held at financial institutions and on hand in a foreign country as of September 30, 2010 and 2009, respectively. The funds invested in the foreign country are uninsured.

At times during the year, ICRW maintains cash balances at financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

Foreign currency translation -

The U.S. Dollar (Dollars) is the functional currency for ICRW operations. Transactions in the currency other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Current assets and liabilities denominated in non-U.S. currency are translated into dollars at the exchange rate in effect at the date of the Statements of Financial Position.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

Investments -

Investments are carried at their readily determinable fair value. Investment income reported in the Statements of Activities and Changes in Net Assets includes all dividends, interest and realized gains and losses of investments. Unrealized gains and losses are shown separately in the Statements of Activities and Changes in Net Assets.

Accounts, contracts and contributions receivable -

Accounts, contracts and contributions receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Furniture, equipment and leasehold improvements -

Furniture, equipment and leasehold improvements are recorded at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets or, where applicable, the terms of the leases, whichever is shorter. The cost of furniture and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation, and any gain or loss is reflected in income. Major additions are capitalized while replacement, maintenance and repairs which do not improve or extend the lives of the respective assets are expensed currently. ICRW's capitalization threshold is \$1,500. Leasehold improvements are capitalized and amortized over the life of the lease.

Income taxes -

ICRW was incorporated in 1976 under the laws of the District of Columbia and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code as a publicly supported organization. ICRW is, however, subject to tax on the net profits generated by activities defined as unrelated business activities under applicable tax law. To date, ICRW has not engaged in such activities. ICRW is not a private foundation.

Uncertain tax positions -

In June 2006, the Financial Accounting Standards Board (FASB) released FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes. For the years ended September 30, 2010 and 2009, ICRW has documented its consideration of FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of ICRW and include both internally designated and undesignated resources.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

Net asset classification (continued) -

- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of ICRW and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Grants, contracts and contributions -

Revenue received from Federal contracts is recognized by the percentage of completion method. Revenue received from cost-reimbursable contracts is recognized when expenses have been incurred. Contract awards received in exchange for services, but not expended for the purpose of the contract, are reflected as refundable advances in the accompanying Statements of Financial Position.

Contributions and grants are recorded as revenue in the year notification is received from the donor. Contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions and grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

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 the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

Risks and uncertainties -

ICRW invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Fair value measurements -

ICRW adopted the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. ICRW accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

2. INVESTMENTS

Investments consisted of the following at September 30, 2010 and 2009:

	2010	2009
	Market Value	
Money market	\$ 7,812,351	\$ 9,377,426
Mutual funds:		
Equities	1,517,485	1,431,713
Fixed income	848,038	821,544
Certificates of deposit	98,930	299,327
TOTAL INVESTMENTS	\$ 10,276,804	\$ 11,930,010

Included in investment income are the following:

	2010	2009
Interest and dividends	\$ 83,541	\$ 186,633
Realized gain	-	2,280
TOTAL INVESTMENT INCOME	\$ 83,541	\$ 188,913
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	\$ 152,685	\$ (92,277)

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30, 2010 and 2009 relate to non-Federal grants. The net assets will be released when expenses are incurred that satisfy the restricted purposes. Temporarily restricted net assets consisted of the following at September 30, 2010 and 2009:

	2010	2009
Research and Programs	\$ 4,784,033	\$ 7,711,227
External Relations Group	49,795	204,914
Asia Regional Office	1,083,358	1,503,383
Research and Innovation	1,857,866	3,032,528
General Activities	1,210,920	3,482,608
	\$ 8,985,972	\$ 15,934,660

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009**

4. NET ASSETS RELEASED FROM RESTRICTIONS

The following temporarily restricted net assets were released from donor restrictions by incurring expenses, which satisfied the restricted purposes specified by the donors:

	<u>2010</u>	<u>2009</u>
Research and Programs	\$ 5,047,721	\$ 4,950,035
External Relations Group	500,361	455,047
Asia Regional Office	1,262,293	6,317
Research and Innovation	1,422,291	2,423,042
General Activities	2,848,750	2,825,600
Gala	<u>-</u>	<u>200,000</u>
	<u>\$ 11,081,416</u>	<u>\$ 10,860,041</u>

The net assets released include direct expenses as well as indirect expenses for the restricted purposes.

