

**ASIAN UNIVERSITY FOR WOMEN (AUW)
SUPPORT FOUNDATION**

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019



LUTZ AND CARR

CERTIFIED PUBLIC ACCOUNTANTS, LLP

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Asian University for Women (AUW) Support Foundation

We have audited the accompanying financial statements of Asian University for Women (AUW) Support Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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 Asian University for Women (AUW) Support Foundation as of June 30, 2020 and 2019, 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.

Lotz + Carr, LLP

New York, New York
November 30, 2020

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2020 AND 2019

	2020	2019
Assets		
Cash and cash equivalents (Notes 1b and 11a)	\$ 2,143,644	\$ 1,732,224
Unconditional promises to give (Notes 1c, 5 and 10c)		
Without donor restrictions	-	40,000
With donor restrictions	4,453,688	6,930,995
Prepaid expenses and other current assets	11,874	33,908
Investments (Notes 1d and 6)	8,835,801	7,363,190
Interest receivable	10,523	7,671
Property and equipment, at cost (net of accumulated depreciation) (Notes 1e and 7)	9,374	10,059
Total Assets	\$15,464,904	\$16,118,047
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 149,642	\$ 105,727
Commitments and Contingencies (Notes 9 and 12)		
Net Assets (Note 3)		
Without Donor Restrictions	2,316,555	2,230,617
With Donor Restrictions		
Subject to time and purpose restrictions	9,418,707	10,256,703
Perpetual in nature	3,580,000	3,525,000
Total With Donor Restrictions	12,998,707	13,781,703
Total Net Assets	15,315,262	16,012,320
Total Liabilities and Net Assets	\$15,464,904	\$16,118,047

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue						
Contributions	\$ 467,609	\$ 2,248,347	\$ 2,715,956	\$ 1,828,820	\$ 2,615,969	\$ 4,444,789
PPP Loan forgiveness income (Note 11)	102,800	-	102,800	-	-	-
Donated services (Note 8)	255,537	-	255,537	80,504	-	80,504
Investment income (Note 6)	41,489	162,793	204,282	67,533	150,025	217,558
Miscellaneous income	2,829	-	2,829	7,701	-	7,701
Foreign exchange variances	-	16,160	16,160	-	(22,632)	(22,632)
Unfulfilled pledge write-offs	-	(358,789)	(358,789)	-	(72,000)	(72,000)
Net assets released from restrictions	2,851,507	(2,851,507)	-	2,803,655	(2,803,655)	-
Total Revenue	3,721,771	(782,996)	2,938,775	4,788,213	(132,293)	4,655,920
Expenses						
Program Services	2,274,656	-	2,274,656	3,134,470	-	3,134,470
Supporting Services						
General and administrative	545,531	-	545,531	351,453	-	351,453
Fundraising	815,646	-	815,646	941,047	-	941,047
Total Supporting Services	1,361,177	-	1,361,177	1,292,500	-	1,292,500
Total Expenses	3,635,833	-	3,635,833	4,426,970	-	4,426,970
Increase (decrease) in net assets	85,938	(782,996)	(697,058)	361,243	(132,293)	228,950
Net assets, beginning of year	2,230,617	13,781,703	16,012,320	1,869,374	13,913,996	15,783,370
Net Assets, End of Year	\$ 2,316,555	\$12,998,707	\$15,315,262	\$ 2,230,617	\$13,781,703	\$16,012,320

