

# **Myron Yang CPA & Associates, PLLC**

*Certified Public Accountants*

## **HUAIROU COMMISSION WOMEN, HOME & COMMUNITY (HCWHC)**

FINANCIAL STATEMENTS FOR  
THE YEAR ENDED DECEMBER 31, 2023  
AND INDEPENDENT AUDITOR'S REPORT

**HUAIROU COMMOSN WOMEN, HOMES, AND COMMUNITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Member of  
Huairou Commission Women, Home & Community

We have audited the accompanying financial statements of Huairou Commission Women, Home & Community (HCWHC), which comprise the balance sheet as of December 31, 2023, and the related statements of operations, members' equity and cash flows for the year 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 the 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 conduct 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 Company'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 Company'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.

## Myron Yang CPA & Associates, PLLC

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38-08 Union Street, Suite 2A, NY 11354

Tel: (718)-888-0895

Fax: (718)-888-0764

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Huairou Commission Women, Home & Community as of December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Myron Yang CPA & Associates, PLLC

*Myron Yang CPA  
& Associates, PLLC*

January 17, 2025  
Flushing, New York

# Myron Yang CPA & Associates, PLLC

38-08 Union Street, Suite 2A, NY 11354

Tel: (718)-888-0895

Fax: (718)-888-0764

## HUAIROU COMMISSION WOMEN, HOME & COMMUNITY STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2023 (With Comparative Totals For 2022)

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 1,344,782	\$ 1,803,762
Receivables		
Accounts receivable	422,617	5,236
Grants Receivable	-	-
Total Receivables	<u>422,617</u>	<u>5,236</u>
Other Current Assets		
Prepaid Expenses	509.23	696
Total Other Current Assets	<u>509</u>	<u>696</u>
Total Current Assets	<u>1,767,908</u>	<u>1,809,694</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,767,908</u>	<u>\$ 1,809,694</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$ 28,892	\$ 199,242
Payroll Liabilities	2,303	2,827
Refundable advance	-	181,194
Accrued expenses	-	3,000
Total Current Liabilities	<u>31,196</u>	<u>386,263</u>
<b>TOTAL LIABILITIES</b>	<u>31,196</u>	<u>386,263</u>
Net Assets		
Net Assets Without Donor Restrictions	320,467	49,868
Net Assets With Donor Restrictions	<u>1,416,245</u>	<u>1,373,563</u>
<b>TOTAL NET ASSETS</b>	<u>1,736,713</u>	<u>1,423,431</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,767,908</u>	<u>\$ 1,809,694</u>

See independent auditors' report and accompanying notes to financial statements.

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38-08 Union Street, Suite 2A, NY 11354

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## HUAIROU COMMISSION WOMEN, HOME & COMMUNITY STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

	2023			2022
	Without donor restrictions	With donor restrictions	Total	Total
<b>REVENUES</b>				
Public Support				
Grant Revenue	\$ -	\$ 2,536,714	\$ 2,536,714	\$ 2,418,560
Contributions	529,694	-	529,694	70,777
Total Public Support	529,694	2,536,714	3,066,407	2,489,337
Other Revenues				
Interest Income	841	12,554	13,395	6,909
Exchange Gain (Loss)	-	(11,391)	(11,391)	(20,907)
Total Revenue	841	1,163	2,004	(13,998)
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>530,535</b>	<b>2,537,877</b>	<b>3,068,411</b>	<b>2,475,339</b>
<b>EXPENSES</b>				
Program services				
SIDA	679,279	-	679,279	-
OXFAM	1,003,791	-	1,003,791	-
FORD Foundation	50,227	-	50,227	-
GATES Foundation	362,055	-	362,055	-
IIED	28,508	-	28,508	-
COSUDE	138,753	-	138,753	-
CJRF	10,895	-	10,895	-
Special Services	75,355	-	75,355	-
Program services	-	-	-	1,623,330
Total Program Services	2,348,863	-	2,348,863	1,623,330
Other expenses				
General and Administrative	353,328	-	353,328	298,870
Fundraising	52,938	-	52,938	21,878
Total Other Expense	406,266	-	406,266	320,748
<b>TOTAL EXPENSES</b>	<b>2,755,130</b>	<b>-</b>	<b>2,755,130</b>	<b>1,944,078</b>
<b>NET ASSETS RELEASED FROM PURPOSE RESTRICTIONS</b>	<b>2,495,194</b>	<b>(2,495,194)</b>	<b>-</b>	<b>-</b>
Change in Net Assets	270,599	42,682	313,282	531,261
<b>NET ASSETS, BEGINNING OF THE YEAR</b>	<b>49,868</b>	<b>1,373,563</b>	<b>1,423,431</b>	<b>892,170</b>
<b>NET ASSETS, END OF THE YEAR</b>	<b>\$ 320,467</b>	<b>\$ 1,416,245</b>	<b>\$ 1,736,713</b>	<b>\$ 1,423,431</b>