5. BOARD DESIGNATED NET ASSETS

As of September 30, 2010 and 2009, net assets have been designated by the Board of Directors for the following purposes:

	<u>2010</u>	<u>2009</u>
Operating Reserve	<u>\$ 2,923,849</u>	<u>\$ 2,699,777</u>

6. LEASE COMMITMENT

ICRW relocated to an office in Washington, D.C. as of October 1, 2007. The original office lease provided space at a base rent of \$57,642 per year, plus a proportionate share of expenses, increasing by a factor of 2.5% per year and expiring September 30, 2017.

In July 2009, modified terms of the original agreement to provide for additional space at \$9,962 and two free months of rent. Both original base rent and additional space increase by a factor of 2.5% annually. ICRW subleased a portion of this space to another organization under a one year lease that expired June 30, 2010.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability in the Statements of Financial Position.

ICRW rents office space in Mumbai, India and Hyderabad, India on a month-to-month basis for RS 7,500 and RS 5,500 per month, respectively. Converted to USD, payments are approximately \$2,157 and \$1,541, respectively.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009**

6. LEASE COMMITMENT (Continued)

ICRW also rents office space in Delhi, India. The lease commenced April 1, 2008 and expires March 30, 2011. Monthly rent, paid in US dollars, is \$10,895.

The following is a schedule, by year, of future minimum rental payments required under these non-cancelable operating leases for the Washington, D.C. and Delhi offices, as of September 30, 2010:

Year Ended September 30,

2011	\$	914,686
2012		892,245
2013		928,402
2014		951,612
2015		975,431
Thereafter		<u>2,024,588</u>
		<u>\$ 6,686,964</u>

Total rent expenses, net of rental income of \$97,891 and \$32,630 for the years ended September 30, 2010 and 2009, were \$1,001,176 and \$922,783, respectively.

7. CONTRIBUTIONS RECEIVABLE

All contributions receivable are considered to be collectible within one year unless otherwise stated by the donor. Contributions which will not be paid within one year have been discounted at the rate in effect in the year of receipt (0.75% and 2% in 2010 and 2009, respectively). Contributions receivable consisted of the following at September 30, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Federal	\$ 444,698	\$ 288,893
Foundation	<u>2,537,813</u>	<u>7,965,726</u>
	2,982,511	8,254,619
Less: Current portion	<u>(2,542,151)</u>	<u>(1,688,486)</u>
CONTRIBUTIONS RECEIVABLE, LONG-TERM PORTION	<u>\$ 440,360</u>	<u>\$ 6,566,133</u>

Contributions are due as follows at September 30, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Less than one year	\$ 2,542,151	\$ 1,688,486
One to five years	<u>465,269</u>	<u>6,877,236</u>
	3,007,420	8,565,722
Less: Allowance to discount balance to present value	<u>(24,909)</u>	<u>(311,103)</u>
TOTAL CONTRIBUTIONS RECEIVABLE	<u>\$ 2,982,511</u>	<u>\$ 8,254,619</u>

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009**

8. FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Furniture, equipment and leasehold improvements are as follows at September 30, 2010 and 2009:

	2010	2009
Furniture and equipment	\$ 514,352	\$ 510,641
Leasehold improvements	598,227	672,694
	1,112,579	1,183,335
Less: Accumulated depreciation and amortization	(482,045)	(426,447)
FURNITURE AND EQUIPMENT, NET	\$ 630,534	\$ 756,888

9. BANK LINE OF CREDIT

Under an agreement with its bank that expired March 31, 2010, and was renewed automatically through April 30, 2011, ICRW has a \$200,000 revolving line of credit at an interest rate of prime plus 1.00%. The prime rate at September 30, 2010 and 2009 was 3.25%. There was no outstanding balance on the line of credit as of September 30, 2010 and 2009.

10. CONTRIBUTED SERVICES

Contributed services are recorded at their fair market value as of the date of the gift. During the years ended September 30, 2010 and 2009, ICRW was the beneficiary of donated services, which allowed ICRW to provide greater resources towards various programs. To properly reflect total program expenses, the following donations have been included in revenue and expense for the years ended September 30, 2010 and 2009:

	2010	2009
Legal services	\$ 7,456	\$ 440
Marketing services	35,000	85,000
TOTAL CONTRIBUTED SERVICES	\$ 42,456	\$ 85,440

11. PENSION PLAN

ICRW maintains a Section 403(b) tax-deferred annuity pension plan for its employees. The plan provides employer contributions at the rate of eight percent of eligible compensation after employees complete one year of service. Pension expense for the years ended September 30, 2010 and 2009 were \$456,777 and \$392,768, respectively.

