

FINANCIAL STATEMENTS



**FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015**

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statements of Financial Position, as of December 31, 2016 and 2015	4
EXHIBIT B - Statements of Activities and Changes in Net Assets (Deficit), for the Years Ended December 31, 2016 and 2015	5 - 6
EXHIBIT C - Statement of Functional Expenses, for the Year Ended December 31, 2016	7
EXHIBIT D - Statement of Functional Expenses, for the Year Ended December 31, 2015	8
EXHIBIT E - Statements of Cash Flows, for the Years Ended December 31, 2016 and 2015	9
NOTES TO FINANCIAL STATEMENTS	10 - 15



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The White Ribbon Alliance for Safe Motherhood
Washington, D.C.

We have audited the accompanying financial statements of The White Ribbon Alliance for Safe Motherhood (WRA), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets (deficit), 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 the 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 audits 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 WRA as of December 31, 2016 and 2015, and the changes in its net assets (deficit) and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of a Matter

We draw attention to Note 9 of the financial statements, which indicates that WRA has experienced losses, and as of December 31, 2016, is in a cumulative unrestricted net deficit position. Our opinion is unmodified in respect of this matter.

Gelman Rosenberg & Freedman

May 23, 2017

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016 AND 2015

ASSETS

	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 282,434	\$ 2,155,627
Grants and contributions receivable	2,178,455	24,207
Due from related entity	-	98
Other receivables	14,951	5,992
Sub-grantee advances	124,059	27,477
Travel advances	2,875	-
Prepaid expenses	<u>35,959</u>	<u>29,717</u>
Total current assets	<u>2,638,733</u>	<u>2,243,118</u>
NONCURRENT ASSETS		
Grants and contributions receivable, net of current portion and present value discount	1,384,798	3,286,136
Security deposit	<u>14,694</u>	<u>850</u>
Total noncurrent assets	<u>1,399,492</u>	<u>3,286,986</u>
TOTAL ASSETS	<u>\$ 4,038,225</u>	<u>\$ 5,530,104</u>

LIABILITIES AND NET ASSETS (DEFICIT)

CURRENT LIABILITIES		
Line of credit	\$ -	\$ 78,533
Accounts payable and accrued liabilities	48,737	54,848
Sub-grants payable	7,000	17,665
Accrued employee benefits	109,194	79,389
Deferred rent, net of noncurrent portion	<u>4,881</u>	<u>-</u>
Total current liabilities	<u>169,812</u>	<u>230,435</u>
NONCURRENT LIABILITIES		
Deferred rent, net of current portion	<u>21,070</u>	<u>-</u>
Total liabilities	<u>190,882</u>	<u>230,435</u>
NET ASSETS (DEFICIT)		
Unrestricted deficit	(397,310)	(549,089)
Temporarily restricted	<u>4,244,653</u>	<u>5,848,758</u>
Total net assets	<u>3,847,343</u>	<u>5,299,669</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,038,225</u>	<u>\$ 5,530,104</u>

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (DEFICIT)
FOR THE YEARS DECEMBER 31, 2016 AND 2015**

	<u>2016</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
U.S. Government grants	\$ 672,432	\$ -	\$ 672,432
Foundation and other grants	6,167	1,073,799	1,079,966
Contributions	161,334	-	161,334
In-kind contributions	310,669	-	310,669
Interest income	525	-	525
Exchange rate loss	(6,361)	-	(6,361)
Net assets released from donor restrictions - satisfaction of program restrictions	<u>2,677,904</u>	<u>(2,677,904)</u>	<u>-</u>
Total support and revenue	<u>3,822,670</u>	<u>(1,604,105)</u>	<u>2,218,565</u>
EXPENSES			
Maternal Health	3,103,089	-	3,103,089
Management and General	492,165	-	492,165
Fundraising	<u>75,637</u>	<u>-</u>	<u>75,637</u>
Total expenses	<u>3,670,891</u>	<u>-</u>	<u>3,670,891</u>
Changes in net assets (deficit)	151,779	(1,604,105)	(1,452,326)
Net assets (deficit) at beginning of year	<u>(549,089)</u>	<u>5,848,758</u>	<u>5,299,669</u>
NET ASSETS (DEFICIT) AT END OF YEAR	<u>\$ (397,310)</u>	<u>\$ 4,244,653</u>	<u>\$ 3,847,343</u>

