



Report of Independent Auditors and
Consolidated Financial Statements

**Anita Borg Institute for Women &
Technology**

December 31, 2015 and 2014

MOSS ADAMS LLP

Certified Public Accountants | Business Consultants

CONTENTS

	PAGE
REPORT OF INDEPENDENT AUDITORS	1
 CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated statements of financial position	3
Consolidated statements of activities	4
Consolidated statements of cash flows	6
Consolidated statements of functional expenses	7
Notes to consolidated financial statements	9

REPORT OF INDEPENDENT AUDITORS

The Board of Trustees
Anita Borg Institute for Women & Technology and Affiliate

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Anita Borg Institute for Women & Technology and Affiliate (collectively the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Anita Borg Institute for Women & Technology and Affiliate as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mass Adams LLP

San Francisco, California
November 1, 2016

CONSOLIDATED FINANCIAL STATEMENTS

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,692,434	\$ 2,196,975
Restricted cash	244,035	235,457
Pledges and contributions receivable	1,568,526	1,421,502
Prepaid expenses	381,109	125,968
Total current assets	<u>4,886,104</u>	<u>3,979,902</u>
EQUIPMENT, NET	<u>74,720</u>	<u>39,915</u>
Total assets	<u>\$ 4,960,824</u>	<u>\$ 4,019,817</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 211,586	\$ 258,761
Accrued expenses	1,165,874	404,599
Deferred revenue	208,560	333,250
Total current liabilities	<u>1,586,020</u>	<u>996,610</u>
LONG-TERM LIABILITIES		
Deferred revenue	-	33,000
Total long-term liabilities	<u>-</u>	<u>33,000</u>
Total liabilities	<u>1,586,020</u>	<u>1,029,610</u>
NET ASSETS		
Unrestricted	2,979,316	2,569,750
Temporarily restricted	187,488	212,457
Permanently restricted	208,000	208,000
Total net assets	<u>3,374,804</u>	<u>2,990,207</u>
Total liabilities and net assets	<u>\$ 4,960,824</u>	<u>\$ 4,019,817</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT				
Public support:				
Contributions	\$ 10,914,095	\$ 176,286	\$ -	\$ 11,090,381
In-kind contributions	72,382	-	-	72,382
Donated services	277,832	-	-	277,832
Grants	909,788	-	-	909,788
Registration fees	4,518,724	-	-	4,518,724
Interest income	2,282	-	-	2,282
Other income	29	-	-	29
Net assets released from donor restrictions	201,255	(201,255)	-	-
Total revenue, gains, and other support	<u>16,896,387</u>	<u>(24,969)</u>	<u>-</u>	<u>16,871,418</u>
EXPENSES				
Program services	14,130,669	-	-	14,130,669
Management and general	1,850,209	-	-	1,850,209
Fund development	505,943	-	-	505,943
Total expenses	<u>16,486,821</u>	<u>-</u>	<u>-</u>	<u>16,486,821</u>
CHANGE IN NET ASSETS	409,566	(24,969)	-	384,597
NET ASSETS, beginning of year	<u>2,569,750</u>	<u>212,457</u>	<u>208,000</u>	<u>2,990,207</u>
NET ASSETS, end of year	<u>\$ 2,979,316</u>	<u>\$ 187,488</u>	<u>\$ 208,000</u>	<u>\$ 3,374,804</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT				
Public support:				
Contributions	\$ 7,768,995	\$ 204,723	\$ 208,000	\$ 8,181,718
In-kind contributions	71,453	-	-	71,453
Donated services	122,217	-	-	122,217
Grants	313,908	-	-	313,908
Registration fees	2,851,369	-	-	2,851,369
Other program service fees/ (refunds)	(4,000)	-	-	(4,000)
Interest income	4,884	-	-	4,884
Other income	250	-	-	250
Net assets released from donor restrictions	77,237	(77,237)	-	-
Total revenue, gains, and other support	<u>11,206,313</u>	<u>127,486</u>	<u>208,000</u>	<u>11,541,799</u>
EXPENSES				
Program services	8,739,547	-	-	8,739,547
Management and general	1,185,034	-	-	1,185,034
Fund development	248,159	-	-	248,159
Total expenses	<u>10,172,740</u>	<u>-</u>	<u>-</u>	<u>10,172,740</u>
CHANGE IN NET ASSETS	1,033,573	127,486	208,000	1,369,059
NET ASSETS , beginning of year	<u>1,536,177</u>	<u>84,971</u>	<u>-</u>	<u>1,621,148</u>
NET ASSETS , end of year	<u>\$ 2,569,750</u>	<u>\$ 212,457</u>	<u>\$ 208,000</u>	<u>\$ 2,990,207</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 384,597	\$ 1,369,059
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	30,877	19,386
(Increase) decrease in assets:		
Contributions receivable	(147,024)	(465,694)
Prepaid expenses	(255,141)	(18,849)
Increase (decrease) in liabilities:		
Accounts payable	(47,175)	92,063
Accrued expenses	761,275	118,129
Deferred revenue	(157,690)	(3,850)
Net cash provided by operating activities	569,719	1,110,244
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(65,682)	(31,862)
Net cash used in investing activities	(65,682)	(31,862)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Increase) decrease in restricted cash	(8,578)	(215,035)
Net cash used in financing activities	(8,578)	(215,035)
NET INCREASE IN CASH	495,459	863,347
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,196,975	1,333,628
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,692,434	\$ 2,196,975
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	\$ 79	\$ 3,034