12. COMMITMENTS

At September 30, 2010 and 2009, ICRW had obligated funds through various sub-agreements for research and program support with third-party organizations in the amounts of \$309,056 and \$438,945, respectively, payable in installments according to the terms of the various sub-agreements. The liability for these obligations have not been recorded as of September 30, 2010 and 2009 due to conditions that must be met by the grantees.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009

13. CONTINGENCY

ICRW receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions of OMB Circular A-133. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits.

Audits in accordance with the provisions of OMB Circular A-133 have been completed for all required fiscal years through 2010. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

14. NOTE PAYABLE

On May 1, 2007, ICRW was approved for a loan up to \$850,000 to fund leasehold improvements on the new office space, with collateral of an investment account held by ICRW. The note has an interest rate of 4.27%. The maturity date is May 15, 2012.

As of September 30, 2010 and 2009, the balance of the loan totaled \$346,124 and \$542,366, respectively.

Principal payments are due as follows:

Year Ended September 30,

2011	\$ 204,778
2012	<u>141,346</u>
	<u>\$ 346,124</u>

15. FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, ICRW has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market ICRW has the ability to access.

Level 2. These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full-term of the investments.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010 AND 2009**

15. FAIR VALUE MEASUREMENTS (Continued)

Level 3. These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

Financial assets recorded in the Statements of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended September 30, 2010:

	2010			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments	<u>\$ 10,177,874</u>	<u>\$ 98,930</u>	<u>\$ -</u>	<u>\$ 10,276,804</u>

Financial instruments recorded in the Statements of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended September 30, 2009:

	2009			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments	<u>\$ 11,630,683</u>	<u>\$ 299,327</u>	<u>\$ -</u>	<u>\$ 11,930,010</u>

16. SUBSEQUENT EVENTS

In preparing these financial statements, ICRW has evaluated events and transactions for potential recognition or disclosure through February 11, 2011, the date the financial statements were issued.



GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL
FINANCIAL INFORMATION**

To the Board of Directors
International Center for Research on Women
Washington, D.C.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in Schedule 1 is presented for the purpose of additional analysis of the financial statements rather than to present the financial position, change in net assets, and cash flows of the organization. Such information has been subjected to the auditing procedures applied in the audit of the financial statements. In our opinion, such information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Gelman Rosenberg & Freedman

February 11, 2011

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**SCHEDULE OF UNRESTRICTED REVENUES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2010
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2009**

	2010				
	Program Services				
	Research and Programs	External Relations Group	Asia Regional Office	Research and Innovation	General Activities
SUPPORT AND REVENUE					
Grants, contracts and contributions	\$ 6,623,793	\$ 493,256	\$ 2,033,852	\$ 1,524,660	\$ 2,927,679
Investment income	-	-	-	-	81,563
Contributed services	-	-	-	-	-
Other revenue	-	-	-	-	11,987
Total support and revenue	<u>6,623,793</u>	<u>493,256</u>	<u>2,033,852</u>	<u>1,524,660</u>	<u>3,021,229</u>
EXPENSES					
Salaries	1,759,267	103,468	9,270	610,868	903,318
Salaries, seconded	15,306	-	223,966	5,028	40,244
Salaries, India office	10,855	-	224,365	85	3,125
Benefits	819,924	47,637	168,644	247,385	414,412
Printing and duplicating	73,174	92	30,107	10,139	17,967
Consultants	570,453	60,000	433,248	22,095	382,647
Occupancy	-	-	10,053	3	1,746
Accounting/Audit	-	-	123	-	-
Insurance	5,522	-	-	-	-
Depreciation and amortization	-	-	-	-	-
Telephone and fax	11,542	-	23,595	421	16,396
Field office	-	-	-	-	-
Donated services	-	-	-	-	-
Postage and delivery	9,554	41	2,113	267	1,037
Office supplies	2,375	-	10,022	101	2,414
Subscriptions and publications	356	-	121	772	1,443
Other direct costs	64	-	1,703	31	3,950
Bank fees	4,293	-	30	(2,032)	10,032
Equipment	484	(2,093)	8,357	-	18,446
Contract services	83,257	125,410	10,294	4,950	90,069
Pass-through	(25,270)	-	(6,686)	6,686	24,972
Meetings and conferences	43,666	253	79,052	3,204	49,879
Grants	-	-	-	-	-
Recruitment	970	-	77	600	9,180
Contributions	-	-	-	-	1,750
Sub-agreements	625,167	-	175,984	-	-
Facilities	581,264	34,186	1,959	201,831	280,111
Honoraria	2,867	500	-	-	-
Transportation and travel	466,585	2,798	142,743	32,402	179,475
Fee recovery	27,481	-	931	8,985	-
Representation	938	59	508	860	1,482
Miscellaneous	795	123	(631)	67	13,186
Bad debt expense	-	-	-	-	14,890
Total expenses before general and administrative allocation	5,090,889	372,474	1,549,948	1,154,748	2,482,171
General and administrative allocation	<u>1,510,305</u>	<u>120,782</u>	<u>465,394</u>	<u>370,031</u>	<u>789,805</u>
Total expenses	<u>6,601,194</u>	<u>493,256</u>	<u>2,015,342</u>	<u>1,524,779</u>	<u>3,271,976</u>
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE WITH RESPECT TO EXPENSES	\$ <u>22,599</u>	\$ <u>-</u>	\$ <u>18,510</u>	\$ <u>(119)</u>	\$ <u>(250,747)</u>