See independent auditors' report and accompanying notes to financial statements

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38-08 Union Street, Suite 2A, NY 11354  
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 Fax: (718)-888-0764

## HUAIROU COMMISSION WOMEN, HOME & COMMUNITY FOR THE YEAR ENDED DECEMBER 31, 2023 (WITH COMPARATIVE TOTALS FOR 2022)

	Program Services										Supporting Services			Total
	SIDA	OXFAM	FORD Foundation	GATES Foundation	IIED	COSUDE	CJRF	Special Services	Total Program Services	Fundraising	Management and General	2,023	2,022	
Salary and Wages	\$ 44,311	\$ 62,360	\$ -	\$ -	\$ -	\$ 1,139	\$ 2,278	\$ -	\$ 110,088	\$ 38,939	\$ 173,985	\$ 323,013	\$ 313,074	
Employee benefits	5,998	2,745	-	-	-	16	-	-	8,759	708	5,789	15,256	14,828	
Payroll taxes	3,389	4,771	-	-	-	87	174	-	8,422	2,979	13,310	24,710	23,950	
Payroll tax and employee benefits	9,388	7,516	-	-	-	103	174	-	17,180	3,687	19,099	39,966	38,779	
<b>Total Salaries and related expenses</b>	<b>53,699</b>	<b>69,876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,242</b>	<b>2,452</b>	<b>-</b>	<b>127,269</b>	<b>42,626</b>	<b>193,085</b>	<b>362,979</b>	<b>351,852</b>	
<b>Expenditures</b>														
Grants to others	498,312	756,914	50,227	361,611	20,000	115,090	7,000	66,851	1,876,006	-	-	1,876,006	1,016,269	
Consulting fees	100,305	162,162	-	-	8,148	21,865	872	6,952	300,424	8,506	101,021	409,951	454,330	
Occupancy	10,841	7,500	-	-	-	-	-	-	18,341	734	5,380	24,455	31,892	
Professional fees	-	-	-	-	-	-	-	-	-	-	45,974	45,974	65,374	
Office expense and supplies	14,523	7,338	-	443	360	436	571	1,466	25,137	1,005	7,374	33,516	23,539	
Other expenses	1,599	1	-	-	-	-	-	85	1,686	67	494	2,248	822	
<b>Total expenses before depreciation and amortization</b>	<b>679,279</b>	<b>1,003,791</b>	<b>50,227</b>	<b>362,055</b>	<b>28,508</b>	<b>138,753</b>	<b>10,895</b>	<b>75,355</b>	<b>2,348,863</b>	<b>52,938</b>	<b>353,328</b>	<b>2,755,130</b>	<b>1,944,078</b>	
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total expenses after depreciation and amortization</b>	<b>\$ 679,279</b>	<b>\$ 1,003,791</b>	<b>\$ 50,227</b>	<b>\$ 362,055</b>	<b>\$ 28,508</b>	<b>\$ 138,753</b>	<b>\$ 10,895</b>	<b>\$ 75,355</b>	<b>\$ 2,348,863</b>	<b>\$ 52,938</b>	<b>\$ 353,328</b>	<b>\$ 2,755,130</b>	<b>\$ 1,944,078</b>	

See independent auditors' report and accompanying notes to financial statements.

**HUAIROU COMMISSION WOMEN, HOME & COMMUNITY**  
**STATEMENTS OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 313,282	\$ 531,261
Adjustment for beginning net assets & accumulated depreciation	-	-
Reconciliation of change in net assets to net cash from operating activities:		
Depreciation	-	-
Unrealized Investment Income	-	-
(Increase)Decrease in Assets:	-	-
Accounts Receivable	(417,380)	(3,927)
Grants Receivable	-	-
Prepaid Expenses	187	5,155
Increase(Decrease) in Liabilities:		
Accounts Payable	(170,351)	40,150
Grants Payable	-	105,000
Payroll Liabilities	(524)	(679)
Refundable Advance	(181,194)	(224,741)
Accrued Expenses	(3,000)	(9,785)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(458,980)</b>	<b>442,434</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Building Improvements	-	-
Equipment	-	-
Investments	-	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short Term Loan Payable	-	-
Long Term Loan	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN CASH AND EQUIVALENTS</b>	<b>(458,980)</b>	<b>442,434</b>
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	1,803,762	1,361,328
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<b>\$ 1,344,782</b>	<b>\$ 1,803,762</b>
CASH PAID FOR INTEREST	<b>\$ -</b>	<b>\$ -</b>
CASH PAID FOR INCOME TAX	<b>\$ -</b>	<b>\$ -</b>