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL ACTIVITIES
For the Year Ended December 31, 2015

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>
Event direct costs	\$ 6,314,309	\$ 4,142	\$ 947	\$ 6,319,398
Leased employees and related benefits	3,582,566	1,305,108	363,180	5,250,854
Professional services	2,250,247	470,706	34,933	2,755,886
Grants	686,647	-	-	686,647
Travel	447,638	126,445	73,881	647,964
Office expenses	328,154	115,118	28,125	471,397
Advertising and promotions	177,744	12,956	1,891	192,591
Insurance	43,101	681	352	44,134
Depreciation	22,053	6,619	2,205	30,877
Currency exchange loss	4,252	4,355	-	8,607
Rent	273,958	(196,000)	429	78,387
Interest	-	79	-	79
Total	<u>\$ 14,130,669</u>	<u>\$ 1,850,209</u>	<u>\$ 505,943</u>	<u>\$ 16,486,821</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL ACTIVITIES
For the Year Ended December 31, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>
Event direct costs	\$ 3,307,782	\$ 3,011	\$ 2,668	\$ 3,313,461
Leased employees and related benefits	2,593,095	835,786	102,525	3,531,406
Professional services	1,526,792	171,822	60,309	1,758,923
Grants	573,685	-	-	573,685
Travel	321,199	66,409	62,497	450,105
Office expenses	235,907	74,414	16,261	326,582
Advertising and promotions	89,352	7,330	1,050	97,732
Insurance	20,687	766	94	21,547
Depreciation	14,235	4,588	563	19,386
Currency exchange loss	1,360	-	-	1,360
Rent	55,453	17,874	2,192	75,519
Interest	-	3,034	-	3,034
Total	<u>\$ 8,739,547</u>	<u>\$ 1,185,034</u>	<u>\$ 248,159</u>	<u>\$ 10,172,740</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS

The Anita Borg Institute for Women & Technology (“ABI USA”) was founded in 1997 and is a nonprofit organization that provides platforms designed to ensure women’s voices, ideas, and spirits will result in higher levels of technical innovation. On December 3, 2014, Anita Borg Institute for Women and Technology India (“ABI India”) was incorporated under the government of India and is consolidated with ABI USA (collectively, the “Organization”). The Organization delivers programs that are changing the world for women and for technology. The participants in the Organization’s programs are an unusual mix of academics and industry professionals, and include many of the technology thought leaders of today. The Organization’s impact is significant on the lives and careers of women who work in the technology field and are affected by technology. The Organization’s mission is to increase the impact of women on all aspects of technology, and to increase the positive impact of technology on the lives of the world’s women.

The Organization works with academia to develop programs that change the way in which technology is taught, and with industry to develop programs that change product/technology development. These programs are designed to help industry, academia, and government recruit, retain, and develop women technology leaders. The Organization provides events, awards, and coverage that celebrates the women who change the face of technology and increase their visibility with others.