2015		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 504,753	\$ -	\$ 504,753
19,112	6,971,264	6,990,376
224,920	-	224,920
94,982	-	94,982
444	-	444
(8,568)	-	(8,568)
<u>2,581,819</u>	<u>(2,581,819)</u>	<u>-</u>
<u>3,417,462</u>	<u>4,389,445</u>	<u>7,806,907</u>
2,732,218	-	2,732,218
463,410	-	463,410
<u>54,027</u>	<u>-</u>	<u>54,027</u>
<u>3,249,655</u>	<u>-</u>	<u>3,249,655</u>
167,807	4,389,445	4,557,252
<u>(716,896)</u>	<u>1,459,313</u>	<u>742,417</u>
<u>\$ (549,089)</u>	<u>\$ 5,848,758</u>	<u>\$ 5,299,669</u>

See accompanying notes to financial statements.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Maternal Health</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries	\$ 794,826	\$ 177,452	\$ 33,659	\$ 1,005,937
Benefits and payroll taxes	378,568	76,569	16,360	471,497
Printing and production	949	5,422	199	6,570
Professional fees	47,794	42,872	3,958	94,624
Occupancy	57,742	62,395	3,540	123,677
Accounting and audit	3,337	19,157	-	22,494
Insurance	-	13,400	-	13,400
Telephone	18,356	5,258	404	24,018
Travel and related expenses	281,427	4,523	2,340	288,290
Consulting fees	199,779	7,638	1,974	209,391
Postage and delivery	1,203	134	242	1,579
Supplies	3,019	6,285	476	9,780
Subscriptions	13,399	2,693	2,280	18,372
Meetings	26,706	3,530	972	31,208
Advertising	1,916	113	-	2,029
Fundraising events	3,341	-	-	3,341
Bank fees	329	4,488	901	5,718
Equipment rental and maintenance	681	969	170	1,820
Sub-grants	1,025,745	-	-	1,025,745
Other expenses	-	732	-	732
In-kind professional fees	243,422	58,535	8,125	310,082
Donated goods, materials and supplies	<u>550</u>	<u>-</u>	<u>37</u>	<u>587</u>
TOTAL	<u>\$ 3,103,089</u>	<u>\$ 492,165</u>	<u>\$ 75,637</u>	<u>\$ 3,670,891</u>

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Maternal Health</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries	\$ 804,003	\$ 163,065	\$ 25,611	\$ 992,679
Benefits and payroll taxes	347,042	59,146	11,656	417,844
Printing and production	11,086	1,709	43	12,838
Professional fees	20,726	58,270	413	79,409
Occupancy	11,017	68,203	-	79,220
Accounting and audit	13,906	7,819	-	21,725
Insurance	-	11,421	-	11,421
Telephone	11,054	5,364	32	16,450
Travel and related expenses	274,356	724	510	275,590
Consulting fees	253,874	8,574	2,746	265,194
Postage and delivery	810	982	131	1,923
Supplies	349	2,452	18	2,819
Subscriptions	9,462	3,583	547	13,592
Meetings	15,860	204	51	16,115
Advertising	80	-	-	80
Fundraising events	-	-	276	276
Bank fees	132	4,704	-	4,836
Equipment rental and maintenance	-	932	-	932
Sub-grants	926,468	-	-	926,468
Other expenses	-	15,262	-	15,262
In-kind professional fees	16,277	50,996	9,920	77,193
Donated goods, materials and supplies	<u>15,716</u>	<u>-</u>	<u>2,073</u>	<u>17,789</u>
TOTAL	<u>\$ 2,732,218</u>	<u>\$ 463,410</u>	<u>\$ 54,027</u>	<u>\$ 3,249,655</u>