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## **NOTE 1. ORGANIZATION**

Established in 1995 at the 4th World Conference on Women in Beijing, Huairou Commission: Women, Home & Community ("The Commission), was incorporated in New York State on November 18, 2003 as a global network of grassroots women's organizations, partner NGOs and allied networks focused on empowering women to publicly lead efforts that improve the quality of life for women, families and communities.

In 2018 the Commission formally changed its governance structure to ensure grassroots women leading local community development organizations are the majority of the network's 15-member decision making body: The Global Governing Council. This action was part of a larger change process resulting from the Commission's First Global Grassroots Women's Congress (GGWC). The GGWC involved representatives of 56 mature member organizations (travelling to represent their 28 countries as well as groups in their region) who voted on a range of organizational decisions including: appointing the new global governance team, setting new organizational governance rules (via by-laws), and outlining strategic directions and a social compact that affirm and advance shared commitments to cooperation and collective action.

A Global Governing Council (GGC), comprised of 15 members (10 leaders of grassroots women's organizations, 4 NGO representatives and 1 rotating representative from the 5 networks that founded the Commission) were elected, as was a GGC Chair per our initial 2018 statutes. The GGC, in turn, selected Executive Committee officers from its members and confirmed the Executive Director of the Global Secretariat. In the 2018-2020 period members and the Secretariat agreed that the organization's planning, operating and communication structures will be adapted and updated to foster bottom up decision-making processes that ensure the Commission is governed by and accountable to its members. During annual virtual and in person Global Grassroots Women's Congresses, the membership can propose and vote upon member proposed motions that, if adopted, may update our operational policies and procedures.

The following is a description of the Commission's programs:

### *The Swedish International Development Cooperation Agency (SIDA)*

Purpose: Finance implementation of "Promoting Grassroots Women-Led Resilient Community Development in Post-2015 Policy Implementation". Nurturing Leadership of Grassroots Women's Organizations in Scaling Community Resilience in Uncertain Times.

### *The Netherlands Ministry of Foreign Affairs through Stitching Oxfam Novib (Foundation)* *(OXFAM)*

Purpose: Power of Voices for All Partnership.

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### *The Swiss Federal Department of Foreign Affairs Grant (COSUDE)*

Purpose: The Commission commits to use the contribution solely in conformity with the objectives of the project/activities.

### *The International Institute for Environment & Development (IIED)*

Purpose: Generating Ambition for Locally Led Adaptation.

### *Bill and Melissa Gates Foundation (Gates Foundation)*

Grantee: Lumanti

Purpose: Finance implementation of "Rising the Rights for Strengthening Civil Society Network" in South Asia.

### *Ford Foundation Agenda (FORD Foundation)*

Purpose: Finance implementation of African Grassroots Women's Member Network and Specific Inter-Regional Collaborations to Advance Just Care Economy Advocacy.

### *World Resources Institute (WRI)*

Purpose: Finance implementation of Green Accountability Project.

## **NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of Huairou Commission Women, Home & Community is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

### **Basis of Consolidation**

The accompanying consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts have been eliminated in consolidation.

### **Cash and Cash equivalents**

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38-08 Union Street, Suite 2A, NY 11354

Tel: (718)-888-0895

Fax: (718)-888-0764

Cash and Cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and are subject to insignificant risk of change in value. The Company considers all demand deposits, money markets mutual fund, and securities with original maturity of three months or less from the date of acquisition to cash equivalents.

### **Grants and Contributions**

Grants and Contributions received are recorded as increases in net assets with donor restrictions and without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

### **Income Tax Status**

The Commission is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

### **Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll expenses, which are allocated on the basis of estimates of time and effort, and employee benefits, occupancy, and office expense and supplies, which are allocated based on personnel dollars. Other expenses are charged based upon the types of services performed and expenses incurred.

Since Huairou Commission's transition to a member-led and governed global network, with an elected board of directors--the Governing Grassroots Women's Council (GGWC) in 2018---HC's 5 year strategic plan, and its expression in specific programmatic themes and activities; and our Social Compact outlining our commitments and tools for collective action and impact-- have guided HC's global fundraising and its organizational budget and fund utilization priorities.

