



Report of Independent Auditors and
Financial Statements

The Global Fund for Women, Inc.

June 30, 2016 and 2015

MOSS ADAMS LLP

Certified Public Accountants | Business Consultants

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REPORT OF INDEPENDENT AUDITORS

The Board of Directors
The Global Fund for Women, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of The Global Fund for Women, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, cash flows, and functional expenses 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 The Global Fund for Women, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



San Francisco, California
October 18, 2016

FINANCIAL STATEMENTS

THE GLOBAL FUND FOR WOMEN, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,404,078	\$ 2,678,711
Investments	-	248,723
Contributions receivable	3,917,416	3,334,456
Other receivables	112,664	120,922
Prepaid expenses	270,336	238,928
Total current assets	<u>9,704,494</u>	<u>6,621,740</u>
LONG-TERM ASSETS		
Deposits	64,025	114,992
Investments designated for long-term purposes	6,241,467	6,777,532
Investments restricted for long-term purposes	5,131,536	5,493,888
Contributions receivable, net	4,117,649	2,892,413
Beneficial interest in trusts	236,336	241,453
Property and equipment, net	250,646	69,197
Total long-term assets	<u>16,041,659</u>	<u>15,589,475</u>
Total assets	<u>\$ 25,746,153</u>	<u>\$ 22,211,215</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Grants payable	\$ 4,365,707	\$ 1,518,560
Accounts payable and accrued expenses	439,591	457,675
Total current liabilities	<u>4,805,298</u>	<u>1,976,235</u>
Deferred rent	98,621	21,742
Total liabilities	<u>4,903,919</u>	<u>1,997,977</u>
NET ASSETS		
Unrestricted net assets	6,112,300	7,011,889
Temporarily restricted net assets	10,315,588	8,740,669
Permanently restricted net assets	4,414,346	4,460,680
Total net assets	<u>20,842,234</u>	<u>20,213,238</u>
Total liabilities and net assets	<u>\$ 25,746,153</u>	<u>\$ 22,211,215</u>

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016 (with Comparative Totals for the Year Ended June 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2016</u>	<u>Total 2015</u>
SUPPORT AND REVENUES					
Contributions					
Foundations and other organizations	\$ 1,276,476	\$ 7,751,284	\$ -	\$ 9,027,760	\$ 8,922,055
Corporations	183,619	577,335	-	760,954	555,571
Government/multilateral	-	111,346	-	111,346	70,784
Individuals	3,484,997	1,714,368	-	5,199,365	3,432,761
Other income	218,130	56,069	-	274,199	227,653
Investment (loss) income	(149,978)	(117,700)	-	(267,678)	519,445
Change in value of beneficial interest in trust	-	(5,117)	-	(5,117)	6,487
In-kind donations	28,264	-	-	28,264	28,209
Write off of contributions receivable	-	(700,000)	(46,334)	(746,334)	-
Net assets released from restrictions	7,812,666	(7,812,666)	-	-	-
Total support and revenues	<u>12,854,174</u>	<u>1,574,919</u>	<u>(46,334)</u>	<u>14,382,759</u>	<u>13,762,965</u>
EXPENSES					
Program services					
Grants awarded	6,617,997	-	-	6,617,997	6,958,218
Grants and grantee services	2,129,843	-	-	2,129,843	3,069,576
Advocacy and innovation	2,174,244	-	-	2,174,244	1,784,519
Total program services	<u>10,922,084</u>	<u>-</u>	<u>-</u>	<u>10,922,084</u>	<u>11,812,313</u>
Management and general	891,514	-	-	891,514	1,068,752
Fundraising	1,940,165	-	-	1,940,165	1,969,613
Total expenses	<u>13,753,763</u>	<u>-</u>	<u>-</u>	<u>13,753,763</u>	<u>14,850,678</u>
CHANGE IN NET ASSETS	(899,589)	1,574,919	(46,334)	628,996	(1,087,713)
NET ASSETS, beginning of year	<u>7,011,889</u>	<u>8,740,669</u>	<u>4,460,680</u>	<u>20,213,238</u>	<u>21,300,951</u>
NET ASSETS, end of year	<u>\$ 6,112,300</u>	<u>\$ 10,315,588</u>	<u>\$ 4,414,346</u>	<u>\$ 20,842,234</u>	<u>\$ 20,213,238</u>

