

**V-DAY**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**JUNE 30, 2016 AND 2015**

## V-DAY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
V-Day

We have audited the accompanying financial statements of V-Day (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities 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 V-Day as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Lotz + Carr, LLP*

New York, New York  
March 1, 2017

## V-DAY

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents (Notes 1b and 5)	\$3,299,321	\$2,713,469
Unconditional promises to give (Notes 1c and 3)		
Restricted for future programs and periods	-	2,000,000
Note receivable (Note 6)	169,900	165,155
Prepaid expenses and other current assets	42,970	38,744
Property and equipment, at cost (net of accumulated depreciation) (Notes 1d and 4)	<u>759,623</u>	<u>767,153</u>
<b>Total Assets</b>	<u><u>\$4,271,814</u></u>	<u><u>\$5,684,521</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 193,187	\$ 193,149
Grants payable (Note 1f)	<u>33,333</u>	<u>33,333</u>
Total Liabilities	<u>226,520</u>	<u>226,482</u>
Net Assets		
Unrestricted	3,874,667	2,911,936
Temporarily restricted (Note 2)	<u>170,627</u>	<u>2,546,103</u>
Total Net Assets	<u>4,045,294</u>	<u>5,458,039</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$4,271,814</u></u>	<u><u>\$5,684,521</u></u>

See notes to financial statements.

**V-DAY**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2016 AND 2015**

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Changes in Unrestricted Net Assets</b>						
Revenue and Other Support						
Contributions						
Individual support	\$ 335,532	\$ -	\$ 335,532	\$ 588,674	\$ 134,330	\$ 723,004
Corporate support	63,616	-	63,616	63,480	6,172	69,652
Foundations	1,535,722	135,000	1,670,722	692,318	346,247	1,038,565
Special events	-	-	-	1,940	-	1,940
Investment income	6,712	-	6,712	7,345	-	7,345
Other revenue	660	-	660	11,976	-	11,976
	<u>1,942,242</u>	<u>135,000</u>	<u>2,077,242</u>	<u>1,365,733</u>	<u>486,749</u>	<u>1,852,482</u>
Net assets released from restrictions						
Satisfaction of time and program restrictions	<u>2,510,476</u>	<u>(2,510,476)</u>	<u>-</u>	<u>3,794,238</u>	<u>(3,794,238)</u>	<u>-</u>
Total Revenue and Other Support	<u>4,452,718</u>	<u>(2,375,476)</u>	<u>2,077,242</u>	<u>5,159,971</u>	<u>(3,307,489)</u>	<u>1,852,482</u>
Expenses						
Program Services	<u>3,196,513</u>	<u>-</u>	<u>3,196,513</u>	<u>4,941,937</u>	<u>-</u>	<u>4,941,937</u>
Supporting Services						
Management and general	201,163	-	201,163	298,020	-	298,020
Fundraising	92,311	-	92,311	105,611	-	105,611
Total Supporting Services	<u>293,474</u>	<u>-</u>	<u>293,474</u>	<u>403,631</u>	<u>-</u>	<u>403,631</u>
Total Expenses	<u>3,489,987</u>	<u>-</u>	<u>3,489,987</u>	<u>5,345,568</u>	<u>-</u>	<u>5,345,568</u>
Increase (decrease) in net assets	962,731	(2,375,476)	(1,412,745)	(185,597)	(3,307,489)	(3,493,086)
Net assets, beginning of year	<u>2,911,936</u>	<u>2,546,103</u>	<u>5,458,039</u>	<u>3,097,533</u>	<u>5,853,592</u>	<u>8,951,125</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 3,874,667</u></u>	<u><u>\$ 170,627</u></u>	<u><u>\$4,045,294</u></u>	<u><u>\$ 2,911,936</u></u>	<u><u>\$ 2,546,103</u></u>	<u><u>\$5,458,039</u></u>

See notes to financial statements.

## V-DAY

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>Cash Flows From Operating Activities</b>		
Decrease in net assets	\$(1,412,745)	\$(3,493,086)
Adjustments to reconcile decrease in net assets to net cash provided (used) by operating activities:		
Depreciation	86,766	84,003
(Increase) decrease in:		
Unconditional promises to give	2,000,000	1,961,588
Prepaid expenses and other current assets	(4,226)	(565)
Increase (decrease) in:		
Accounts payable and accrued expenses	38	119,008
Grants payable	-	(85,000)
Net Cash Provided (Used) By Operating Activities	<u>669,833</u>	<u>(1,414,052)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(79,236)	(407,229)
Note receivable	(4,745)	(5,155)
Net Cash Used By Investing Activities	<u>(83,981)</u>	<u>(412,384)</u>
Net increase (decrease) in cash and cash equivalents	585,852	(1,826,436)
Cash and cash equivalents, beginning of year	<u>2,713,469</u>	<u>4,539,905</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 3,299,321</u>	<u>\$ 2,713,469</u>

See notes to financial statements.

**V-DAY****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2016 AND 2015****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

V-Day is a California non-profit public benefit corporation incorporated in February 2001 for the purpose of ending all forms of violence against women and girls worldwide. V-Day is a catalyst that promotes creative events to increase awareness, raise money and revitalize the spirit of existing anti-violence organizations. Such events generate broader attention for the fight to stop worldwide violence against women and girls including rape, battery, incest, female genital mutilation and sexual slavery. V-Day also awards grants to organizations throughout the world that are striving to end the violence against women and girls.

**b - Cash and Cash Equivalents**

For purposes of the statement of cash flows, V-Day considers all highly liquid investments, purchased with an initial maturity of three months or less, including money market accounts, to be cash equivalents.

