

FINANCIAL STATEMENTS

**INTERNATIONAL CENTER FOR
RESEARCH ON WOMEN**

**FOR THE YEARS ENDED
SEPTEMBER 30, 2011 AND 2010**

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, 2011 and 2010, 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, 2011 and 2010, 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 March 12, 2012 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 audit.

Gelman Rosenberg & Freedman

March 12, 2012

4550 MONTGOMERY AVENUE · SUITE 650 NORTH · BETHESDA, MARYLAND 20814
(301) 951-9090 · FAX (301) 951-3570 · WWW.GRFCPA.COM

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INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2011 AND 2010

ASSETS

	<u>2011</u>	<u>2010</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 886,390	\$ 1,037,714
Investments (Notes 2, 14 and 15)	6,148,115	10,276,804
Accounts receivable	119,504	40,950
Contracts receivable	223,922	611,327
Contributions receivable, current portion (Note 7)	2,307,793	2,542,151
Advances	21,090	16,673
Prepaid expenses	<u>129,389</u>	<u>34,569</u>
Total current assets	<u>9,836,203</u>	<u>14,560,188</u>
FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, Net of Accumulated Depreciation and Amortization of \$582,464 and \$482,045 for 2011 and 2010, Respectively (Note 8)	<u>558,492</u>	<u>630,534</u>
OTHER ASSETS		
Contributions receivable, long-term portion (Note 7)	616,187	440,360
Security deposits	<u>114,981</u>	<u>115,434</u>
Total other assets	<u>731,168</u>	<u>555,794</u>
TOTAL ASSETS	<u>\$ 11,125,863</u>	<u>\$ 15,746,516</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Current portion of note payable (Note 14)	\$ 141,337	\$ 204,778
Accounts payable	284,165	207,213
Annual leave payable	595,277	742,487
Refundable advances	<u>271,615</u>	<u>143,216</u>
Total current liabilities	<u>1,292,394</u>	<u>1,297,694</u>
LONG-TERM LIABILITIES		
Note payable, long-term portion (Note 14)	-	141,346
Sublease deposit	12,994	-
Deferred rent (Note 6)	<u>327,778</u>	<u>290,856</u>
Total long-term liabilities	<u>340,772</u>	<u>432,202</u>
Total liabilities	<u>1,633,166</u>	<u>1,729,896</u>
NET ASSETS		
Unrestricted	1,472,379	2,106,799
Board designated (Note 5)	<u>3,011,205</u>	<u>2,923,849</u>
Total unrestricted	4,483,584	5,030,648
Temporarily restricted (Note 3)	<u>5,009,113</u>	<u>8,985,972</u>
Total net assets	<u>9,492,697</u>	<u>14,016,620</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,125,863</u>	<u>\$ 15,746,516</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, 2011 AND 2010

	2011		
	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Grants, contracts and contributions:			
U.S. Government	\$ -	\$ 954,750	\$ 954,750
Foundation and other	1,951,827	4,914,555	6,866,382
Investment income (Note 2)	77,128	-	77,128
Contributed goods and services (Note 10)	31,192	-	31,192
Other revenue	21,435	-	21,435
Net assets released from donor restrictions (Note 4)	<u>9,846,164</u>	<u>(9,846,164)</u>	<u>-</u>
Total support and revenue	<u>11,927,746</u>	<u>(3,976,859)</u>	<u>7,950,887</u>
EXPENSES			
Program Services:			
Research and Programs	4,050,283	-	4,050,283
External Relations Group	144,353	-	144,353
Asia Regional Office	1,769,287	-	1,769,287
Research and Innovation	1,360,703	-	1,360,703
General Activities	<u>1,656,020</u>	<u>-</u>	<u>1,656,020</u>
Total program services	<u>8,980,646</u>	<u>-</u>	<u>8,980,646</u>
Supporting Services:			
General and Administrative	3,154,119	-	3,154,119
Fundraising	<u>351,286</u>	<u>-</u>	<u>351,286</u>
Total supporting services	<u>3,505,405</u>	<u>-</u>	<u>3,505,405</u>
Total expenses	<u>12,486,051</u>	<u>-</u>	<u>12,486,051</u>
Changes in net assets before other item	(558,305)	(3,976,859)	(4,535,164)
OTHER ITEM			
Unrealized appreciation of investments (Note 2)	<u>11,241</u>	<u>-</u>	<u>11,241</u>
Changes in net assets	(547,064)	(3,976,859)	(4,523,923)
Net assets at beginning of year	<u>5,030,648</u>	<u>8,985,972</u>	<u>14,016,620</u>
NET ASSETS AT END OF YEAR	<u>\$ 4,483,584</u>	<u>\$ 5,009,113</u>	<u>\$ 9,492,697</u>

See accompanying notes to financial statements.