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2015</u>
SUPPORT AND REVENUES				
Contributions				
Foundations and other organizations	\$ 3,000,576	\$ 5,921,479	\$ -	\$ 8,922,055
Corporations	242,835	312,736	-	555,571
Government/multilateral	-	70,784	-	70,784
Individuals	2,714,059	718,702	-	3,432,761
Other income	164,503	63,150	-	227,653
Investment income	286,694	232,751	-	519,445
Change in value of beneficial interest in trust	-	6,487	-	6,487
In-kind donations	28,209	-	-	28,209
Net assets released from restrictions	9,574,765	(9,574,765)	-	-
Total support and revenues	16,011,641	(2,248,676)	-	13,762,965
EXPENSES				
Program services				
Grants awarded	6,958,218	-	-	6,958,218
Grants and grantee services	3,069,576	-	-	3,069,576
Advocacy and innovation	1,784,519	-	-	1,784,519
Total program services	11,812,313	-	-	11,812,313
Management and general	1,068,752	-	-	1,068,752
Fundraising	1,969,613	-	-	1,969,613
Total expenses	14,850,678	-	-	14,850,678
CHANGE IN NET ASSETS	1,160,963	(2,248,676)	-	(1,087,713)
NET ASSETS, beginning of year	5,850,926	10,989,345	4,460,680	21,300,951
NET ASSETS, end of year	\$ 7,011,889	\$ 8,740,669	\$ 4,460,680	\$ 20,213,238

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 628,996	\$ (1,087,713)
Adjustments to reconcile change in net assets to net cash provided by (used by) operating activities:		
Realized and unrealized losses (gains) on investments, net	492,330	(220,401)
Discount on contributions receivable	12,907	178,030
Write off of contributions receivable	746,334	-
Depreciation and amortization	106,620	155,780
Change in value of beneficial interest in trust	5,117	(6,487)
Changes in operating assets and liabilities		
Contributions receivable	(2,567,437)	1,747,752
Other receivables	8,258	(29,283)
Prepaid expenses	(31,408)	(38,448)
Deposits	50,967	(16,877)
Grants payable	2,847,147	(761,038)
Accounts payable and accrued expenses	(18,084)	(95,710)
Deferred rent	76,879	(42,949)
Net cash provided by (used by) operating activities	<u>2,358,626</u>	<u>(217,344)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment	(288,069)	(16,658)
Proceeds from sale of investments, net	3,594,172	2,951,106
Purchases of investments	(2,939,362)	(3,315,108)
Net cash provided by (used by) investing activities	<u>366,741</u>	<u>(380,660)</u>
Net increase (decrease) in cash and cash equivalents	2,725,367	(598,004)
CASH AND CASH EQUIVALENTS, beginning of year	<u>2,678,711</u>	<u>3,276,715</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 5,404,078</u>	<u>\$ 2,678,711</u>

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2016 (With Comparative Totals for the Year Ended June 30, 2015)

	<u>Grants and Grantee Services</u>	<u>Advocacy and Innovation</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Pooled</u>	<u>Total 2016</u>	<u>Total 2015</u>
Grants awarded	\$ 6,617,997	\$ -	\$ -	\$ -	\$ -	\$ 6,617,997	\$ 6,958,218
Other expenses							
Salaries	1,089,716	812,525	355,377	902,105	353,284	3,513,007	3,592,399
Payroll taxes	84,246	63,783	28,504	69,205	26,840	272,578	272,397
Employee benefits	186,270	146,691	112,956	153,666	75,062	674,645	765,406
Personnel costs	1,360,232	1,022,999	496,837	1,124,976	455,186	4,460,230	4,630,202
Advertising	15	7,004	-	4,761	1,754	13,534	22,836
Conferences and meetings	10,009	28,061	476	7,439	934	46,919	241,538
Depreciation	-	6,335	-	-	100,285	106,620	155,780
Information technology	204	21,297	22,853	29,862	198,693	272,909	270,025
Occupancy	-	3,000	3,208	-	586,495	592,703	770,311
Other	17,001	646	12,741	63,300	32,084	125,772	149,426
Outside/professional services	63,805	554,576	90,606	97,096	83,833	889,916	1,084,814
Postage and shipping	1,381	2,341	47	17,767	758	22,294	8,999
Printing and publications	2,513	3,595	17,713	90,299	250	114,370	89,892
Repairs and maintenance	443	55	-	-	12,617	13,115	4,089
Supplies	1,664	2,476	1,103	5,971	25,732	36,946	24,408
Telephone	2,063	5,268	4,196	569	35,895	47,991	47,187
Travel and meals	142,301	122,206	48,416	62,007	17,517	392,447	392,953
Pooled cost allocation	528,212	394,385	193,318	436,118	(1,552,033)	-	-
Total other expenses	2,129,843	2,174,244	891,514	1,940,165	-	7,135,766	7,892,460
Total expenses	<u>\$ 8,747,840</u>	<u>\$ 2,174,244</u>	<u>\$ 891,514</u>	<u>\$ 1,940,165</u>	<u>\$ -</u>	<u>\$ 13,753,763</u>	<u>\$ 14,850,678</u>