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

STATEMENTS OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (1,452,326)	\$ 4,557,252
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Change in present value discount on noncurrent grants and contributions receivable	(106,799)	151,805
(Increase) decrease in:		
Grants and contributions receivable	(146,111)	(3,351,664)
Due from related entity	98	327
Other receivables	(8,959)	(1,843)
Sub-grantee advances	(96,582)	49,610
Travel advances	(2,875)	955
Prepaid expenses	(6,242)	(359)
Security deposit	(13,844)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	(6,111)	7,926
Sub-grants payable	(10,665)	15,758
Accrued employee benefits	29,805	(11,763)
Deferred revenue	-	(8,602)
Due to related entity	-	(711)
Deferred rent	<u>25,951</u>	<u>-</u>
Net cash (used) provided by operating activities	<u>(1,794,660)</u>	<u>1,408,691</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash draws from line of credit	-	205,750
Repayments on line of credit	<u>(78,533)</u>	<u>(417,217)</u>
Net cash used by financing activities	<u>(78,533)</u>	<u>(211,467)</u>
Net (decrease) increase in cash and cash equivalents	(1,873,193)	1,197,224
Cash and cash equivalents at beginning of year	<u>2,155,627</u>	<u>958,403</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 282,434</u>	<u>\$ 2,155,627</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	<u>\$ 778</u>	<u>\$ 13,137</u>

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The White Ribbon Alliance for Safe Motherhood (WRA) is one of the world's largest networks of maternal health advocates. WRA mobilizes and equips citizens to take collective action and hold their governments accountable; strengthening national capacity, influencing national policies and harnessing resources to inspire action so that all women are safe, healthy and respected before, during and after pregnancy.

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*.

Income taxes -

WRA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. WRA is not a private foundation.

Cash and cash equivalents -

WRA considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, WRA maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Grants and contributions receivable -

Grants and contributions receivable that are expected to be collected in future years are recorded at their fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in other grants and contracts revenue in the accompanying Statements of Activities and Changes in Net Assets (Deficit).

All grants and contributions receivable are considered by management to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Uncertain tax positions -

For the years ended December 31, 2016 and 2015, WRA has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

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

Net asset classification -

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

- **Unrestricted net assets** include unrestricted support and revenue received without donor-imposed restrictions. These net assets are available for the operations of WRA and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include support and revenue subject to donor-imposed stipulations that will be met by the actions of WRA 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 (Deficit) as net assets released from restrictions.

Grants and contributions revenue -

Grants and subawards that are awarded to WRA from foundations, bilateral and international organizations, pass-through entities and other non-Federal organizations are generally accounted for as contributions. WRA's policy is to treat donor-restricted grant awards/obligations as temporarily restricted support in the year notification is received from the donor. Grants are recognized as unrestricted support (released from restrictions) only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions (or satisfaction of time restrictions). Grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Awards to WRA from prime recipients of U.S. Government agencies and pass-through entities are recognized as unrestricted revenue when qualifying direct and indirect expenditures are incurred; any funds received in advance of incurring qualifying expenditures are recorded as refundable advances.

Foreign currency reporting -

WRA maintains cash in U.S. Dollars (USD) and British Pounds (GBP). All non-USD revenues and expenses are reported in the accompanying Statements of Activities and Changes in Net Assets and have been translated to U.S. Dollars using the average annual exchange rate. All year-end assets and liabilities (held in foreign currency) have been revalued at the current spot rates; therefore, exchange rate variances have been reflected as an Exchange Rate Loss in the accompanying Statements of Activities and Changes in Net Assets.

