

WOMEN'S MICROFINANCE
INITIATIVE CORPORATION

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2024

WOMEN'S MICROFINANCE INITIATIVE CORPORATION

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2024

TABLE OF CONTENTS

Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-10
Supplemental Information	11

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Women's Microfinance Initiative Corporation
Bethesda, Maryland

Opinion

We have audited the accompanying financial statements of Women's Microfinance Initiative Corporation (WMI) (a Maryland not-for-profit organization) which comprises the statements of financial position as of December 31, 2024 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Women's Microfinance Initiative Corporation as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Women's Microfinance Initiative Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WMI's ability to continue as a going concern for the year ended December 31, 2024.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a

material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonable be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 WMI's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WMI's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Washington DC
February 10, 2025

Nanette K Miller CPA PC

WOMEN'S MICROFINANCE INITIATIVE CORPORATION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

ASSETS

Cash and cash equivalents - unrestricted	\$ 274,391
	<hr/>
<i>Total assets</i>	<u>\$ 274,391</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 3,412
	<hr/>
Net assets without donor restrictions	\$ 270,979
	<hr/>
<i>Total liabilities and net assets</i>	<u>\$ 274,391</u>

WOMEN'S MICROFINANCE INITIATIVE CORPORATION
STATEMENT OF ACTIVITY AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

Revenue, support and gains:

Grants and Contributions	\$ 253,697
Interest income	96
	253,793
<i>Total revenue, support and gains</i>	<i>253,793</i>

Expenses and losses:

Program services -

Microfinance Program Expenses	238,496
-------------------------------	---------

Administration -

Operating and Administrative Expenses	6,137
Fund raising	837
	6,974

<i>Total expenses and losses</i>	<i>245,470</i>
---	-----------------------

<i>Change in net assets</i>	<i>8,323</i>
------------------------------------	---------------------

Net assets without donor restrictions, beginning	262,656
--	---------

Net assets without donor restrictions, ending	\$ 270,979
---	------------

Women's Microfinance Initiative, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services						Support Services			TOTAL
	Loan Fund	Intern Program	Buildings and Infrastructure	Special Projects and Training Programs	Borrower Training and Program Administration	Total Program	Operating and Administrative	Fund Raising	Total Administrative and Fund Raising	
Expense										
Grants and Contributions	\$ 130,615	\$ -	\$ 22,892	\$ 49,916	\$ 16,563	\$ 219,986	\$ -	\$ -	\$ -	\$ 219,986
Bank Charges	280	40	-	480	40	840	543	74	617	1,457
Accounting and Auditing	-	-	-	-	-	-	1,760	240	2,000	2,000
Administrative Fees	-	-	-	-	-	-	630	86	716	716
Contract Services/Stipends	500	-	-	7,260	-	7,760	440	60	500	8,260
Telephone, Telecommunications	-	-	-	-	-	-	1,340	183	1,523	1,523
Insurance - Liability, Directors and Officers	-	-	-	-	-	-	1,023	140	1,163	1,163
Travel and Meetings	7,020	-	-	-	-	7,020	-	-	-	7,020
Supplies	-	-	-	500	-	500	37	-	37	537
Other Program and Operating Expenses	-	2,390	-	-	-	2,390	363	55	418	2,808
	<u>\$ 138,415</u>	<u>\$ 2,430</u>	<u>\$ 22,892</u>	<u>\$ 58,156</u>	<u>\$ 16,603</u>	<u>\$ 238,496</u>	<u>\$ 6,137</u>	<u>\$ 837</u>	<u>\$ 6,974</u>	<u>\$ 245,470</u>

Women's Microfinance Initiative Corporation
Statement of Cash Flows
For the Year Ended December 31, 2024

OPERATING ACTIVITIES:

Change in net assets	\$ 8,323
Increase in accounts payable	<u>2,495</u>
Net cash used in operating activities	10,818
Cash at beginning of period	<u>263,573</u>
Cash at end of period	<u><u>\$ 274,391</u></u>

There were no non-cash financing or investing activities for the year ended December 31, 2024.

WOMEN'S MICROFINANCE INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1: Organization and Significant Accounting Policies

Nature of Organization

Women's Microfinance Initiative Corporation (WMI or the Organization), is a not-for-profit corporation incorporated under the laws of the State of Maryland on November 7, 2007. WMI's primary purpose is to facilitate a microfinance initiative to serve poor women in rural areas around the world providing working capital to women in the lowest income brackets so that they can engage in income producing activities in order to build assets so they can stabilize their incomes, raise their standard of living, and reorient themselves and their family. WMI's vision is to promote women from subsidized micro-lending services to proactive participation in the commercial financial community.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with the standards promulgated by the American Institute of Certified Public Accountants in accordance with the guidelines published in the Audits for Certain Nonprofit Organizations.

Basis of Presentation

The accompanying financial statements are presented in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 958, Not-for-Profit Organizations and Update 2016-14, Presentation of Financial Statements.