**c - Unconditional Promises to Give and Contributions**

Contributions are recognized when the donor makes a promise to give to V-Day, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**d - Property and Equipment**

Property and equipment are recorded at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets.

**e - Financial Statement Presentation**

V-Day reports information regarding its financial position and activities according to two classes of net assets: unrestricted net assets and temporarily restricted net assets. In addition, V-Day is required to present a statement of cash flows.

**f - Grant Expense**

Grant expense is accrued at the time the grant is authorized. Grants which are conditional on the recipient fulfilling certain obligations prior to receiving funds are accrued at the time those conditions are satisfied.

**g - Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



## V-DAY

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016 AND 2015

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**h - Tax Status

V-Day is a not-for-profit organization that is exempt from 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 - Subsequent Events

V-Day has evaluated subsequent events through March 1, 2017, the date that the financial statements are considered available to be issued. On October 4, 2016, V-Day was granted an unconditional promise to give of \$4,500,000 to be used for general support for the period November 1, 2016 through November 1, 2019.

**Note 2 - Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for future years' programs and activities.

**Note 3 - Unconditional Promises to Give**

At June 30, 2015, unconditional promises to give were related to future programs and periods which were received during the year ended June 30, 2016.

At June 30, 2015, Novo Foundation comprised 100% of unconditional promises to give.

**Note 4 - Property and Equipment**

Property and equipment consist of the following at June 30, 2016 and 2015:

	<u>Life</u>	<u>2016</u>	<u>2015</u>
Website	3 years	\$ 179,445	\$ 179,445
Furniture, fixtures and equipment	5 years	134,986	134,986
Automobile	5 years	69,381	69,381
Warehouse - VWorld Farm		<u>771,168</u>	<u>691,932</u>
		1,154,980	1,075,744
Less: Accumulated depreciation		<u>(395,357)</u>	<u>(308,591)</u>
		<u>\$ 759,623</u>	<u>\$ 767,153</u>

**V-DAY****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2016 AND 2015****Note 4 - Property and Equipment (continued)**

Depreciation expense for the years ended June 30, 2016 and 2015 was \$86,766 and \$84,003, respectively.

**Note 5 - Concentration of Credit Risk**

Cash balances in the United States, which comprise the majority of V-Day's cash balances, are maintained at one financial institution and are insured by the Federal Deposit Insurance Corporation. Balances commonly exceed insured limits. V-Day also maintains bank accounts in the Republic of Congo. There is no loss insurance on these accounts. The balance in these accounts at June 30, 2016 and 2015 was approximately \$75,000 and \$150,000, respectively.

**Note 6 - Note Receivable**

On June 3, 2014, V-Day entered into a promissory note agreement for \$160,000. Interest is accrued at 3% per annum. The receivable is due on demand. The balance due at June 30, 2016 and 2015 was \$169,900 and \$165,155, respectively.

**Note 7 - Functional Expenses**

The cost of providing the various program and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

**SUPPLEMENTARY INFORMATION**



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**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors of  
V-Day

We have audited the financial statements of V-Day as of and for the years ended June 30, 2016 and 2015, and our report thereon dated March 1, 2017, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Functional Expenses for the years ended June 30, 2016 and 2015 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Lutz + Carr, LLP*

New York, New York  
March 1, 2017

**V-DAY**  
**SCHEDULES OF FUNCTIONAL EXPENSES**  
**YEARS ENDED JUNE 30, 2016 AND 2015**

	2016				2015			
	Program Services	Supporting Services		Total Expenses	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising			Management and General	Fundraising	
Grants	\$ 624,510	\$ -	\$ -	\$ 624,510	\$ 861,577	\$ -	\$ -	\$ 861,577
Salaries	484,930	85,937	42,968	613,835	1,159,882	136,457	68,228	1,364,567
Employee benefits and payroll taxes	42,848	7,593	3,797	54,238	175,180	18,567	8,200	201,947
City of Joy expenses	538,714	-	-	538,714	510,592	-	-	510,592
VWorld Farm expenses	434,813	-	-	434,813	483,171	-	-	483,171
Professional fees	351,124	10,860	-	361,984	598,690	32,768	-	631,458
Film and video	104,288	-	-	104,288	153,663	-	-	153,663
Printing and publications	93,068	1,108	16,619	110,795	137,084	1,900	15,432	154,416
Website	21,259	-	2,362	23,621	39,695	-	-	39,695
Travel, conferences and meetings	203,159	4,368	10,923	218,450	223,776	18,567	13,219	255,562
Supplies	5,206	578	-	5,784	8,336	897	532	9,765
Computer expenses	44,813	-	11,203	56,016	59,616	-	-	59,616
Telecommunications	37,731	2,219	4,439	44,389	95,670	2,167	-	97,837
Postage and delivery	6,268	-	-	6,268	8,678	-	-	8,678
Occupancy	18,377	967	-	19,344	15,879	536	-	16,415
Production expenses	152,098	-	-	152,098	366,788	-	-	366,788
Insurance	18,770	-	-	18,770	22,928	-	-	22,928
Miscellaneous expenses	14,537	767	-	15,304	20,732	2,158	-	22,890
Total expenses before depreciation	3,196,513	114,397	92,311	3,403,221	4,941,937	214,017	105,611	5,261,565
Depreciation	-	86,766	-	86,766	-	84,003	-	84,003
Total Expenses	<u>\$3,196,513</u>	<u>\$ 201,163</u>	<u>\$ 92,311</u>	<u>\$3,489,987</u>	<u>\$4,941,937</u>	<u>\$ 298,020</u>	<u>\$ 105,611</u>	<u>\$5,345,568</u>

See independent auditors' report on supplementary information.