Sub-grantee advances, payables and expense -

Sub-grantee advances consist of amounts provided to partners/sub-grantees to executive project objectives. Project costs incurred by partners/sub-grantees are recorded in the accompanying financial statements when reported to WRA, accordingly, advances are reduced and expenses are increased. Amounts not reimbursed by WRA (to partners/sub-grantees) as of fiscal year-end are recorded as sub-grants payable.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

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

In-kind contributions -

In-kind contributions consist of professional fees, materials and supplies, and are reported at their estimated fair value based on the number of donated hours and estimated rates of services rendered, or fair value on the date of gift. The value of in-kind contributions totaled \$310,669 and \$94,982 during the years ended December 31, 2016 and 2015, respectively.

In-kind contributions have been allocated to the following functional expense categories during the years ended December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Maternal Health	\$ 243,972	\$ 31,993
Management and General	58,535	50,996
Fundraising	<u>8,162</u>	<u>11,993</u>
TOTAL IN-KIND CONTRIBUTIONS	<u>\$ 310,669</u>	<u>\$ 94,982</u>

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 (Deficit). Accordingly, certain costs have been allocated among the programs and supporting services benefited.

New accounting pronouncements -

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statements of Activities and Changes in Net Assets (Deficit). The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted; however, WRA has not elected to early adopt the ASU. The ASU should be applied on a retrospective basis in the year the ASU is first applied. While the ASU will change the presentation of the WRA's financial statements, it is not expected to alter the WRA's reported financial position.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

2. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
IPPF - Core Support 2015	\$ -	\$ 27,020
The Bill and Melinda Gates Foundation - Reinvestment for Improved Delivery of MNH	3,795,668	5,235,794
UN Women SHRH - Advocacy	-	2,162
Bayer - Sustainable MHN Self Care	142,607	96,273
MacArthur Foundation - Core Support	<u>306,378</u>	<u>487,509</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	<u>\$ 4,244,653</u>	<u>\$ 5,848,758</u>

3. 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>2016</u>	<u>2015</u>
Catapult - Britain, Every Woman Cared for in Pregnancy	\$ -	\$ 14,600
Catapult - Keep Somali Moms Healthy in Sweden	-	9,242
IPPF - Core Support 2015	27,020	472,980
World Health Organization - Campaign & Capacity	43,000	-
World Health Organization - Civil Society Meeting	24,000	-
IPPF - Strengthening Advocacy	-	50,000
MacArthur Foundation - Advancing Social Media	-	130,432
Merck - MSD India Mom QC	-	63,068
The Bill and Melinda Gates Foundation - Advocating for Improved Delivery of MNH	2,037,581	1,530,039
The Bill and Melinda Gates Foundation - Reinvestment for Improved Delivery of MNH	-	224,893
UN Women SHRH - Advocacy	2,162	82,838
Bayer - Sustainable MHN Self Care	353,666	3,727
MacArthur Foundation - Core Support	<u>190,475</u>	<u>-</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>\$ 2,677,904</u>	<u>\$ 2,581,819</u>

4. LEASE COMMITMENTS

Beginning September 1, 2014, WRA was under a 36-month sublease agreement for office space in Washington, D.C. Base rental payments under this agreement were \$7,200 per month, with a 5% annual escalation. The lease also required a security deposit of \$850. On June 21, 2016, WRA signed a new 50-month sublease agreement for a different office space in Washington, D.C., effective July 1, 2016 and expires August 31, 2020. The previous sublease agreement was terminated early, effective August 1, 2016. Base rental payments under this new agreement are \$14,694 per month, with 4% annual escalation. The first and second month of rental payments were abated, and the first month of the following three years of the agreement will also be abated.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

4. LEASE COMMITMENTS (Continued)

Beginning July 1, 2015, WRA shared a portion of its previous office space with a subtenant under a one-year arrangement that expired June 30, 2016, and required rental payment of \$1,800 per month, until the subtenant's space was reduced and rental payments decreased to \$1,200 per month. These payments were offset against WRA's rent expense in the accompanying Statements of Functional Expenses. This tenant now subleases office space from WRA in its new office space under a two-year agreement. Rental payments under this new agreement are \$1,960 per month.

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. As of December 31, 2016, the liability totaled \$25,951. There was no deferred rent liability as of December 31, 2015.