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

	<u>Program Services</u>	<u>Supporting Services</u>			<u>Total Expenses</u>
		<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
Salaries, payroll taxes and employee benefits	\$ -	\$ 153,902	\$ 546,478	\$ 700,380	\$ 700,380
Local and temporary staff/consulting fees	-	-	84,071	84,071	84,071
Advertising and promotion	-	-	1,988	1,988	1,988
Grants to AUW	2,274,656	-	-	-	2,274,656
Professional fees	-	60,720	32,790	93,510	93,510
Donated legal and accounting	-	205,792	-	205,792	205,792
Office occupancy	-	68,170	68,171	136,341	136,341
Conferences, travel and meetings	-	10,318	65,752	76,070	76,070
Office supplies and expenses	-	9,949	1,953	11,902	11,902
Printing	-	825	4,280	5,105	5,105
Postage	-	4,606	778	5,384	5,384
Dues and subscription	-	3,983	599	4,582	4,582
Insurance	-	7,744	265	8,009	8,009
Telephone	-	11,406	389	11,795	11,795
Merchant charges	-	682	2,004	2,686	2,686
Miscellaneous	-	5,708	-	5,708	5,708
Total expenses before depreciation	2,274,656	543,805	809,518	1,353,323	3,627,979
Depreciation	-	1,726	6,128	7,854	7,854
Total Expenses	<u>\$2,274,656</u>	<u>\$ 545,531</u>	<u>\$ 815,646</u>	<u>\$1,361,177</u>	<u>\$3,635,833</u>

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>	<u>Supporting Services</u>			<u>Total Expenses</u>
		<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
Salaries, payroll taxes and employee benefits	\$ -	\$ 152,391	\$ 609,564	\$ 761,955	\$ 761,955
Local and temporary staff/consulting fees	-	1,358	105,859	107,217	107,217
Advertising and promotion	-	282	11,775	12,057	12,057
Grants to AUW	3,134,470	-	-	-	3,134,470
Professional fees	-	44,347	33,443	77,790	77,790
Donated legal and accounting	-	22,656	-	22,656	22,656
Student services and supplies	-	-	-	-	-
Office occupancy	-	66,304	66,304	132,608	132,608
Conferences, travel and meetings	-	19,460	86,394	105,854	105,854
Office supplies and expenses	-	12,433	36	12,469	12,469
Printing	-	1,612	10,644	12,256	12,256
Postage	-	4,064	796	4,860	4,860
Dues and subscription	-	4,473	137	4,610	4,610
Insurance	-	3,767	-	3,767	3,767
Telephone	-	11,790	261	12,051	12,051
Merchant charges	-	429	9,758	10,187	10,187
Miscellaneous	-	4,568	-	4,568	4,568
Total expenses before depreciation	3,134,470	349,934	934,971	1,284,905	4,419,375
Depreciation	-	1,519	6,076	7,595	7,595
Total Expenses	<u>\$3,134,470</u>	<u>\$ 351,453</u>	<u>\$ 941,047</u>	<u>\$1,292,500</u>	<u>\$4,426,970</u>

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ (697,058)	\$ 228,950
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	7,854	7,595
Loss on disposal of fixed asset	3,798	-
Unrealized gain on investments	(9,985)	(22,459)
Foreign exchange variances	(16,160)	22,632
Unfulfilled pledges	358,789	72,000
(Increase) decrease in:		
Unconditional promises to give	2,174,678	2,090,828
Interest receivable	(2,852)	(7,671)
Prepaid expenses and other current assets	22,034	10,702
Increase (decrease) in accounts payable and accrued expenses	43,915	(30,489)
Net Cash Provided By Operating Activities	1,885,013	2,372,088
 Cash Flows From Investing Activities		
Purchase of investments	(1,462,626)	(3,662,322)
Purchase of property and equipment	(10,967)	-
Net Cash Used By Investing Activities	(1,473,593)	(3,662,322)
 Net increase (decrease) in cash and cash equivalents	411,420	(1,290,234)
Cash and cash equivalents, beginning of year	1,732,224	3,022,458
 Cash and Cash Equivalents, End of Year	\$2,143,644	\$1,732,224

See notes to financial statements.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2020 AND 2019****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

Asian University for Women (AUW) Support Foundation (the "Organization") is a 501(c)(3) United States nonprofit located in Cambridge, Massachusetts. Incorporated in 2001, the Organization is the principal agency responsible for long-term strategy, planning and mobilization of resources for the Asian University for Women (the "University"). The University is a liberal arts university located in Chittagong, Bangladesh, which educates talented women from across Asia and the Middle East to be the region's next generation of women leaders. As the majority of its students are on full scholarship, the University requires significant philanthropic support, which the Organization provides. More information on the Organization can be found here: <http://asian-university.org/>.