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2015

	<u>Grants and Grantee Services</u>	<u>Advocacy and Innovation</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Pooled</u>	<u>Total 2015</u>
Grants awarded	\$ 6,958,218	\$ -	\$ -	\$ -	\$ -	\$ 6,958,218
Other expenses						
Salaries	1,106,316	810,554	416,256	852,995	406,278	3,592,399
Payroll taxes	83,957	61,483	31,576	65,242	30,139	272,397
Employee benefits	218,052	139,900	81,022	141,593	184,839	765,406
Personnel costs	1,408,325	1,011,937	528,854	1,059,830	621,256	4,630,202
Advertising	2,468	12,676	-	932	6,760	22,836
Conferences and meetings	191,843	41,321	475	6,776	1,123	241,538
Depreciation	-	19,215	-	-	136,565	155,780
Information technology	3,059	27,641	10,877	49,562	178,886	270,025
Occupancy	3,000	(39)	1,285	-	766,065	770,311
Other	25,237	6,322	12,772	74,497	30,598	149,426
Outside/professional services	505,319	86,087	157,627	107,975	227,806	1,084,814
Postage and shipping	685	11	208	648	7,447	8,999
Printing and publications	2,218	15	13,702	72,405	1,552	89,892
Repairs and maintenance	-	-	-	-	4,089	4,089
Supplies	5,959	2,014	614	2,405	13,416	24,408
Telephone	9,147	2,687	4,129	1,592	29,632	47,187
Travel and meals	195,648	57,219	69,193	52,171	18,722	392,953
Pooled cost allocation	716,668	517,413	269,016	540,820	(2,043,917)	-
Total other expenses	3,069,576	1,784,519	1,068,752	1,969,613	-	7,892,460
Total expenses	<u>\$ 10,027,794</u>	<u>\$ 1,784,519</u>	<u>\$ 1,068,752</u>	<u>\$ 1,969,613</u>	<u>\$ -</u>	<u>\$ 14,850,678</u>

See accompanying notes.

THE GLOBAL FUND FOR WOMEN, INC. NOTES TO FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – The Global Fund for Women, Inc. (the “Organization”) is a global champion for the human rights of women and girls. The Organization uses their powerful networks to find, fund, and amplify the courageous work of women who are building social movements and challenging the status quo. The Organization is committed to getting money and attention where it will make the biggest difference for gender equality. Formed as a California nonprofit public benefit corporation organized on June 24, 1987, Global Fund for Women, Inc. has invested in nearly 5,000 grassroots organizations in 175 countries, helping to win rights for millions of women and girls.

Global Fund for Women UK is a charitable entity set up as a company limited by guarantee in the UK on June 13, 2012. It is intended to operate as the sister charity of the Organization. As of June 30, 2016, there was no activity in the Global Fund for Women UK entity.

The following program and supporting services are included in the accompanying financial statements:

Grants and grantee services – Grants and grantee services include direct grantmaking and related grantmaking activities. Direct grants are made to seed, strengthen and link women’s rights groups outside the United States of America and are recorded as expenses when approved by the Board of Directors for payment. Grantee services are related to the Global Fund for Women’s direct grantmaking program and include:

- Grantee Support and Grants Operations: such as capacity-building and convening to enhance grantee organizations and bring them together, as well as reviewing applications, conducting due diligence, reporting.
- Learning Evaluation and Impact.

