
**COALITION AGAINST TRAFFICKING
IN WOMEN**

Financial Statements

For the years ended December 31, 2022 and 2021

COALITION AGAINST TRAFFICKING IN WOMEN
Financial Statements
December 31, 2022 and 2021

Contents	Page
Independent Auditor’s Report.....	1-2
Statements of Financial Position.....	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows.....	8
Notes to the Financial Statements.....	9-17

Independent Auditor's Report

To the Board of Directors of
Coalition Against Trafficking in Women

Opinion

We have audited the accompanying financial statements of Coalition Against Trafficking in Women (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Coalition Against Trafficking in Women as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Coalition Against Trafficking in Women and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2022, Coalition Against Trafficking in Women adopted new accounting guidance, Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, and ASU 2016-02, *Leases (Topic 842)*. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Coalition Against Trafficking in Women's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 auditor's 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 generally accepted auditing standards 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Coalition Against Trafficking in Women'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 Coalition Against Trafficking in Women'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.

NChing LLP

New York, New York
October 17, 2023

COALITION AGAINST TRAFFICKING IN WOMEN**Statements of Financial Position**

As of December 31,

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash	\$ 601,850	\$ 786,951
Investments	31,718	36,148
Contributions receivable	35,677	18,625
Fixed assets, net	2,773	1,338
Operating lease assets	79,393	-
Security deposit	19,507	19,507
Total assets	<u>\$ 770,918</u>	<u>\$ 862,569</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 48,973	\$ 38,062
Operating lease liabilities	79,393	-
Total liabilities	<u>128,366</u>	<u>38,062</u>
Net assets		
Without donor restrictions	604,099	810,804
With donor restrictions	38,453	13,703
Total net assets	<u>642,552</u>	<u>824,507</u>
Total liabilities and net assets	<u>\$ 770,918</u>	<u>\$ 862,569</u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN**Statement of Activities**

For the year ended December 31, 2022

	Without donor restrictions	With donor restrictions	Total
<u>Revenue and support</u>			
Contributions	\$ 399,478	\$ 90,750	\$ 490,228
Investment loss	(4,430)	-	(4,430)
Net assets released from restrictions	66,000	(66,000)	-
Total revenues	<u>461,048</u>	<u>24,750</u>	<u>485,798</u>
<u>Expenses</u>			
Program services	<u>443,636</u>	<u>-</u>	<u>443,636</u>
<u>Supporting services</u>			
Management and general	196,747	-	196,747
Fund raising	<u>27,370</u>	<u>-</u>	<u>27,370</u>
Total supporting services	<u>224,117</u>	<u>-</u>	<u>224,117</u>
Total program and supporting services expense	<u>667,753</u>	<u>-</u>	<u>667,753</u>
Change in net assets	(206,705)	24,750	(181,955)
Net assets, beginning of year	<u>810,804</u>	<u>13,703</u>	<u>824,507</u>
Net assets, end of year	<u>\$ 604,099</u>	<u>\$ 38,453</u>	<u>\$ 642,552</u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN**Statement of Activities**

For the year ended December 31, 2021

	Without donor restrictions	With donor restrictions	Total
<u>Revenue and support</u>			
Contributions	\$ 586,845	\$ 25,398	\$ 612,243
In-kind contribution	102,524	-	102,524
Special event, net	52,818	-	52,818
Investment income	3,695	-	3,695
Cancellation of debt	57,967	-	57,967
Net assets released from restrictions	11,695	(11,695)	-
Total revenues	<u>815,544</u>	<u>13,703</u>	<u>829,247</u>
<u>Expenses</u>			
Program services	<u>524,117</u>	<u>-</u>	<u>524,117</u>
<u>Supporting services</u>			
Management and general	94,405	-	94,405
Fund raising	139,801	-	139,801
Total supporting services	<u>234,206</u>	<u>-</u>	<u>234,206</u>
Total program and supporting services expense	<u>758,323</u>	<u>-</u>	<u>758,323</u>
Change in net assets	57,221	13,703	70,924
Net assets, beginning of year	<u>753,583</u>	<u>-</u>	<u>753,583</u>
Net assets, end of year	<u><u>\$ 810,804</u></u>	<u><u>\$ 13,703</u></u>	<u><u>\$ 824,507</u></u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN**Statement of Functional Expenses**

