

WASHINGTON WOMEN'S FOUNDATION

Financial Statements
December 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Washington Women's Foundation
Seattle, Washington

Opinion

We have audited the accompanying financial statements of Washington Women's Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, 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 Washington Women's Foundation as of December 31, 2025 and 2024, 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 Washington Women's Foundation 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.

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 Washington Women's Foundation'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 Washington Women's Foundation'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 Washington Women's Foundation'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.

Greenwood Ohlund

Seattle, Washington
May 20, 2026

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF FINANCIAL POSITION

December 31, 2025 and 2024

ASSETS	2025	2024
Current Assets		
Cash and cash equivalents	\$ 464,160	\$ 810,650
Certificates of deposit	300,084	-
Contributions and grants receivable	25,351	16,047
Prepaid expenses and other assets	13,177	1,178
Total current assets	802,772	827,875
Investments Held for Endowment	4,541,875	4,393,727
Right-of-Use Asset – Operating Lease	105,075	128,639
Total assets	\$ 5,449,722	\$ 5,350,241
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 19,588	\$ 18,631
Accrued salaries and benefits	25,186	36,623
Operating lease liability	23,104	20,830
Total current liabilities	67,878	76,084
Operating Lease Liability, less current portion	84,705	107,809
Total liabilities	152,583	183,893
Net Assets		
Without donor restrictions	951,891	1,035,519
With donor restrictions	4,345,248	4,130,829
Total net assets	5,297,139	5,166,348
Total liabilities and net assets	\$ 5,449,722	\$ 5,350,241

See accompanying notes to financial statements.

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Contributions and grants	\$ 959,946	\$ 20,372	\$ 980,318	\$ 880,260	\$ 36,185	\$ 916,445
Other income	23,340	-	23,340	16,400	-	16,400
Net assets released from endowment restrictions - appropriation of earnings	294,573	-	294,573	148,000	-	148,000
Net assets released from donor restrictions	87,490	(87,490)	-	163,475	(163,475)	-
Total support and revenue	1,365,349	(67,118)	1,298,231	1,208,135	(127,290)	1,080,845
Expenses						
Program services	1,096,590	-	1,096,590	1,146,912	-	1,146,912
Management and general	252,887	-	252,887	290,332	-	290,332
Fundraising	158,135	-	158,135	83,198	-	83,198
Total expenses	1,507,612	-	1,507,612	1,520,442	-	1,520,442
Change in net assets from operating activities	(142,263)	(67,118)	(209,381)	(312,307)	(127,290)	(439,597)
Non-Operating Activities						
Investment return	58,635	576,110	634,745	70,117	370,326	440,443
Net assets released from endowment restrictions - appropriation of earnings	-	(294,573)	(294,573)	-	(148,000)	(148,000)
Change in net assets	(83,628)	214,419	130,791	(242,190)	95,036	(147,154)
Net Assets, beginning of year	1,035,519	4,130,829	5,166,348	1,277,709	4,035,793	5,313,502
Net Assets, end of year	<u>\$ 951,891</u>	<u>\$ 4,345,248</u>	<u>\$ 5,297,139</u>	<u>\$ 1,035,519</u>	<u>\$ 4,130,829</u>	<u>\$ 5,166,348</u>

See accompanying notes to financial statements.

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES For the Years Ended December 31, 2025 and 2024

	2025				2024			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 382,861	\$ 138,521	\$ 114,292	\$ 635,674	\$ 327,187	\$ 175,420	\$ 52,388	\$ 554,995
Benefits	75,826	28,797	2,460	107,083	54,090	26,558	6,555	87,203
Payroll taxes	35,508	13,198	9,344	58,050	28,417	15,692	4,480	48,589
Total salaries and related	494,195	180,516	126,096	800,807	409,694	217,670	63,423	690,787
Grants to others	394,500	-	-	394,500	529,500	-	-	529,500
Professional services	67,155	41,286	22,719	131,160	30,961	43,187	17,246	91,394
Meetings, events and other office	106,822	3,806	150	110,778	176,757	29,475	2,529	208,761
Other	33,918	27,279	9,170	70,367	-	-	-	-
Total expenses	<u>\$ 1,096,590</u>	<u>\$ 252,887</u>	<u>\$ 158,135</u>	<u>\$ 1,507,612</u>	<u>\$ 1,146,912</u>	<u>\$ 290,332</u>	<u>\$ 83,198</u>	<u>\$ 1,520,442</u>

See accompanying notes to financial statements.