Advocacy and innovation – Advocacy activities are related to advocacy, partnerships and the mobilization of resources to influence philanthropy to support women’s rights organizations.

Management and general – Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. These include functions necessary to maintain an equitable employment program, manage the financial and budgetary responsibilities of the Organization and organizational governance activities.

Fundraising – Fundraising expenses include the necessary costs to encourage and secure financial support from individuals, foundations and corporations.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates. Such estimates include present value discounts, fair value of investments, functional expense allocation and depreciation and amortization.

Basis of accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) applicable to nonprofit organizations. Assets are generally sequenced according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

Fair value of financial instruments – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. U.S. GAAP describes three levels of input that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

From time to time investments will be transferred between Levels based on the characteristics of the investments. The Organization's policy is to recognize transfers in and transfers out at the beginning of the period in which the event or change in circumstances occurred.

Cash and cash equivalents – For purposes of the statements of cash flows, cash equivalents include highly liquid debt instruments with an original purchased maturity of three months or less.

Investments – The Organization carries investments in marketable securities with readily determinable fair value and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Contributions receivable – The Organization reports gifts of cash and other assets as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When the intent of the donor is that the assets are to remain in perpetuity and the Organization does not have the right to expend the original principal except in the event of losses or to make a scheduled payout, the assets are reported as permanently restricted. When a donor restriction is met, temporarily restricted net assets are released to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Net assets are also released from donor restrictions when time restrictions are satisfied. Contributions with payment terms in excess of one year are currently subject to discounting at 3% for 2016 and 2015

Allowance for doubtful accounts – The allowance for doubtful accounts reflects the Organization's best estimate of probable losses inherent in the Organization's contributions receivable portfolio determined on the basis of historical experience, specific allowances for known troubled accounts, as well as other data. There was no allowance for doubtful accounts for the years ended June 30, 2016 and 2015, respectively. During the fiscal year ended June 30, 2016, the Organization wrote off approximately \$746,000 on contributions receivable.

Property and equipment and depreciation – All acquisitions of property and equipment in excess of \$2,500 and expenditures in excess of \$2,500 for repairs, maintenance renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost or, if donated, at the approximate fair value on the date of donation. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis, primarily three to five years.

Compensated absences – The Organization accrues a liability for vested vacations to which employees are entitled depending on the length of service and other factors. Accrued vacation benefits of \$232,042 and \$232,092 as of June 30, 2016 and 2015, respectively, are included in accounts payable and accrued expenses in the statements of financial position.

Deferred rent – Rent expense for the Organization's facilities and administrative offices is recognized on a straight-line basis over the original term of each lease.

THE GLOBAL FUND FOR WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS

Net assets – The Organization reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit their use. Gifts other than cash are generally sold as soon as practical. When a donor restriction expires; that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. The Organization’s net assets are categorized as follows:

Unrestricted net assets – Unrestricted net assets include unrestricted contributions, income earned on unrestricted or restricted net assets, and amounts for which restrictions have expired.

Temporarily restricted net assets – Temporarily restricted net assets represent resources restricted by donors for a specific purpose or based on a time restriction and the earnings on permanently restricted endowments. The related investment income, expense and realized and unrealized gains and losses of endowment funds are maintained in temporarily restricted net assets until released.

Permanently restricted net assets – Permanently restricted net assets represent cash and investments that are subject to gift instrument restrictions that require the principal to be invested in perpetuity. For permanently restricted endowments, the related investment income, expenses, and realized and unrealized gains or losses are included in temporarily restricted net assets in accordance with the Uniform Prudent Management of Institutional Funds Act (the “UPMIFA”).

Fiscal sponsorship – The Organization offers a fiscal sponsorship program for selected partner organizations whose work furthers the Organization’s mission and exempt purpose. The priority areas of focus for the fiscal sponsorship program are women’s funds and other grant making entities, although requests from other organizations are also considered. The largest organization in the fiscal sponsorship program is the International Network of Women’s Funds (“INWF”), a membership association linking Women’s Funds to promote philanthropy with a feminist perspective. INWF’s mission is to strengthen the political and financial capacity of Women’s Funds to empower women and girls and redistribute resources to transform their lives and communities. In the fiscal years ended June 30, 2016 and 2015, temporarily restricted funds designated for INWF totaled approximately \$1,672,875 and \$617,000, respectively.