SCHEDULE 1

					2009
<u>Supporting Services</u>					
<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Total</u>	<u>Total</u>
\$ 13,603,240	\$ -	\$ 486,640	\$ 486,640	\$ 14,089,880	\$ 12,494,932
81,563	1,978	-	1,978	83,541	188,913
-	7,456	35,000	42,456	42,456	85,440
<u>11,987</u>	<u>32,418</u>	<u>-</u>	<u>32,418</u>	<u>44,405</u>	<u>73,333</u>
<u>13,696,790</u>	<u>41,852</u>	<u>521,640</u>	<u>563,492</u>	<u>14,260,282</u>	<u>12,842,618</u>
3,386,191	1,743,512	56,683	1,800,195	5,186,386	4,652,223
284,544	24,277	-	24,277	308,821	325,843
238,430	58,717	-	58,717	297,147	291,055
1,698,002	793,534	26,097	819,631	2,517,633	2,091,141
131,479	24,993	10,813	35,806	167,285	122,407
1,468,443	196,588	23,664	220,252	1,688,695	1,511,368
11,802	989,374	-	989,374	1,001,176	922,783
123	65,484	-	65,484	65,607	19,645
5,522	25,340	-	25,340	30,862	12,802
-	132,872	-	132,872	132,872	169,956
51,954	58,913	-	58,913	110,867	98,919
-	-	-	-	-	29,365
-	7,456	35,000	42,456	42,456	85,440
13,012	3,921	8,237	12,158	25,170	21,773
14,912	30,858	90	30,948	45,860	40,013
2,692	31,764	-	31,764	34,456	25,854
5,748	4,628	-	4,628	10,376	6,588
12,323	49,974	8,660	58,634	70,957	84,568
25,194	70,568	3,012	73,580	98,774	117,011
313,980	94,165	-	94,165	408,145	115,867
(298)	-	-	-	(298)	(17,119)
176,054	14,082	27,460	41,542	217,596	244,591
-	-	-	-	-	(532)
10,827	1,794	-	1,794	12,621	8,413
1,750	-	-	-	1,750	100
801,151	-	-	-	801,151	558,423
1,099,351	(1,118,080)	18,728	(1,099,352)	(1)	(2)
3,367	9,500	-	9,500	12,867	12,500
824,003	8,304	752	9,056	833,059	861,218
37,397	-	-	-	37,397	15,765
3,847	23	70	93	3,940	1,573
13,540	1,273	131	1,404	14,944	40,453
<u>14,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,890</u>	<u>-</u>
10,650,230	3,323,834	219,397	3,543,231	14,193,461	12,470,004
<u>3,256,317</u>	<u>(3,316,084)</u>	<u>59,767</u>	<u>(3,256,317)</u>	<u>-</u>	<u>-</u>
<u>13,906,547</u>	<u>7,750</u>	<u>279,164</u>	<u>286,914</u>	<u>14,193,461</u>	<u>12,470,004</u>
<u>\$ (209,757)</u>	<u>\$ 34,102</u>	<u>\$ 242,476</u>	<u>\$ 276,578</u>	<u>\$ 66,821</u>	<u>\$ 372,614</u>