b - Cash and Cash Equivalents

The Organization considers all short-term highly-liquid investments, such as money market funds and highly-liquid debt instruments, purchased with a maturity of three months or less, to be cash equivalents, except for cash and short-term investments managed by the Organization as part of their long-term investment strategies.

c - Contributions and Unconditional Promises to Give

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contribution is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2020 AND 2019****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****d - Investments and Fair Value Measurements**

The Organization reflects investments at fair value in the statement of financial position. Interest, dividends, and gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by donor stipulation or by law. Gains and other investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which gains and other investment income are recognized. All other donor restricted gains and other investment income are reported as increases in net assets with donor restrictions. When a net asset expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). The Organization is required to use a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels.

Unadjusted quoted prices in active markets for identical assets and liabilities are referred to as Level 1 inputs. Inputs other than quoted market prices that are observable, either directly or indirectly and reasonably available are referred to as Level 2 inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the assumptions developed based on available information about what market participants would use in valuing the asset or liability and are referred to as Level 3 inputs.

An asset or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors.

Investments in money market mutual funds are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market values.

e - Property and Equipment

Property and equipment acquired are recorded at cost and are being depreciated using the straight-line method over the useful life of the assets. Property and equipment purchased for the benefit of Asia University for Women have been expensed.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2020 AND 2019****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****f - Financial Statement Presentation**

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classification:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

g - Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 those estimates.

h - Tax Status

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an Organization which is not a private foundation.

i - Functional Expenses

The financial statements includes certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. The expenses of the Organization that are allocated include salaries, payroll taxes and benefits, insurance, occupancy, professional fees and other administrative costs which are allocated based upon estimates of time and effort. A substantial amount of the Organization's expenses represent grants to the University and are directly related to its program activities which are made up of undergraduate, access and pre-access academy programs. Program services expenses as provided herein do not include other expenditures funded directly by the University from (i) tuition income and (ii) contributions directly received from entities other than the Organization. The University's program expenses include salaries including related taxes and benefits, occupancy and maintenance costs, costs directly related to student affairs including food expenditures, insurance and professional fees, and other general and administrative expenses.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2020 AND 2019****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****j - New Accounting Pronouncements**

For 2020, the Organization adopted Accounting Standards Update (ASU) *No 2014-09, Revenue from Contracts with Customers (Topic 606)* and ASU 2018-08, *Not for Profit Entities Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)*. Analysis of the various provisions of these standards resulted in no significant changes in the way the Organization recognizes revenue and therefore no changes to the previously issued financial statements were required on a retrospective basis.

k - Subsequent Events

The Organization has evaluated subsequent events through November 30, 2020, the date that the financial statements are considered available to be issued.

l - Prior Year Information

For comparability, certain amounts for the year ended June 30, 2019 have been reclassified, where appropriate, to conform to the financial statement presentation used for the year ended June 30, 2020.

Note 2 - Information Regarding Liquidity and Availability

The Organization operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. A substantial amount of annual revenue is comprised of contributions investment revenue. The Organization considers general expenditures to consist of all expenses related to ongoing program activities, and the expenses related to management and general activities undertaken to support those services.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover ninety days of general expenditures.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 2 - Information Regarding Liquidity and Availability (continued)

The Organization's financial assets of as of June 30, 2020 and 2019, and those available within one year to meet cash needs for general expenditures are summarized as follows:

	2020	2019
Financial Assets at Year End:		
Cash and cash equivalents	\$ 2,143,644	\$ 1,732,224
Unconditional promises to give	4,453,688	6,970,995
Investments	8,835,801	7,363,190
Interest receivable	10,523	7,671
Total Financial Assets	15,443,656	16,074,080
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes or passage of time	(9,418,707)	(10,256,703)
Plus: Net assets with restrictions to be met in less than a year	2,851,507	2,925,337
Net assets with donor restrictions for endowment, subject to spending policy and appropriation	(3,580,000)	(3,525,000)
Financial Assets Available to Meet General Expenditures within One Year	\$ 5,296,456	\$ 5,217,714