2010		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ -	\$ 1,316,465	\$ 1,316,465
3,008,464	2,816,263	5,824,727
83,541	-	83,541
42,456	-	42,456
44,405	-	44,405
<u>11,081,416</u>	<u>(11,081,416)</u>	<u>-</u>
<u>14,260,282</u>	<u>(6,948,688)</u>	<u>7,311,594</u>
5,090,889	-	5,090,889
372,474	-	372,474
1,549,948	-	1,549,948
1,154,748	-	1,154,748
<u>2,482,171</u>	<u>-</u>	<u>2,482,171</u>
<u>10,650,230</u>	<u>-</u>	<u>10,650,230</u>
3,323,834	-	3,323,834
<u>219,397</u>	<u>-</u>	<u>219,397</u>
<u>3,543,231</u>	<u>-</u>	<u>3,543,231</u>
<u>14,193,461</u>	<u>-</u>	<u>14,193,461</u>
66,821	(6,948,688)	(6,881,867)
<u>152,685</u>	<u>-</u>	<u>152,685</u>
219,506	(6,948,688)	(6,729,182)
<u>4,811,142</u>	<u>15,934,660</u>	<u>20,745,802</u>
<u>\$ 5,030,648</u>	<u>\$ 8,985,972</u>	<u>\$ 14,016,620</u>

See accompanying notes to financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (4,523,923)	\$ (6,729,182)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation and amortization	100,419	132,872
Realized and unrealized gain on investment	(13,059)	(152,685)
Discount on long-term receivables	(21,859)	(286,194)
(Increase) decrease in:		
Accounts receivable	(78,554)	36,928
Contracts receivable	387,405	(467,501)
Contributions receivable	80,390	5,558,302
Advances	(4,417)	11,191
Prepaid expenses	(94,820)	(9,375)
Security deposits	453	(1,000)
Increase (decrease) in:		
Accounts payable	76,952	(21,648)
Annual leave payable	(147,210)	(93,099)
Refundable advances	128,399	(106,312)
Sublease deposit	12,994	(10,877)
Deferred rent	<u>36,922</u>	<u>80,978</u>
Net cash used by operating activities	<u>(4,059,908)</u>	<u>(2,057,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture, equipment and leasehold improvements	(28,377)	(6,518)
Purchase of investments	(578,000)	(10,391,182)
Proceeds from sale of investments	<u>4,719,748</u>	<u>12,197,073</u>
Net cash provided by investing activities	<u>4,113,371</u>	<u>1,799,373</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on note payable	<u>(204,787)</u>	<u>(196,242)</u>
Net cash used by financing activities	<u>(204,787)</u>	<u>(196,242)</u>
Net decrease in cash and cash equivalents	(151,324)	(454,471)
Cash and cash equivalents at beginning of year	<u>1,037,714</u>	<u>1,492,185</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 886,390</u>	<u>\$ 1,037,714</u>
SUPPLEMENTAL INFORMATION		
Interest Paid	<u>\$ 10,238</u>	<u>\$ 17,092</u>

See accompanying notes to financial statements.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

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*.

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 field offices in India and Kenya. ICRW had \$170,793 and \$76,018 of cash and cash equivalents held at financial institutions and on hand in foreign countries as of September 30, 2011 and 2010, respectively. The funds held in foreign countries are uninsured.

At times during the year, ICRW maintains cash balances at U.S. 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. The net exchange gains from foreign currency of \$3,085 and \$0 for the years ended September 30, 2011 and 2010, are included in unrestricted other revenue in the accompanying Statements of Activities and Changes in Net Assets.

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.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

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

Furniture, equipment and leasehold improvements -

Furniture, equipment and leasehold improvements are recorded at cost. Depreciation and amortization 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. ICRW's capitalization threshold is \$1,500.

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, 2011 and 2010, 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. The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

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.
- **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 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. Temporarily restricted 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.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

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

Grants, contracts and contributions (continued) -

Such 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.

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.