Sources of revenue include contributions, qualified event sponsorships, registration and application fees, and grants from corporations, foundations, individuals, and government agencies.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting – The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of estimates – The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of consolidation – The consolidated financial statements include the accounts of ABI USA and ABI India (collectively, the “Organization”).

Basis of presentation – The Organization’s consolidated financial statements are presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets.

Unrestricted net assets represent unrestricted resources available to support the Organization’s operations and temporarily restricted resources, which became available for use by the Organization in accordance with the intentions of donors.

Temporarily restricted net assets represent contributions that are limited in use by the Organization in accordance with temporary donor imposed stipulations. These stipulations may expire with time or may be satisfied and removed by the actions of the Organization according to the terms of the contributions. Upon satisfaction of such stipulations, the associated net assets are released from temporarily restricted net assets and recognized as unrestricted net assets. If a restriction is fulfilled in the same fiscal year in which the contribution is received, the Organization classifies the support as unrestricted.

Permanently restricted net assets represent contributions to be held as investments in perpetuity as directed by the original donor. The Organization has \$208,000 restricted for endowment in permanently restricted net assets as of December 31, 2015 and 2014.

Cash and cash equivalents – For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less and certificates of deposit with no early withdrawal penalty to be cash equivalents.

Restricted cash – Restricted cash represents contributions received that are restricted by the donors for the Systems-Pass-It-On program, for time and for an endowment.

**ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS**

Equipment – Equipment is carried at cost or, if donated, at the approximate fair value at the time of donation. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets which are currently 3 years for computer and related equipment. Expenditures for property and equipment in excess of \$1,000 are capitalized. Maintenance and repairs are expensed when incurred.

Donated services, goods, and facilities – Professional services donated by officers, directors, and other professionals are recorded at their estimated fair value as increases in revenues and increases in program or management services, as applicable. Donated materials are recorded at their estimated fair value as increases in revenues and increases in related expenses. Donated property, facilities, and other noncash donations are included as contributions at their estimated fair value as of the dates they are received.

Revenue recognition – Contributions are recognized as revenue when they are received or unconditionally promised. Other income is recognized as revenue when it is earned. Deferred revenue consists of sponsorships received for conferences or events to be held in future years and is required to be refunded if the conference or event is cancelled. As of December 31, 2015, the Organization had received conditional promises to give of approximately \$1,050,000. These promises to give are not recognized as assets or revenues as of December 31, 2015.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. As of December 31, 2015 and 2014, there were no allowances provided or deemed necessary.

Functional allocation of expenses – The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited. Fundraising expenses for the years ended December 31, 2015 and 2014 were \$1,321 and \$24,932, respectively.

Income taxes – ABI USA is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under Section 23701d of the California Revenue and Taxation Code. ABI India is a not-for-profit organization registered under the Companies Act 2013, for promoting objects specified in clause (a) of sub – section (1) of Section 8 of the said Act. ABI India has filed all appropriate tax filings with the government of India and it is not considered tax exempt under the government of India's Income Tax Act of 1961.

U.S. GAAP requires the Organization to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable tax authority. The Organization has reviewed its tax positions for all open tax years and believes that it has appropriate support for the tax positions taken. Therefore, no liability has been recorded.

The Organization files United States federal and California tax returns.

Concentration of credit risk – The Organization maintains its cash in bank accounts, which at times, may exceed federally insured limits. The deposits at the financial institution bear the credit risk associated with the institution. The Organization has not experienced any losses in such accounts.

Concentration of contributors or grants – Five donors accounted for 23% and 15% of the Organization's revenue in 2015 and 2014, respectively, of which \$933,179 and \$324,404 was included in pledges and contribution receivables as of December 31, 2015 and 2014, respectively. Approximately 66% of pledges and contributions receivable were from four donors at December 31, 2015. Approximately 65% of pledges and contributions receivable were from five donors at December 31, 2014.