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Cash received from:		
Donors	\$ 971,014	\$ 915,905
Interest	119,460	124,598
Other	23,340	16,400
Cash paid to:		
Personnel	(812,244)	(682,921)
Vendors	(320,613)	(289,434)
Grantees	(394,500)	(662,833)
Net cash flows from operating activities	(413,543)	(578,285)
Cash Flows from Investing Activities		
Purchases of certificates of deposit	(300,084)	-
Purchases of investments	(100,936)	(88,728)
Proceeds from sales of investments	468,073	148,000
Net cash flows from investing activities	67,053	59,272
Net change in cash and cash equivalents	(346,490)	(519,013)
Cash and Cash Equivalents, beginning of the year	810,650	1,329,663
Cash and Cash Equivalents, end of the year	\$ 464,160	\$ 810,650

See accompanying notes to financial statements.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

Washington Women's Foundation (the Foundation) is a nonprofit corporation that envisions an intentional community of women of all backgrounds united in building a just, equitable, and thriving Washington. Their mission is to provide long-term, unrestricted capital, organizational support, and networking to social change efforts benefiting women and girls in Washington State.

In 2025 the Foundation had a membership of over 315 women. The Foundation provided over \$23,400,000 (unaudited) in grants to the community since its formation thirty years ago. In 2025, Washington Women's Foundation awarded \$394,500 in grants to nonprofits reviewed and selected by membership vote. The Foundation hosted over 28 educational events (unaudited) attended by hundreds of members and their guests (unaudited). A professional staff of 6 employees, supported by a member-elected board, 11 board and operating committees, and more than 100 volunteers, conducted the work of the Foundation, organizing the grant selection process, offering educational programs to members, and conducting outreach to the nonprofit and philanthropic community.

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. Actual results could differ from those estimates.

Financial Statement Presentation

In accordance with accounting principles generally accepted in the United States of America, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Operating and Non-Operating Activity

Operating activities include the regular business functions of the Foundation of grant-making, program management, education, member relations, contributions, fundraising, cash management, short-term investing, staff salaries, and office expenses. Non-operating activities include endowment contributions and investment return, less appropriations from the endowment.

Net Assets without and with Donor Restrictions

Net assets without donor restrictions are available for support of the Foundation's operations. Certain net assets without donor restrictions are designated by the Board of Directors to support long-term purposes (the Board Discretionary Fund, see Note 3).

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Some net assets with donor restrictions are temporary in nature and consist of unexpended contributions and grants restricted for particular programs or time periods. Other net assets have perpetual donor restrictions, where the principal of the contribution or grant is restricted in perpetuity and the income from which is utilized for the purposes specified by the donors. Net assets with temporary donor restrictions are transferred to net assets without donor restrictions as expenditures are incurred for the restricted programs or as the time restrictions are met.

Net assets with donor restrictions consist of the following at December 31:

	<u>2025</u>	<u>2024</u>
Net assets with time and purpose restrictions		
WFA Fund for Women	\$ 95,891	\$ 153,519
Future periods (time restricted)	<u>3,000</u>	<u>12,490</u>
Total net assets with time and purpose restrictions	98,891	166,009
Net assets with endowment restrictions		
Perpetual endowment	\$ 2,858,527	\$ 2,858,527
Unappropriated endowment earnings	<u>1,387,830</u>	<u>1,106,293</u>
	<u>\$ 4,345,248</u>	<u>\$ 4,130,829</u>

Cash and Cash Equivalents

Cash and cash equivalents represent cash in banks (other than those held within the investment portfolio). The Foundation considers all short-term securities with an original maturity of three months or less to be cash. On occasion, the Foundation has amounts deposited with financial institutions in excess of federally insured limits. The Foundation has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

Certificates of Deposit

Certificates of deposit are recognized at cost plus accrued interest.