Contributions are recognized as revenue when they are received or unconditionally pledged. FASB ASC Topic 958 eliminates the utilization of fund accounting for financial reporting purposes and requires that net assets be classified as either (1) net assets without donor restrictions or, (2) net assets with donor restrictions depending on limitations placed on the net assets by donors. These classifications are defined as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. As of December 31, 2024, all net assets are considered without restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. As of December 31, 2024 there are no net assets with donor restrictions.

Furniture and equipment

As of December 31, 2024, WMI carries no furniture and equipment. The Organization's policies however are to carry furniture and equipment at cost. Depreciation is computed using the straight-line methods over the estimated useful lives of the furniture and equipment.

WOMEN'S MICROFINANCE INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1: Organization and Significant Accounting Policies (continued)

Investments and Fair Value Measurement

In accordance with FASB ASC Sub-Topic 958-320 relating to the accounting for certain investments held by non-profit organizations, investments are carried at estimated fair value based on quoted market prices. Additionally FASB ASC Topic 820, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). For the year ended December 31, 2024 there were no donated investments to WMI. As of December 31, 2024, WMI only holds money market accounts which are considered Level 1 investments.

Income taxes

WMI is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) whereby only unrelated business income, as defined by Section 512(a)(1) of the Code is subject to income tax. For the year ended December 31, 2024, WMI had no unrelated business income subject to federal income tax.

Uncertain Tax Positions

In accordance with Financial Accounting Standards Board Accounting Standards Codification 740-10, Accounting for Uncertainty of Income Taxes which clarifies the accounting for the recognition and measurement of the benefits of individual tax position in the financial statements, including those non-profit organizations. Tax positions must meet a recognition threshold of more-likely-than-not in order for the benefit of those tax positions to be recognized in the financial statements.

WMI analyzes tax positions taken, including those related to the requirements set forth in IRC Sec. 501(c) to qualify as tax exempt organization, activities performed by volunteers and board members, the reporting of unrelated business income, and its status as a tax-exempt organization under D.C statute.

The Organization is not aware of any tax benefits arising from uncertain tax positions and there was no effect on the Organization's financial position or changes in net assets as a result of analyzing its tax positions. Years ending on or after December 31, 2020 remain subject to examination by federal and state authorities.

WOMEN'S MICROFINANCE INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1: **Organization and Significant Accounting Policies (continued)**

Revenue Recognition

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award. Expenses associated with exchange or reimbursement of direct costs are expensed as incurred and grant funds are relating to these transactions are due and payable to WMI. Net assets without donor restrictions received in advance of the donor specified award period are recorded as deferred revenue and recognized in the accounting period specified by the donor. Consulting, honoraria, and other income are recognized in the period earned.

Contributions and 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 as net assets no longer restricted and reported in the statement of activities as contributions released from donor restrictions.

Cash and cash equivalents

For the purposes of the Statement of Cash Flows, short-term, highly liquid investments with maturities of three months or less are considered to be cash equivalents. Money market accounts are considered to be cash equivalents for the purposes of this statement.

Functional expenses and allocations

The costs of providing the various programs and other operating activities have been summarized on a functional basis in the statement of functional expenditures. Certain costs that benefit a given program, as permitted by the grantor approved budget, have been directly allocated to that program.

Note 2: **Donated Services and Materials**

In accordance with FASB ASC Topic 958,, 805-05-3, In-Kind Contributions, donated goods and services, if any, are recorded at their estimated fair market value on the date the unconditional promise to give the asset is made and transfer of the asset is assured. In kind contributions are usually not included in the accompanying financial statements since the value of the donated services and materials can not be objectively measured. Additionally, the Organization periodically receives unpaid volunteer support services from its Board of Directors, officers and other volunteers. The value of this contributed time is not reflected in the accompanying financial statements since it is not susceptible to objective measurement or valuation.

WOMEN'S MICROFINANCE INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 3: Concentration of Risk

At times during the year it is possible for WMI to maintain cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000 per financial institution/per organization on demand deposits, certificates of deposit, and money market accounts combined. As of December 31, 2024, WMI exceeded the FDIC insurance limits with funds in one financial institution by \$1,449. In any event, management considers the risk of loss relating to these bank accounts minimal.

Note 4: Liquidity

WMI's financial assets available within one of the statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$274,391
---------------------------	------------------

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. WMI has a goal to maintain financial assets, which consist of cash and cash equivalents on hand to meet normal operating expense, which are, on average, are less than \$1,000 per month. WMI's policy is to structure its financial assets to be available as its general expenditures, liabilities and other obligations as they come due or as they are approved by the Board of Directors for specific program funding.

Note 5: Subsequent Events

In preparing financial statements, management of WMI has evaluated events and transactions for potential recognition or disclosure through February 10, 2025, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.

WOMEN'S MICROFINANCE INITIATIVE CORPORATION
 SUPPLEMENTAL INFORMATION
 CALCULATION OF ACTUAL INDIRECT COST RATE
 FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Total Program Cost (a)</u>	<u>Fund Raising (b)</u>	<u>Total Direct Costs and Fund Raising (c)</u>	<u>Administrative and General (d)</u>	<u>Indirect Cost Rate (d)/(c)</u>
<u>\$ 238,496</u>	<u>\$ 837</u>	<u>\$ 239,333</u>	<u>\$ 6,137</u>	<u>2.57%</u>