Note 3 - Net Assets

Net Assets with donor restrictions are restricted for the following purposes as of June 30:

	2020	2019
Subject to expenditure for future programs and periods	\$ 9,037,610	\$10,038,399
Endowments subject to spending policy and appropriation:		
Investment income above original gift amount	381,097	218,304
Investment in perpetuity	3,580,000	3,525,000
Total Endowments	3,961,097	3,743,304
Total Net Assets With Donor Restrictions	\$12,998,707	\$13,781,703

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 4 - Endowment Funds

Consistent with Massachusetts Not-For-Profit Corporation Law and the Massachusetts Uniform Prudent Management of Institutional Funds Act (“MA UPMIFA”), the Organization classifies as net assets with donor restrictions, perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of any applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as subject to spending policy and appropriation until those amounts are appropriated for expenditure by the Organization.

As of June 30, 2020 and 2019, the Organization’s invested endowment funds composition, by type of fund and net asset classification, are summarized as follows:

	With Donor Restrictions		
	Investment Income Above Original Gift Amount	Investment in Perpetuity	Total
Donor-restricted endowment funds, 2020	<u>\$381,097</u>	<u>\$3,580,000</u>	<u>\$3,961,097</u>
Donor-restricted endowment funds, 2019	<u>\$218,304</u>	<u>\$3,525,000</u>	<u>\$3,743,304</u>

Changes in the Organization's endowment funds for the years ended June 30, 2020 and 2019 are summarized as follows:

	2020		
	With Donor Restrictions		
	Investment Income Above Original Gift Amount	Investment in Perpetuity	Total
Endowment funds, beginning of year	\$218,304	\$3,525,000	\$3,743,304
Contributions	-	55,000	55,000
Net investment income	<u>162,793</u>	<u>-</u>	<u>162,793</u>
Endowment Funds, End of Year	<u>\$381,097</u>	<u>\$3,580,000</u>	<u>\$3,961,097</u>

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 4 - Endowment Funds (continued)

	2019		
	With Donor Restrictions		
	Investment Income Above Original Gift Amount	Investment in Perpetuity	Total
Endowment funds, beginning of year	\$ 57,596	\$2,710,000	\$2,767,596
Contributions	-	65,000	65,000
Redesignation of prior funds	10,683	750,000	760,683
Net investment income	<u>150,025</u>	<u>-</u>	<u>150,025</u>
Endowment Funds, End of Year	<u>\$218,304</u>	<u>\$3,525,000</u>	<u>\$3,743,304</u>

The Organization has investment and spending policies for endowment assets that endeavor to provide a stream of funding the Organization's operations while seeking to enhance the purchasing power of the endowment's assets.

The Organization has a policy to make available during each fiscal year an amount equal to 5% of the rolling average of the market value for the preceding twelve quarters, and to provide for any net investment return in excess of amounts appropriated to be retained as part of the endowment fund as net assets with donor restrictions available for expenditure in future years.

Note 5 - Unconditional Promises to Give

Unconditional promises to give are due as follows:

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Due within one year	\$ -	\$2,473,957	\$2,473,957	\$2,965,337
Due in one to five years	<u>-</u>	<u>2,123,295</u>	<u>2,123,295</u>	<u>4,311,422</u>
	-	4,597,252	4,597,252	7,276,759
Less: Discount	<u>-</u>	<u>(143,564)</u>	<u>(143,564)</u>	<u>(305,764)</u>
Total, 2020	<u>\$ -</u>	<u>\$4,453,688</u>	<u>\$4,453,688</u>	
Total, 2019	<u>\$40,000</u>	<u>\$6,930,995</u>		<u>\$6,970,995</u>

Uncollectible promises are expected to be insignificant. Unconditional promises to give are discounted to present value using a discount rate of 3%.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 6 - Investments

Investments, all of which are Level 1 within the fair value hierarchy used to measure their respective fair values, consist of the following funds:

	<u>2020</u>	<u>2019</u>
Money Market Funds Held at:		
Common Fund Group	\$ 719,967	\$1,506,265
Vanguard Group	3,927,374	3,175,815
Fidelity investments	9,809	12,673
Stock and bond funds held at Vanguard Group	1,445,925	737,095
Certificates of deposit	<u>2,732,726</u>	<u>1,931,342</u>
Total	<u>\$8,835,801</u>	<u>\$7,363,190</u>

Investments for the year ended June 30, 2020 and 2019 had a cost basis of \$8,803,357 and \$7,340,731 respectively.