Donations of goods and services – Donated services are recognized as contributions if the services: (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Donations of goods include property and equipment recorded as contributions at their estimated fair value at the date of donation.

Functional allocation of expenses – Expenses are charged to programs and supporting services on the basis of periodic time and expense studies as well as estimates made by the Organization’s management. Pooled costs are allocated to program and supporting services on the basis of direct personnel expenses.

Reclassifications – Certain reclassifications have been made to the 2015 financial statements to conform to the 2016 presentation. These reclassifications had no impact on net asset balances.

NOTE 2 – CONTRIBUTIONS RECEIVABLE

Contributions receivable as of June 30 consisted of amounts expected to be collected in:

	<u>2016</u>	<u>2015</u>
Less than one year	\$ 3,917,416	\$ 3,334,456
One to five years	4,355,113	2,916,970
Over five years	-	200,000
Gross contributions receivable	8,272,529	6,451,426
Less discount for present value	<u>(237,464)</u>	<u>(224,557)</u>
Net contributions receivable	8,035,065	6,226,869
Less current portion	<u>(3,917,416)</u>	<u>(3,334,456)</u>
Contributions receivable, net	<u>\$ 4,117,649</u>	<u>\$ 2,892,413</u>

THE GLOBAL FUND FOR WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows:

	<u>2016</u>	<u>2015</u>
Furniture and equipment	\$ 284,197	\$ 79,789
Leasehold improvements	20,898	698,724
Intangible property - website	34,275	52,275
	<u>339,370</u>	<u>830,788</u>
Less: Accumulated depreciation and amortization	<u>(88,724)</u>	<u>(761,591)</u>
Total property and equipment, net	<u>\$ 250,646</u>	<u>\$ 69,197</u>

For the years ended June 30, 2016 and 2015, depreciation and amortization expense was \$106,620 and \$155,780, respectively. During the years ended June 30, 2016 and 2015, the Organization disposed of property and equipment with a cost basis of \$779,486 and \$86,524, respectively, and a net book value of zero.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table sets forth the Organization's assets that are measured at fair value on a recurring basis as of June 30, 2016:

	<u>Assets at fair value as of June 30, 2016</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Fixed income				
Corporate bonds	\$ 3,316,623	\$ -	\$ -	\$ 3,316,623
Government bonds	575,829	-	-	575,829
Total fixed income	3,892,452	-	-	3,892,452
Equities				
Common stock				
Energy	321,291	-	-	321,291
Materials	201,023	-	-	201,023
Industrial goods	622,057	-	-	622,057
Consumer discretionary	608,455	-	-	608,455
Consumer staples	466,056	-	-	466,056
Health care	818,170	-	-	818,170
Financial services	895,659	-	-	895,659
Technology	1,055,789	-	-	1,055,789
Telecommunications	131,782	-	-	131,782
Utilities	116,973	-	-	116,973
Total common stock	5,237,255	-	-	5,237,255
Community investment promissory notes	-	825,209	-	825,209
Mutual funds	584,908			584,908
International funds	833,179	-	-	833,179
Beneficial interest in trusts	-	-	236,336	236,336
Total	<u>\$ 10,547,794</u>	<u>\$ 825,209</u>	<u>\$ 236,336</u>	<u>\$ 11,609,339</u>

THE GLOBAL FUND FOR WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS

The following table sets forth the Organization's assets that are measured at fair value on a recurring basis as of June 30, 2015:

	Assets at fair value as of June 30, 2015			Total
	Level 1	Level 2	Level 3	
Fixed income				
Corporate bonds	\$ 3,215,343	\$ -	\$ -	\$ 3,215,343
Government bonds	1,015,764	-	-	1,015,764
Total fixed income	4,231,107	-	-	4,231,107
Equities				
Common stock				
Energy	426,316	-	-	426,316
Materials	236,569	-	-	236,569
Industrial goods	761,098	-	-	761,098
Consumer discretionary	868,525	-	-	868,525
Consumer staples	443,718	-	-	443,718
Health care	965,825	-	-	965,825
Financial services	1,129,653	-	-	1,129,653
Technology	1,602,845	-	-	1,602,845
Telecommunications	35,091	-	-	35,091
Utilities	58,596	-	-	58,596
Total common stock	6,528,236	-	-	6,528,236
Community investment promissory notes	-	826,375	-	826,375
International funds	934,425	-	-	934,425
Beneficial interest in trusts	-	-	241,453	241,453
Total	\$ 11,693,768	\$ 826,375	\$ 241,453	\$ 12,761,596

The following table provides a rollforward analysis of assets in the statements of financial position, measured at fair value using significant unobservable inputs (Level 3) on a recurring basis during the years ended June 30:

	2016	2015
Beginning balance	\$ 241,453	\$ 234,966
Increase in value due to change in actuarial life expectancy	26,229	19,800
Decrease in value due to change in estimated fair value of underlying trust assets	(31,346)	(13,313)
Ending balance	\$ 236,336	\$ 241,453

The Organization initially records beneficial interests in trusts, based on asset value per the trustee, and using the life expectancy of the beneficiaries to calculate the net present value of the asset. All unrealized gains and losses included are attributable to assets held at the end of the reporting period and are included in changes in split interest agreements on the statements of activities. Valuation is reviewed annually by management by updating the life expectancy of the income beneficiary and using the fair market value from the trustee.

There were no significant transfers in and out of Level 1 and Level 2 fair value measurements.

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NOTE 5 – INVESTMENT INCOME

Investment income consisted of the following:

	2016	2015
Interest and dividends on securities	\$ 260,094	\$ 298,961
Other bank interest	5	83
Investment fees	(35,447)	-
Realized gain on investments	375,364	642,322
Unrealized loss on investments	(867,694)	(421,921)
Total investment income	\$ (267,678)	\$ 519,445

NOTE 6 – COMMITMENTS

The Organization leases its facilities under operating leases expiring on December 31, 2022. Management expects that in the normal course of business, leases that expire will be renewed under available options or replaced by other leases. Minimum rental commitments under the operating leases are as follows:

<u>Year Ending June 30.</u>			
2017	\$	342,025	
2018		352,285	
2019		362,854	
2020		373,739	
2021		384,952	
Thereafter		597,680	
Total operating lease commitments	\$	2,413,535	

Rental expense was \$576,627 and \$756,861 in 2016 and 2015, respectively.

NOTE 7 – BENEFICIAL INTEREST IN TRUSTS

The Organization has been named a beneficiary under certain unconditional irrevocable split interest agreements received from various donors. The split interest agreements are administered by an outside trustee and generally provide for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (the designated beneficiaries' lifetimes). At the end of the trust term, the remaining assets are available for the Organization's use. The present value of the estimated future payment to be received is calculated using a discount rate of 6% and applicable actuarial life tables. The Organization annually revalues the fair value of the remainder interest to be received from each donor, based on the changes since the prior year. The resulting change is recorded as a change in value of split interest agreements on the statements of activities. The Organization recognized a decrease of \$5,117 and increase of \$6,487 in the value of the split interest agreements, for the years ended June 30, 2016 and 2015, respectively.

NOTE 8 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances at various financial institutions and brokerage firms. The Federal Deposit Insurance Corporation ("FDIC") insures account balances up to \$250,000.

The Organization has identified its financial instruments that are potentially subject to credit risk. These financial instruments consist principally of bank deposits and investments in fixed income securities and community investment promissory notes. For bank deposits, the amounts in excess of federal insurance at June 30, 2016 and 2015, were approximately \$4,900,000 and \$2,200,000, respectively.

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NOTE 9 - RETIREMENT PLAN

The Organization has a tax-deferred contributory Section 403(b) retirement plan covering all regular employees who work 20 hours or more per week after one year of service. The Organization contributes 5% of the annual salary for all eligible employees. Retirement expense was \$154,983 and \$199,359 for the years ended June 30, 2016 and 2015, respectively.