For the year ended December 31, 2022

	<u>Program services</u>	<u>Management and general</u>	<u>Fund raising</u>	<u>Total</u>
Salaries	\$ 186,310	\$ 104,167	\$ 14,491	\$ 304,968
Employee benefits	12,753	7,131	992	20,876
Payroll taxes	14,253	7,969	1,108	23,330
Total personnel costs	213,316	119,267	16,591	349,174
Coalition project support grants	1,600	-	-	1,600
Communications	3,818	2,135	297	6,250
Human rights advocacy	68,343	-	-	68,343
Insurance	1,848	1,033	144	3,025
Occupancy	35,153	19,655	2,734	57,542
Postage and shipping	2,768	1,548	215	4,531
Professional services	75,292	42,096	5,857	123,245
Office expenses	19,296	10,788	1,501	31,585
Travel	21,803	-	-	21,803
Depreciation	399	225	31	655
Total expenses	<u>\$ 443,636</u>	<u>\$ 196,747</u>	<u>\$ 27,370</u>	<u>\$ 667,753</u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN**Statement of Functional Expenses**

For the year ended December 31, 2021

	<u>Program services</u>	<u>Management and general</u>	<u>Fund raising</u>	<u>Total</u>
Salaries	\$ 231,941	\$ 46,594	\$ 69,000	\$ 347,535
Employee benefits	26,025	5,228	7,742	38,995
Payroll taxes	<u>17,656</u>	<u>3,547</u>	<u>5,253</u>	<u>26,456</u>
Total personnel costs	275,622	55,369	81,995	412,986
Coalition project support grants	23,310	-	-	23,310
Communications	4,072	818	1,211	6,101
Human rights advocacy	26,923	-	-	26,923
Insurance	1,961	394	584	2,939
Occupancy	39,198	7,875	11,661	58,734
Postage and shipping	1,425	286	424	2,135
Professional services	123,416	24,793	36,715	184,924
Office expenses	23,482	4,717	6,986	35,185
Travel	3,951	-	-	3,951
Depreciation	<u>757</u>	<u>153</u>	<u>225</u>	<u>1,135</u>
Total expenses	<u><u>\$ 524,117</u></u>	<u><u>\$ 94,405</u></u>	<u><u>\$ 139,801</u></u>	<u><u>\$ 758,323</u></u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN
Statements of Cash Flows

For the years ended December 31,

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ (181,955)	\$ 70,924
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	655	1,135
Cancellation of debt	-	(57,967)
Amortization of operating lease assets	53,562	-
Change in contributions receivable	(17,052)	53,686
Change in prepaid expense	-	1,811
Change in accounts payable and accrued expenses	10,911	(12,763)
Change in operating lease liabilities	(53,562)	-
Net cash provided by (used in) operating activities	<u>(187,441)</u>	<u>56,826</u>
Cash flows from investing activities		
Investments	4,430	(14,128)
Purchase of fixed assets	(2,090)	-
Net cash provided by (used in) investing activities	<u>2,340</u>	<u>(14,128)</u>
Net change in cash	(185,101)	42,698
Cash - beginning of year	<u>786,951</u>	<u>744,253</u>
Cash - end of year	<u>\$ 601,850</u>	<u>\$ 786,951</u>

The accompanying notes are an integral part of these financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 1 Organization

Coalition Against Trafficking in Women (“CATW”) is a not-for-profit organization that works to end the trafficking and sexual exploitation of women and girls worldwide. CATW testifies before national congresses, parliaments, and the United Nations and its agencies, and serves as a clearing house of information and documentation on violations of the human rights of women and girls, educating the public and participating in international conferences and networks. CATW is supported primarily through grants and contributions from several foundations and individual donors.

CATW is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a publicly supported organization as described in Code section 509(a)(1) and 170(b)(A)(VI).

Note 2 Summary of significant accounting policies

Basis of presentation. The financial statements of CATW have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation. The financial statement presentation follows the accounting standards for not-for-profit organizations. Under these standards, an organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Fixed assets. Equipment and leasehold improvements are stated at cost, less accumulated depreciation or amortization computed on the straight-line method. Equipment is depreciated over their estimated useful lives of 3 to 7 years. Leasehold improvements are amortized over the shorter of their useful lives or the remainder of the lease period.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 2 Summary of significant accounting policies - (continued)

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 those estimates.

Leases. As of January 1, 2022, CATW adopted Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which was amended in some respects by subsequent ASUs, collectively Accounting Standards Codification 842 (ASC 842), and supersedes existing lease guidance. The standard requires CATW to record operating lease assets and corresponding lease liabilities on the statement of financial position and disclose key quantitative and qualitative information about lease contracts.

Under ASC 842, CATW determines if a contract is a leasing arrangement at inception. Operating lease assets represent the right to control the use of an identified asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. CATW uses the risk-free rate of return. CATW recognized operating lease expense for operating leases on a straight-line basis over the lease term.

CATW leases office space under an operating lease. Leases with an initial term of 12 months or less are not recorded on the statement of financial position and are expensed on a straight-line basis.

Donated assets. Donated assets are recorded as contributions at their estimated fair values at the date of donation.