Future minimum rental payments and rental income required under these leases are as follows:

<u>Year Ended December 31,</u>	<u>Rental Payments</u>	<u>Sub-Lease Payments</u>	<u>Net Amount</u>
2017	\$ 164,573	\$ (23,520)	\$ 141,053
2018	171,156	(15,680)	155,476
2019	178,002	-	178,002
2020	<u>133,552</u>	<u>-</u>	<u>133,552</u>
	<u>\$ 647,283</u>	<u>\$ (39,200)</u>	<u>\$ 608,083</u>

Rent expense (net of sub-lease payments received) during the years ended December 31, 2016 and 2015 totaled \$122,007 and \$77,040, respectively, and are included in Occupancy in the accompanying Statements of Functional Expenses.

5. CONTINGENCY

WRA is the recipient of Federal awards through entities funded by the U.S. Government. Beginning with the fiscal year ended December 31, 2015, such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. However, WRA's expenditures of federal awards for the years ended December 31, 2016 and 2015 were below the \$750,000 threshold as stipulated in the Uniform Guidance, and thus, WRA was not required to have an audit under the provisions of the Uniform Guidance for 2016 or 2015.

The ultimate determination of amounts received under the U.S. Government grants is based upon the allowance of costs reported to and accepted by the U.S. Government. Until such amounts have been accepted by the U.S. Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability exists.

6. LINE OF CREDIT

WRA maintains a \$500,000 line of credit with a local financial institution. The line of credit is secured by WRA's cash and receivables, and bears interest on outstanding borrowings equal to the Federal prime rate plus 1.00% (4.75% and 4.50% as of December 31, 2016 and 2015, respectively), and is annually renewable, subject to satisfactory credit performance.

THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

6. LINE OF CREDIT (Continued)

There was no outstanding balance on the line of credit as of December 31, 2016. As of December 31, 2015, the total outstanding balance on the line of credit aggregated \$78,533. Interest incurred on the borrowings totaled \$276 and \$12,285 for the years ended December 31, 2016 and 2015, respectively.

7. GRANTS AND CONTRIBUTIONS RECEIVABLE

WRA receives grants and contributions from foundations and international organizations for multi-year program support. As of December 31, 2016 and 2015, WRA had uncollected commitments from such organizations aggregating \$3,608,259 and \$3,462,148, respectively. The following is a schedule of expected payments to be received in future years, as of December 31, 2016 and 2015:

	2016	2015
Less than one year	\$ 2,178,455	\$ 24,207
One to five years	1,429,804	3,437,941
Total	3,608,259	3,462,148
Less: Present value discount (3.25%)	(45,006)	(151,805)
GRANTS AND CONTRIBUTIONS RECEIVABLE, NET	\$ 3,563,253	\$ 3,310,343

8. RETIREMENT PLANS

WRA provides retirement benefits to its U.S. employees through a 401(k) profit sharing retirement plan covering those U.S. employees 18 years of age and older (employees are eligible immediately upon hire). WRA makes non-elective safe harbor contributions of three percent of eligible compensation. Contributions to the plan during the years ended December 31, 2016 and 2015 totaled \$31,274 and \$28,252, respectively, and are included in benefits in the accompanying Statements of Functional Expenses.

WRA provides retirement benefits to its U.K. employees through a defined contribution plan. WRA contributes 3% of gross wages. Contributions to the plan during the years ended December 31, 2016 and 2015 totaled \$2,857 and \$6,309, respectively, and are included in benefits in the accompanying Statements of Functional Expenses.

9. EMPHASIS OF A MATTER

As of December 31, 2016 and 2015, WRA maintained an unrestricted net deficit position of \$(397,310) and \$(549,089), respectively. The accompanying financial statements have been prepared assuming that WRA will continue as a going concern.

10. SUBSEQUENT EVENTS

In preparing these financial statements, WRA has evaluated events and transactions for potential recognition or disclosure through May 23, 2017, the date the financial statements were issued.