NOTE 10 - UNRESTRICTED NET ASSETS

Unrestricted net assets include a board-designated Quasi Endowment Legacy Fund ("Legacy Fund") of \$6,112,300 and \$7,000,832, as of June 30, 2016 and 2015, respectively. This balance is included in cash and cash equivalents and investments designated for long-term purposes in the statements of financial position. The Legacy Fund has been established to provide the Organization with the greatest flexibility in long-term planning, utilization and investment, and permits the expenditures of the principal.

NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted for the following at June 30:

	<u>2016</u>	<u>2015</u>
Time restricted for general support	\$ 1,604,308	\$ 3,462,414
Purpose restricted for:		
Regional programs	5,649,888	3,222,894
Access to education	954,483	1,304,182
Ending gender based violence	228,250	-
Advocacy and innovation programs	150,000	65,760
Organizational capacity	-	13,415
Fiscal sponsorship of women's funds	1,728,659	672,004
Total temporarily restricted net assets	<u>\$ 10,315,588</u>	<u>\$ 8,740,669</u>

Temporarily restricted net assets were released for the following at June 30:

	<u>2016</u>	<u>2015</u>
Time restricted for general support	\$ 1,420,197	\$ 2,136,468
Purpose restricted for:		
Regional programs	4,915,551	5,021,664
Access to education	347,380	221,137
Ending gender based violence	-	15,001
Health and reproductive rights	-	120,000
Advocacy and innovation programs	84,761	537,129
Organizational capacity	33,095	417,022
Other restrictions	181,505	-
Fiscal sponsorship of women's funds	830,177	1,106,344
Total temporarily restricted net assets released	<u>\$ 7,812,666</u>	<u>\$ 9,574,765</u>

NOTE 12 - PERMANENTLY RESTRICTED NET ASSETS

During 2003, the Organization received the remaining net assets of the Lewis T. and Patsy P. Preston Fund, which ceased operations and went out of business. The income from these net assets, up to 6% per annum, is restricted to certain programs. If the income falls below 6%, the Organization is authorized to expend the principal to make up the shortage.

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Also, included in permanently restricted net assets is a permanently restricted contribution receivable with a present value of \$100,000 at June 30, 2015. The contribution receivable contains provisions restricting the income earned on the funds to certain regional and thematic uses. During fiscal year ended on June 30, 2016, the Organization received payment of \$30,000 reducing the contribution receivable to \$70,000. Subsequent to year end, on August 2016, the Organization received a letter from the estate of the donor informing them that the final payment on the contribution receivable would be \$23,666. As such, the Organization wrote off the remaining \$46,334 on the contribution receivable in the permanently restricted net asset class on the Statement of Activities.

NOTE 13 - IN-KIND DONATIONS

The Organization recognized contribution revenue for in-kind donations received at their estimated fair values for the following:

	2016	2015
Legal	\$ 28,264	\$ 28,209
Total in-kind donations	\$ 28,264	\$ 28,209

NOTE 14 - ENDOWMENT FUND

The Organization's endowment consists of three funds established for a variety of purposes and includes donor-restricted funds. Net assets associated with this endowment are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations or distributions to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation or distribution is added to the fund. The remaining portion of the donor-restricted net assets that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

Endowment net assets composition by type of fund as of June 30, 2016:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds				
The Lewis T. and Patsy P. Preston Fund	\$ -	\$ 953,467	\$ 4,360,680	\$ 5,314,147
Grace Jackson Fund	-	-	53,666	53,666
Board-designated Endowment Funds				
Quasi Endowment Fund	6,112,300	-	-	6,112,300
Total	\$ 6,112,300	\$ 953,467	\$ 4,414,346	\$ 11,480,113

THE GLOBAL FUND FOR WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS

Changes in endowment net assets for the year ended June 30, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 7,000,832	\$ 1,304,182	\$ 4,460,680	\$ 12,765,694
Investment return				
Investment income	140,527	119,330	-	259,857
Realized and unrealized losses	(284,214)	(216,958)	-	(501,172)
Write off on contributions receivable	-	-	(46,334)	(46,334)
Appropriation of endowment assets for expenditures	(744,845)	(253,087)	-	(997,932)
Endowment net assets, end of year	<u>\$ 6,112,300</u>	<u>\$ 953,467</u>	<u>\$ 4,414,346</u>	<u>\$ 11,480,113</u>