Donated services. Donated services represent the estimated value of program and management services provided by individuals. These services are reflected in the financial statements because they create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Promises to give. Unconditional promises to give are recognized as support in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 2 Summary of significant accounting policies - (continued)

Contributions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or the purpose restriction is accomplished) in the reporting period in which the revenue 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 and reported in the statements of activities as net assets released from restrictions.

Functional allocation of expenses. The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Significant expenses are allocated as follows:

Salaries and benefits	Time and effort
Occupancy	Space

Income taxes. CATW is exempt from income taxes under 501(c)(3) of the Internal Revenue Code. CATW has analyzed tax positions taken for filing with the Internal Revenue Service and state jurisdictions where it operates. CATW does not anticipate any significant uncertain tax positions that would require recognition in the financial statements. Periods ending December 31, 2019 and subsequent remain subject to examination by the taxing authorities.

Concentrations of credit and market risk. CATW maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limit. CATW has not experienced any losses in such accounts. CATW believes it is not exposed to any significant credit risk on cash.

CATW has an investment account which is held by a financial institution in a brokerage account. The brokerage account is protected by the Securities Investor Protection Corporation (“SIPC”) which offers limited coverage up to a ceiling of \$500,000 (including a maximum of \$250,000 for claims of uninvested cash). The SIPC insurance does not protect against market losses on investments.

Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in fair value of investment securities, it is at least reasonably possible that changes in the near term could materially affect the amounts reported in the accompanying financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 2 Summary of significant accounting policies - (continued)

Investments. Investments are recorded at fair value in the statements of financial position, as determined by reference to quoted market prices. Investments consist of amounts held in money market funds and exchange-traded funds. Investment income is included in unrestricted support and revenue, unless restricted by donor or law.

Fair value of investments. The fair value hierarchy of Fair Value Measurements defines fair value, establishes a consistent framework for measuring fair value, and expands the disclosure requirements of fair value measurements. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability, or, in the absence of a principal market, the most advantageous market.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities CATW has the ability to access.

Level 2: inputs are inputs (other than quoted prices included within Level I) that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable inputs for the asset or liability, and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include CATW's own data.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while CATW believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

CATW has investments in money market funds and exchange-traded funds which are reported at market value based on quoted prices. Unrealized and realized gains and losses in these investments are recorded as unrestricted support and revenue, unless restricted by donor or law.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 2 Summary of significant accounting policies - (continued)

The following table set forth by level, within the fair value hierarchy, CATW's investments which have been accounted for at fair value on a recurring basis as of December 31, 2022 and 2021.

	As of December 31, 2022	
	Level 1	Total
Money market funds	\$ 11,449	\$ 11,449
Exchange-traded funds	20,269	20,269
Total investments	<u>\$ 31,718</u>	<u>\$ 31,718</u>

	As of December 31, 2021	
	Level 1	Total
Money market funds	\$ 10,975	\$ 10,975
Exchange-traded funds	25,173	25,173
Total investments	<u>\$ 36,148</u>	<u>\$ 36,148</u>

Allowance for doubtful accounts. Management has determined that no allowance for uncollectible accounts for accounts receivable or contributions receivable is necessary as of December 31, 2022 and 2021. Such determination is based on management's assessments of the creditworthiness of its donors, the age of its receivables, as well as current economic conditions and historical information.

Operating risk. The coronavirus outbreak may have an adverse effect on the results of operations. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, the CATW cannot reasonably estimate the impact to future results of operations.

Recently adopted accounting pronouncements. In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. ASU 2020-07 requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. CATW has adopted ASU 2020-07 retrospectively. The adoption of this ASU does not have a significant impact on its financial statements.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 2 Summary of significant accounting policies - (continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* that requires a lessee to recognize on the statement of financial position a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term, regardless of classification of a lease as an operating or finance lease. CATW adopted ASU 2016-02 on January 1, 2022, using the modified retrospective approach for operating leases, with a term greater than 12 months. CATW also elected the package of practical expedients permitted under the new standard that allowed CATW to carry forward historical lease classification for existing leases on the adoption date, and allowed CATW not to assess whether an existing contract contains a lease or initial direct costs. As permitted by the guidance, prior comparative periods will not be adjusted under this method.

The adoption of this standard resulted in recognition of operating lease assets in the amount of \$132,955 and lease liabilities in the amount of \$132,955 for operating leases on the statement of financial position as of January 1, 2022. There was no material impact on the statements of activities, statements of functional expenses or statements of cash flows.