Investment income consists of the following:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$194,297	\$195,099
Unrealized gain on investments	<u>9,985</u>	<u>22,459</u>
	<u>\$204,282</u>	<u>\$217,558</u>

Note 7 - Property and Equipment

Property and equipment consist of the following:

	<u>Life</u>	<u>2020</u>	<u>2019</u>
Computer equipment and software	3-5 years	\$10,967	\$20,923
Furniture	7 years	<u>-</u>	<u>30,418</u>
		10,967	51,341
Less: Accumulated depreciation		<u>(1,593)</u>	<u>(41,282)</u>
Total		<u>\$ 9,374</u>	<u>\$10,059</u>

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 8 - Donated Services

Donated services consist of the following:

	<u>2020</u>	<u>2019</u>
Google advertising services	\$ 49,745	\$47,188
Marketing	-	10,660
Accounting	8,797	2,000
Legal	<u>196,995</u>	<u>20,656</u>
Total	<u>\$255,537</u>	<u>\$80,504</u>

Note 9 - Commitments and Contingencies

- a - The Organization has a voluntary salary reduction tax deferred 401(k) plan for the benefit of all qualifying employees. The Organization contributes a fixed percentage, as defined in the various agreements, of salaries for all participants. Amounts contributed for the years ended June 30, 2020 and 2019 totaled \$42,476 and \$44,587, respectively.
- b - A former employee has filed a lawsuit alleging employment discrimination. The Organization's management believes the matter to be entirely baseless and frivolous and plans to vigorously defend it. Although no determination of the probable outcome has been made to date, the Organization believes it has adequate insurance coverage in case of an adverse finding.

Note 10 - Concentrations

- a - The Organization maintains its cash and certain of its investment balances in financial institutions located in Massachusetts. The balances, at times, may exceed federally insured limits.
- b - During the year ended June 30, 2020, the Organization received 27% of its contributions from one foundation. During the year ended June 30, 2019, the Organization received 11% of its contributions from one foundation.

ASIAN UNIVERSITY FOR WOMEN (AUW) SUPPORT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Note 10 - Concentrations (continued)

c - As of June 30, 2020, 30% of unconditional promises to give were due from one individual and one organization. As of June 30, 2019, 78% of unconditional promises to give were due from three foundations, two corporations and one individual.

d - Total contributions for the years ended June 30, 2020 and 2019 are comprised of:

	2020	2019
Contributions without donor restrictions	\$ 467,609	\$1,828,820
PPP Loan forgiveness income	102,800	-
Donated services	255,537	80,504
Contributions with donor restrictions	2,248,347	2,615,969
Foreign exchange variances	16,160	(22,632)
Unfulfilled pledges	(358,789)	(72,000)
Total	\$2,731,664	\$4,430,661

Note 11 - PPP Loan Forgiveness

During 2020, the Organization received a loan totaling \$102,800 under the Paycheck Protection Program administered by the U.S. Small Business Administration. The loan bears interest at 1% per annum and may be forgiven if the Organization meets certain employee retention requirements and the funds are used for eligible expenses. Because management believes that it has met the requirements for forgiveness of the entire loan amount, it has recorded the loan as contribution income. Through June 30, 2020, eligible expenses totaling \$102,800 have been paid with the proceeds of the loan.

Note 12 - COVID-19

In March 2020 the United States Government declared the COVID-19 outbreak to be a national emergency. The Organization in accordance with local guidelines and out of an abundance of caution have transited to online work operations and plan to continue in such a mode until the relevant public health threats are resolved.