Endowment net assets composition by type of fund as of June 30, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds				
The Lewis T. and Patsy P. Preston Fund	\$ -	\$ 1,304,182	\$ 4,360,680	\$ 5,664,862
Grace Jackson Fund	-	-	100,000	100,000
Board designated Endowment Funds				
Quasi Endowment Fund	7,000,832	-	-	7,000,832
Total	<u>\$ 7,000,832</u>	<u>\$ 1,304,182</u>	<u>\$ 4,460,680</u>	<u>\$ 12,765,694</u>

Changes in endowment net assets for the year ended June 30, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 5,850,926	\$ 1,297,659	\$ 4,460,680	\$ 11,609,265
Investment return				
Investment income	161,126	136,749	-	297,875
Realized and unrealized gains	124,981	96,002	-	220,983
Contributions	1,190,963	-	-	1,190,963
Appropriation of endowment assets for expenditures	(327,164)	(226,228)	-	(553,392)
Endowment net assets, end of year	<u>\$ 7,000,832</u>	<u>\$ 1,304,182</u>	<u>\$ 4,460,680</u>	<u>\$ 12,765,694</u>

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to preserve the purchasing power of the Endowment Fund and at the same time provide a regular and growing distribution of funds for the use of the Organization, consistent with the terms of the Endowment Fund Distribution Policy and the terms governing each of the individual endowment funds. A balanced approach is to be taken between risk, preservation of capital, income and growth.

Strategies

To satisfy its investment policy objectives, the Organization relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) of equity-based investments, and current yield (interest and dividends) on fixed income investments. The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating for distribution each year an amount not to exceed 6% of its endowment fund's average asset fair market value over the past twelve quarters. The Board of Directors may request all, a portion, or none of the appropriation be distributed in accordance with the endowment fund's purpose as defined by the endowment agreement or applicable board resolution. Any portion of the distribution not appropriated by the Board shall be kept in the endowment fund, be governed by the endowment investment policy, and be available for future distribution in accordance with the distribution policy.

Socially-Responsible Investment Policy

The Organization has an investment policy that is directly in line with the philosophy of its work and its organizational values. To prevent a conflict with these values, the Organization seeks to invest in companies whose policies it supports and avoids investment in companies whose behavior it considers reprehensible. The Organization avoids companies that are deriving revenue from products seen as harmful to the rights of women and girls, in particular their health and freedom from violence. The secondary avoidance screen avoids investing in companies that have business practices that do not uphold the dignity and rights of female workers and consumers. The supportive investment screens include investing in alternative energy and companies that believe in a high quality of products and services, research, being of service to the economically disadvantaged, and fostering a sense of community and respect in the workplace. The proactive social investment includes shareholder activism on issues that reflect the Organization's values.

NOTE 15 – TAX STATUS

The Global Fund for Women, Inc. is a not-for-profit organization, exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (the Code), and contributions to it are tax deductible as prescribed by the Code. The Organization is also exempt from California income tax under Section 23701d of the California Revenue and Taxation Code. There is no unrelated business income tax for the years ended June 30, 2016 and 2015; as such, no provision for income taxes has been reflected in the accompanying financial statements.

The Organization has been classified as an organization that is not a private foundation under Section 509(a)(1) and has been designated as a "publicly supported" organization under Section 170(b)(1)(A)(vi) of the Code.

The Organization assesses its accounting for uncertainties in income taxes recognized in its financial statements and prescribes a threshold of more-likely-than-not for recognition and de-recognition of tax positions taken or expected to be taken in a tax return.

NOTE 16 – RELATED PARTY TRANSACTIONS

During the years ended June 30, 2016 and 2015, the Organization paid grants to organizations for which board members are either Presidents or the Executive Directors. Members of the Board who are either the President or the Executive Director of a Global Fund for Women, Inc. grantee organization recuse themselves when the Board decides whether to approve these grants. The Organization awarded five such grants totaling \$55,540 and four such grants totaling \$17,500 during the years ended June 30, 2016 and 2015, respectively.

NOTE 17 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements were available to be issued. The Organization has evaluated all subsequent events through October 18, 2016, the date of this report, and determined there are no material recognized or unrecognized subsequent events, the nature of which would require disclosure.