NOTE 3 – EQUIPMENT

	2015	2014
Computer and related equipment	\$ 217,981	\$ 152,299
Less: accumulated depreciation	143,261	112,384
Total	\$ 74,720	\$ 39,915

Depreciation for the years ended December 31, 2015 and 2014, was \$30,877 and \$19,386, respectively.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - LINE OF CREDIT

The Organization has a loan agreement with a bank for a revolving line of credit with an authorized limit of \$500,000. The outstanding principal bears interest at the prime rate plus 0% points per annum rounded upward to the nearest one-eighth of one percentage point or 0.125% (3.25% and 3.25% at December 31, 2015 and 2014, respectively). The line of credit was renewed on February 2, 2015 for the same terms and conditions and the entire unpaid principal balance and all accrued and unpaid interest is due and payable by November 3, 2016. The line of credit is secured by the Organization's bank accounts, equipment, and accounts receivable. There was no outstanding balance on the line of credit as of December 31, 2015 and 2014, respectively.

Interest expense relating to the above note for the years ended December 31, 2015 and 2014, amounted to \$79 and \$3,034, respectively.

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2015 and 2014, are as follows:

	<u>2015</u>	<u>2014</u>
Systems Pass-It-On grants	\$ 27,488	\$ 27,457
Time based restriction	160,000	185,000
Total	<u>\$ 187,488</u>	<u>\$ 212,457</u>

NOTE 6 - BONUS PLAN

The Organization has a bonus plan (the "Plan") to recognize the contributions that certain employees make to the Organization by way of their judgment, initiative and efforts, all of which contribute to the continued success of the Organization. Participation in the Plan is in the sole discretion of the Board and shall be determined on an award period by award period basis. Each actual award shall be paid solely from the general assets of the Organization. The Organization, by action of the Board, in its sole discretion, may amend or terminate the Plan, or any part thereof, at any time and for any reason. The amendment, suspension, or termination of the Plan shall not, without the consent of the participant, alter or impair any rights or obligations under any actual award theretofore earned by such participant. No award may be granted during any period of suspension or after termination of the Plan. Amounts earned under the bonus plan for the years ended December 31, 2015 and 2014, were \$441,159 and \$313,540, respectively, of which \$342,410 and \$257,025, respectively, was reflected in accrued expenses on the consolidated statements of financial position.

NOTE 7 - IN-KIND CONTRIBUTIONS AND DONATED SERVICES

During the years ended December 31, 2015 and 2014, the Organization received the following in-kind contributions and donated services:

	<u>2015</u>	<u>2014</u>
Free use of facilities (rent)	\$ 72,382	\$ 71,453
Legal fees (professional services)	277,132	119,217
Marketing services (advertising and promotion)	700	3,000
Total	<u>\$ 350,214</u>	<u>\$ 193,670</u>

NOTE 8 - RELATED PARTIES

The Organization's Board members participate in fundraising and other events, as well as make contributions. Included in contributions revenue is \$155,000 and \$160,000 from Board members for the years ended December 31, 2015 and 2014, respectively. The Organization requires all board members to read and sign a conflict of interest policy annually.

**ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 – ENDOWMENT

The Organization’s endowment consists of one individual fund established for scholarships to the Grace Hopper Celebration of Women in Computing Conference. The net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the 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 in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standards of prudence prescribed by UPMIFA.

The Organization currently holds the endowment funds in a money market account until it is able to establish investment and spending policies for the endowment assets. From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as funds of perpetual duration. When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. There were no such deficiencies as of December 31, 2015 or 2014.

The changes in endowment net assets for the years ended December 31, 2015 and 2014 were as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, January 1, 2014	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	208,000	208,000
Endowment net assets, December 31, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,000</u>	<u>\$ 208,000</u>
Endowment net assets, December 31, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,000</u>	<u>\$ 208,000</u>

Endowment net asset composition by type of fund as of December 31, 2015 and 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor restricted endowment funds	\$ -	\$ -	\$ 208,000	\$ 208,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,000</u>	<u>\$ 208,000</u>

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before consolidated financial statements are issued. The Organization recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. The Organization’s consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the consolidated statement of financial position date and before the consolidated financial statements were available to be issued.

The Organization has performed an evaluation of subsequent events through November 1, 2016, which is the date the consolidated financial statements were available to be issued. The Organization determined no additional disclosure is necessary.