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, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
	<u>Market Value</u>	
Money market	\$ 3,771,351	\$ 7,812,351
Mutual funds:		
Equities	1,504,774	1,517,485
Fixed income	871,990	848,038
Certificates of deposit	<u>-</u>	<u>98,930</u>
TOTAL INVESTMENTS	<u>\$ 6,148,115</u>	<u>\$ 10,276,804</u>

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

2. INVESTMENTS(Continued)

Included in investment income are the following:

	<u>2011</u>	<u>2010</u>
Interest and dividends	\$ 75,310	\$ 83,541
Realized gain	<u>1,818</u>	<u>-</u>
TOTAL INVESTMENT INCOME	\$ <u>77,128</u>	\$ <u>83,541</u>
UNREALIZED APPRECIATION OF INVESTMENTS	\$ <u>11,241</u>	\$ <u>152,685</u>

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30, 2011 and 2010 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, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Research and Programs	\$ 2,564,441	\$ 4,784,033
External Relations Group	20,244	49,795
Asia Regional Office	1,048,230	1,083,358
Research and Innovation	1,050,614	1,857,866
General Activities	<u>325,584</u>	<u>1,210,920</u>
	\$ <u>5,009,113</u>	\$ <u>8,985,972</u>

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>2011</u>	<u>2010</u>
Research and Programs	\$ 4,561,458	\$ 5,047,721
External Relations Group	194,756	500,361
Asia Regional Office	1,583,860	1,262,293
Research and Innovation	1,789,195	1,422,291
General Activities	<u>1,716,895</u>	<u>2,848,750</u>
	\$ <u>9,846,164</u>	\$ <u>11,081,416</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, 2011 and 2010, net assets have been designated by the Board of Directors for the following purposes:

	<u>2011</u>	<u>2010</u>
Operating Reserve	\$ <u>3,011,205</u>	\$ <u>2,923,849</u>

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

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 increased by a factor of 2.5% annually. During 2011, ICRW subleased a portion of this space to two organizations under two leases expiring March 31, 2014 and September 30, 2016.

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 approximately \$2,157 and \$1,541 per month, respectively. Additionally, ICRW rents office space in Kenya on a month-to-month basis for approximately \$928 per month.

ICRW also rents office space in Delhi, India. The lease commenced April 1, 2008 and was amended during 2011 to terminate September 30, 2012. Monthly rent, paid in US Dollars, is \$10,782.

The following is a schedule, by year, of future minimum rental payments and receipts required under these non-cancelable operating leases for the Washington, D.C. and Delhi offices, as of September 30, 2011:

<u>Year Ended September 30,</u>	<u>Rent Expense</u>	<u>Rental Income</u>	<u>Net</u>
2012	\$ 1,021,636	\$ 48,169	\$ 973,467
2013	928,402	158,036	770,366
2014	951,612	163,602	788,010
2015	975,431	55,235	920,196
2016	999,813	56,616	943,197
Thereafter	<u>1,024,775</u>	<u>-</u>	<u>1,024,775</u>
	<u>\$ 5,901,669</u>	<u>\$ 481,658</u>	<u>\$ 5,420,011</u>

Rent expense, net of rental income of \$48,169 and \$97,891 for the years ended September 30, 2011 and 2010 totaled \$1,049,943 and \$1,001,176, 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 2011 and 2010, respectively).

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

7. CONTRIBUTIONS RECEIVABLE (Continued)

Contributions receivable consisted of the following at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Federal	\$ 267,641	\$ 444,698
Foundation	<u>2,656,339</u>	<u>2,537,813</u>
	2,923,980	2,982,511
Less: Current portion	<u>(2,307,793)</u>	<u>(2,542,151)</u>
CONTRIBUTIONS RECEIVABLE, LONG-TERM PORTION	<u>\$ 616,187</u>	<u>\$ 440,360</u>

Contributions are due as follows at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Less than one year	\$ 2,307,793	\$ 2,542,151
One to five years	<u>619,237</u>	<u>465,269</u>
	2,927,030	3,007,420
Less: Allowance to discount balance to present value	<u>(3,050)</u>	<u>(24,909)</u>
TOTAL CONTRIBUTIONS RECEIVABLE	<u>\$ 2,923,980</u>	<u>\$ 2,982,511</u>

8. FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Furniture, equipment and leasehold improvements are as follows at September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Furniture and equipment	\$ 531,407	\$ 514,352
Leasehold improvements	<u>609,549</u>	<u>598,227</u>
	1,140,956	1,112,579
Less: Accumulated depreciation and amortization	<u>(582,464)</u>	<u>(482,045)</u>
FURNITURE AND EQUIPMENT, NET	<u>\$ 558,492</u>	<u>\$ 630,534</u>

9. BANK LINE OF CREDIT

Under an agreement with its bank that expired April 30, 2011, and was renewed automatically through May 31, 2012, ICRW has a \$200,000 revolving line of credit at an interest rate of prime plus 1.00%. The prime rate at September 30, 2011 and 2010 was 3.25%. There was no outstanding balance on the line of credit as of September 30, 2011 and 2010.