These priorities, coupled with the statutes and procedures our 501(c)(3) not for profit status require us to uphold, have steadily guided our disbursement of roughly 50% of HC's annual donations to our members to implement program, policy advocacy and organizational strengthening activities through participatory evaluations and program decision making. And, with the additional oversight of our Board of Directors (GGWC) and the Senior Staff of HC's Global Secretariat. Moreover, these program implementation disbursements are legally recorded in bi-lateral operational agreements (between the member/Secretariat) and disclosed in full detail (group name, amounts awarded, region/location of group) in our annual Form 990 tax filings.

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Management and General – Includes the activities necessary to ensure proper administrative functioning of the board of directors, manage the financial and budgetary responsibilities, and perform other administrative functions.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations and others.

### **NOTE 3. CONDITIONAL PROMISES TO GIVE**

The Commission has been notified of certain promises to give; however, these amounts have not been recorded in the accompanying financial statements due to their conditional nature. Receipt of the funding is conditioned upon completion of satisfactory progress on project milestones, and receipt of matching funds, and incurring qualifying expenses. Conditional promises to give at December 31, 2023 and 2022 totaled \$2,008,528 and \$3,405,941 respectively.

### **NOTE 4. CONCENTRATION OF CREDIT RISK**

The Company maintains its cash accounts at commercial banks. The Federal Deposit Insurance Corporation (“FDIC”) insures up to \$250,000 for the total cash balances in each financial institution. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash deposited with financial institutions in excess amounts insured by the Federal Deposit Insurance Corporation. The Company believes it places cash balances with quality financial institutions, which limits credit risk.

### **NOTE 5. RENTAL AGREEMENT**

The Commissionaire occupies offices at 249 Manhattan Avenue, Brooklyn, New York under a noncancellable operating lease which expired on March 1, 2020 and required monthly payments of \$2,694. This lease continued on a month-to-month basis after expiration. Rent expense for 2023 and 2022 was \$24,455 and \$31,717.

### **NOTE 6. FINANCIAL ARRANGEMENTS (MANGEMENT OF FUNDS)**

Huairou Commission agrees to serve as Lumanti’s fiscal agent and handle on its behalf Bill and Melinda Gates Foundation funds totalling \$1,369,060 (one million Three Hundred Sixty-Nine thousand and Sixty U.S. dollars) over 2023 – 2026 period. The revenue is strictly committed to 3 budget items: \$80,000 to Huairou to perform its role as fiscal agent for Lumanti during program;

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\$1,082,459 dedicated to the 6 FANSA members who are implemented the South Asian project as per the fund, and \$206,601 dedicated to project's Regional Activities.

## **NOTE 7. CONTINGENCIES**

Contributions from certain grants are subject to audits by funders, which may result in adjustments for disallowed costs. No determination has been made regarding the effect, if any such audits could have on the financial statements.

## **NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS**

	OXFAM	SIDA	Gates	Ford	WRI	IIED	Net assets with donor restrictions
2023 Opening Net Assets	\$ 722,317	\$ 187,665	\$ 463,581	\$ -			\$ 1,373,563
Add: Contributions	1,248,362	787,950	225,903	200,000	44,689	29,810	2,536,714
Add: Exchange Gain/Loss		(11,391)					(11,391)
Add: Interest	638	6,046	5,870				12,554
Less: Expenses	(1,167,964)	(863,641)	(383,552)	(50,227)		(29,810)	(2,495,194)
2023 Closing Net Assets	\$ 803,353	\$ 106,629	\$ 311,802	\$ 149,773	\$ 44,689	\$ -	\$ 1,416,245

## **NOTE 9. LIQUIDITY AND AVAILABILITY**

The following represents the Commission's financial assets as of the date of the statement of financial position, reduced by amounts not available for general expenditures within one year because of contractual or donor-imposed restrictions. General expenditures are defined as all budgeted programmatic and operational expenses.

	2023	2022
Cash	\$1,344,782	\$1,803,762
Accounts receivable	422,616	5,236
Prepaid expenses	509	696
<b>Financial assets, at year-end</b>	<b>\$1,767,908</b>	<b>\$1,809,694</b>
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restrictions	(1,416,245)	(1,373,563)
<b>Financial assets available to meet cash needs for general expenditures within one year</b>	<b>\$3,184,153</b>	<b>\$3,183,257</b>

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As part of the Commission's liquidity management, it has a policy to structure its financial assets to be available for its general expenditures, liabilities, and other obligations that come due.

### **NOTE 10. SUBSEQUENT EVENTS**

The Commission's management has performed subsequent events procedures through January 17, 2025, which is the date the financial statements were available to be issued and there were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.