Note 3 Investments

The following summarizes CATW's investments measured at fair value as of December 31, 2022 and 2021:

	As of December 31, 2022	
	Cost	Fair value
Money market funds	\$ 11,449	\$ 11,449
Exchange-traded funds	8,264	20,269
Total investments	<u>\$ 19,713</u>	<u>\$ 31,718</u>
	As of December 31, 2021	
	Cost	Fair value
Money market funds	\$ 10,975	\$ 10,975
Exchange-traded funds	8,264	25,173
Total investments	<u>\$ 19,239</u>	<u>\$ 36,148</u>

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 4 Liquidity and availability

Financial assets available for general expenditure, that is, without donor, or other restrictions limiting their use, within one year of the balance sheet date, comprise the following as of December 31:

	2022	2021
Cash and cash equivalents	\$ 601,850	\$ 786,951
Investments	31,718	36,148
Contributions receivable	35,677	18,625
Less: net assets with donor restrictions	(38,453)	(13,703)
Total available to use within one year	<u>\$ 630,792</u>	<u>\$ 828,021</u>

Note 5 Loan payable

In May 2020, CATW received a Paycheck Protection Program (“PPP”) loan in the amount of \$57,967 under the Coronavirus Aid, Relief, and Economic Security Act. The PPP loan bears interest at 1% per annum and will mature in May 2022. The PPP loan and accrued interest allow for forgiveness based on the bank’s evaluation of CATW’s use of such proceeds. The PPP loan was forgiven in July 2021.

Note 6 Employee benefit plan

CATW has a defined contribution salary deferral 403(b) plan (“the Plan”) covering all eligible employees. CATW is required to make a matching contribution in an amount equal to the employee’s elective deferral, but not to exceed 3% of the employee’s compensation. The employer matching contributions for 2022 and 2021 were \$4,347 and \$6,379, respectively.

Note 7 Commitments

CATW has a five-year lease for office space in New York. Lease terms include a monthly base rent of \$4,600 commencing June 1, 2015 with monthly rent increases effective on the anniversary date, each year, until the expiration of the lease on May 31, 2021. The lease was extended to May 31, 2024.

CATW determines if an arrangement is a lease at the inception of a contract, and recognizes operating lease expense on a straight-line basis over the lease term. Leases with an initial term of twelve months or less are not recorded on the statement of financial position and are expensed on a straight-line basis.

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 7 Commitments - (continued)

Operating expenses for the leasing activity of CATW as lessee for the year ended December 31, 2022 are as follows:

<u>Lease type</u>	
Operating lease costs	<u>\$ 54,945</u>

Total rent expense was \$54,945 and \$57,387 for the years ended December 31, 2022 and 2021, respectively, and is included in occupancy on the accompanying statements of functional expenses.

The aggregate future lease payments below summarize the remaining future undiscounted cash flows for operating leases as of December 31, 2022, and a reconciliation to operating lease liabilities reported on the statements of financial position:

2023	\$ 56,594
2024	<u>23,870</u>
Total lease payments	80,464
Less interest	<u>(1,071)</u>
Present value of lease liabilities	<u>\$ 79,393</u>

Operating lease terms and discount rate at December 31, 2022 are as follows:

Remaining lease term (years)	1.42
Discount rate	1.04%

The following summarizes cash paid for operating lease liabilities and other non-cash information as of December 31, 2022:

Cash paid for amounts included in measurement of operating lease liabilities	\$ 54,945
Operating lease assets obtained in exchange for operating lease obligations	\$ 132,955

COALITION AGAINST TRAFFICKING IN WOMEN

Notes to the Financial Statements

December 31, 2022 and 2021

Note 8 In-kind contributions

In-kind contributions represent legal services provided to the programs of CATW. The value of in-kind contributions are estimated based on current rate of legal service provided by donors. For the years ended December 31, 2022 and 2021, services recorded at fair value amounted to \$0 and \$102,524, respectively.

Note 9 Net assets with donor restrictions

Net assets with donor restrictions as of December 31, 2022 consist of the following:

	Beginning Balances	Additions	Releases	Ending Balance
Survivors service	\$ 13,703	\$ 40,000	\$ (15,250)	\$ 38,453
Executive director's sabbatical	-	40,000	(40,000)	-
Film project	-	10,750	(10,750)	-
Total	<u>\$ 13,703</u>	<u>\$ 90,750</u>	<u>\$ (66,000)</u>	<u>\$ 38,453</u>

Net assets with donor restrictions as of December 31, 2021 consist of the following:

	Beginning Balances	Additions	Releases	Ending Balance
Human rights advocacy	\$ -	\$ 10,000	\$ (10,000)	\$ -
Survivors service	-	15,398	(1,695)	13,703
Total	<u>\$ -</u>	<u>\$ 25,398</u>	<u>\$ (11,695)</u>	<u>\$ 13,703</u>

Note 10 Subsequent events

CATW has evaluated events and transactions for potential recognition or disclosure through October 17, 2023, which is the date the financial statements were available to be issued, and has concluded that no subsequent events occurred that requires an adjustment or disclosure to the financial statements.