10. CONTRIBUTED GOODS AND SERVICES

Contributed goods and services are recorded at their fair market value as of the date of the gift. During the years ended September 30, 2011 and 2010, ICRW was the beneficiary of donated goods and services, which allowed ICRW to provide greater resources toward various programs.

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011 AND 2010**

10. CONTRIBUTED GOODS AND SERVICES (Continued)

To properly reflect total program expenses, the following donations have been included in revenue and expense for the years ended September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Legal services	\$ -	\$ 7,456
Marketing services	-	35,000
Computer equipment	<u>31,192</u>	<u>-</u>
TOTAL CONTRIBUTED GOODS AND SERVICES	<u>\$ 31,192</u>	<u>\$ 42,456</u>

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. The pension contributions for the years ended September 30, 2011 and 2010 were \$426,586 and \$456,777, respectively.

12. COMMITMENTS

At September 30, 2011 and 2010, ICRW had obligated funds through various sub-agreements for research and program support with third-party organizations in the amounts of \$245,815 and \$309,056, 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, 2011 and 2010 due to conditions that must be met by the grantees.

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 2011. 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, collateralized by 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, 2011 and 2010, the balance of the loan totaled \$141,337 and \$346,124, respectively. For the years ended September 30, 2011 and 2010, interest expense totaled \$10,238 and \$17,092, respectively.

Principal payments are due as follows:

Year Ended September 30, 2012	<u>\$ 141,337</u>
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INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011 AND 2010

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 for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There has been no change in the methodology used from the prior year.

- *Money market funds*—Fair value is equal to the reported net asset value of the fund.
- *Mutual funds*—The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.

The table below summarizes, by level within the fair value hierarchy, ICRW's investments as of September 30, 2011 and 2010:

	2011			
	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market	\$ 3,771,351	\$ -	\$ -	\$ 3,771,351
Mutual funds:				
Equities	1,504,774	-	-	1,504,774
Fixed income	871,990	-	-	871,990
TOTAL	\$ 6,148,115	\$ -	\$ -	\$ 6,148,115

	2010			
	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market	\$ 7,812,351	\$ -	\$ -	\$ 7,812,351
Mutual funds:				
Equities	1,517,485	-	-	1,517,485
Fixed income	848,038	-	-	848,038
Certificates of deposit	-	98,930	-	98,930
TOTAL	\$ 10,177,874	\$ 98,930	\$ -	\$ 10,276,804

INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011 AND 2010**

16. SUBSEQUENT EVENTS

In preparing these financial statements, ICRW has evaluated events and transactions for potential recognition or disclosure through March 12, 2012, 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 report on our audit of the basic financial statements of the International Center for Research on Women (ICRW) as of September 30, 2011 appears on page 2. 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 basic 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 basic financial statements. In our opinion, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Gelman Rosenberg & Freedman

March 12, 2012

4550 MONTGOMERY AVENUE · SUITE 650 NORTH · BETHESDA, MARYLAND 20814
(301) 951-9090 · FAX (301) 951-3570 · WWW.GRFCPA.COM

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INTERNATIONAL CENTER FOR RESEARCH ON WOMEN

**SCHEDULE OF UNRESTRICTED REVENUES AND FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2011
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2010**

	2011				
	Program Services				
	Research and Programs	External Relations Group	Asia Regional Office	Research and Innovation	General Activities
SUPPORT AND REVENUE					
Grants, contracts and contributions	\$ 5,411,053	\$ 194,756	\$ 2,357,418	\$ 1,789,195	\$ 1,716,895
Investment income	-	-	-	-	-
Contributed goods and services	-	-	-	-	-
Other revenue	-	-	-	-	-
Total unrestricted support and revenue	<u>5,411,053</u>	<u>194,756</u>	<u>2,357,418</u>	<u>1,789,195</u>	<u>1,716,895</u>
EXPENSES					
Salaries	1,595,090	61,240	106,778	521,491	754,081
Salaries, seconded	6,318	-	220,939	11,570	12,083
Salaries, Field offices	26,467	-	271,563	12,581	5,373
Benefits	739,184	28,368	231,901	232,114	355,598
Printing and duplicating	28,038	108	14,116	6,123	13,687
Consultants	343,984	-	358,824	188,496	70,834
Occupancy	-	-	11,210	-	5,697
Accounting/Audit	-	-	-	-	-
Insurance	15,720	-	-	-	2,362
Depreciation and amortization	-	-	-	-	-
Telephone and fax	10,194	10	22,871	2,468	3,685
Donated services	-	-	-	-	-
Postage and delivery	2,521	51	2,200	138	1,357
Office supplies	3,527	-	7,575	397	2,429
Subscriptions and publications	1,113	44	53	95	2,231
Other direct costs	30	-	1,622	46	185
Bank fees	6,418	-	391	(54)	2,811
Equipment	2,653	-	9,256	1,412	10,420
Contract services	48,801	32,500	36,042	6,590	27,081
Intra-company Transfers	(20,435)	-	(7,953)	7,953	20,435
Meetings and conferences	36,366	99	141,446	6,314	13,042
Recruitment	55	-	-	1,018	5,345
Contributions	-	-	-	-	-
Sub-agreements	363,572	-	116,058	44,105	299
Facilities	544,782	20,916	36,469	178,108	257,546
Honoraria	700	-	-	2,000	-
Transportation and travel	282,488	1,017	187,926	113,479	87,328
Fee recovery	9,427	-	-	5,091	-
Representation	1,270	-	-	82	198
Miscellaneous	2,000	-	-	19,086	1,913
Bad debt expense	-	-	-	-	-
Total expenses before general and administrative allocation	4,050,283	144,353	1,769,287	1,360,703	1,656,020
General and administrative allocation	<u>1,328,495</u>	<u>50,457</u>	<u>592,093</u>	<u>454,389</u>	<u>571,272</u>
Total expenses	<u>5,378,778</u>	<u>194,810</u>	<u>2,361,380</u>	<u>1,815,092</u>	<u>2,227,292</u>
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE WITH RESPECT TO EXPENSES	<u>\$ 32,275</u>	<u>\$ (54)</u>	<u>\$ (3,962)</u>	<u>\$ (25,897)</u>	<u>\$ (510,397)</u>

					2010
Supporting Services					
Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total	Total
\$ 11,469,317	\$ -	\$ 328,674	\$ 328,674	\$ 11,797,991	\$ 14,089,880
-	77,128	-	77,128	77,128	83,541
-	31,192	-	31,192	31,192	42,456
-	21,435	-	21,435	21,435	44,405
11,469,317	129,755	328,674	458,429	11,927,746	14,260,282
3,038,680	1,621,355	145,530	1,766,885	4,805,565	5,186,386
250,910	1,300	-	1,300	252,210	308,821
315,984	67,950	-	67,950	383,934	297,147
1,587,165	755,119	67,413	822,532	2,409,697	2,517,633
62,072	22,740	8,057	30,797	92,869	167,285
962,138	112,885	11,302	124,187	1,086,325	1,688,695
16,907	1,033,036	-	1,033,036	1,049,943	1,001,176
-	59,410	-	59,410	59,410	65,607
18,082	22,388	-	22,388	40,470	30,862
-	100,419	-	100,419	100,419	132,872
39,228	50,483	365	50,848	90,076	110,867
-	31,192	-	31,192	31,192	42,456
6,267	4,432	4,453	8,885	15,152	25,170
13,928	22,263	1,497	23,760	37,688	45,860
3,536	19,236	1,239	20,475	24,011	34,456
1,883	8,461	46	8,507	10,390	10,376
9,566	88,965	5,147	94,112	103,678	70,957
23,741	60,432	260	60,692	84,433	98,774
151,014	92,563	675	93,238	244,252	408,145
-	-	-	-	-	(298)
197,267	18,885	46,647	65,532	262,799	217,596
6,418	17,664	3,333	20,997	27,415	12,621
-	150	-	150	150	1,750
524,034	-	-	-	524,034	801,151
1,037,821	(1,087,525)	49,704	(1,037,821)	-	-
2,700	8,350	-	8,350	11,050	12,867
672,238	19,587	4,939	24,526	696,764	833,059
14,518	-	-	-	14,518	37,397
1,550	45	100	145	1,695	3,940
22,999	2,334	579	2,913	25,912	14,943
-	-	-	-	-	14,890
8,980,646	3,154,119	351,286	3,505,405	12,486,051	14,193,461
2,996,706	(3,119,118)	122,412	(2,996,706)	-	-
11,977,352	35,001	473,698	508,699	12,486,051	14,193,461
\$ (508,035)	\$ 94,754	\$ (145,024)	\$ (50,270)	\$ (558,305)	\$ 66,821