Contributions and Grants Receivable

Unconditional promises to give (pledges) are recognized as revenues in the period the pledge is received. Contributions and grants receivable that are expected to be collected in one year are recorded at net realizable value. Management reviews the collectability of contributions and grants receivable on a periodic basis and determines the appropriate amount of any allowance. The Foundation charges off receivables to the allowance when management determines that the receivables are not collectible. No allowance for accounts receivable was considered necessary at December 31, 2025 and 2024.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Investments Held for Endowment

Investments held for endowment are reported at their fair value (Level 1 inputs within the fair value hierarchy such as quoted prices on national exchanges) in the statements of financial position and consist of the following at December 31:

	2025	2024
Equity mutual funds - domestic	\$ 1,795,173	\$ 1,777,245
Equity mutual funds - international	1,046,764	1,002,614
Bond mutual funds - domestic	1,184,365	1,095,905
Bond mutual funds - international	515,573	517,963
	<u>\$ 4,541,875</u>	<u>\$ 4,393,727</u>

Investment return, as presented on the statements of activities, consists of interest and dividends, realized and unrealized gains and losses, less external investment fees.

Leases

The Foundation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term, and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. A discount has not been recognized at December 31, 2025, as management has determined that it would not be material to the financial statements.

The Foundation has elected to recognize payments for short-term leases with terms of 12 months or less as expense as incurred, and these leases are not included as ROU assets or lease liabilities on the statement of financial position. The lease contract does not provide information about the discount rate implicit in the lease. Therefore, the Foundation has elected to use a risk-free discount rate determined by using a period comparable with that of the lease term for computing the present value of lease liabilities.

Contribution and Grant Revenue Recognition

Revenue from contributions and grants is recognized when the unconditional contribution or grant award is made. Conditional contributions and grants are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related, professional services, and meetings, events and other office, which are allocated based on estimates of time and effort.

Income Taxes

The Foundation is a nonprofit organization that is exempt from income taxes under Internal Revenue Code Section 501(c)(3).

Subsequent Events

The Foundation has evaluated subsequent events through the date these financial statements were available to be issued, which was May 20, 2026.

Note 2 – Liquidity and Availability of Resources

The Foundation's working capital and cash flow have seasonal variations during the year attributable to the annual receipts for memberships and contributions being received during two distinct periods of the year. The Foundation manages its liquidity and reserves by maintaining adequate liquid assets to fund near-term operating needs and sufficient reserves to provide long-term stability and by operating within a prudent range of financial soundness.

The following table represents the financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general use within one year of the statement of financial position date because of donor-imposed restrictions or internal designations. Amounts not available include amounts set aside for the Board Discretionary Fund that could be drawn upon if the Board of Directors approves that action.

	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 464,160	\$ 810,650
Certificates of deposit	300,084	-
Contributions and grants receivable	25,351	16,047
Investments	4,541,875	4,393,727
Total financial assets	5,331,470	5,220,424
Endowment appropriations expected within one year	295,000	148,000
Amounts not available for general use within one year:		
Net assets with board designations (quasi-endowment)	(295,518)	(428,907)
Net assets with donor restrictions for purposes	(4,342,248)	(4,118,339)
	<u>\$ 988,704</u>	<u>\$ 821,178</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 3 – Endowment

The Foundation's endowment consists of a donor-restricted endowment fund, the Washington Women's Foundation's Colleen S. Willoughby Endowment (CWE), established to support the general operations of the Foundation. The Foundation's endowment also includes amounts designated by the Board of Directors, the Board Discretionary Fund (BDF), to function as an endowment. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including board-designated endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Washington 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 Foundation classifies net assets with perpetual endowment restrictions as (a) the original value of gifts donated to the endowment, plus (b) the original value of subsequent gifts to the endowment. The remaining portion of the donor-restricted endowment earnings are classified as unappropriated endowment earnings until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the endowment fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Changes in endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Unappropriated Endowment Earnings	Perpetual Restrictions	
Endowment net assets, December 31, 2023	\$ 394,660	\$ 883,967	\$ 2,858,527	\$ 4,137,154
Investment return	34,247	370,326	-	404,573
Appropriation for expenditure	-	(148,000)	-	(148,000)
Endowment net assets, December 31, 2024	428,907	1,106,293	2,858,527	4,393,727
Investment return	40,111	576,110	-	616,221
Appropriation for expenditure	(173,500)	(294,573)	-	(468,073)
Endowment net assets, December 31, 2025	<u>\$ 295,518</u>	<u>\$ 1,387,830</u>	<u>\$ 2,858,527</u>	<u>\$ 4,541,875</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Return Objectives and Risk Parameters

The Foundation invests the CWE with the objectives of preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of the Foundation. The Foundation expects the current spending policy to allow its endowment to grow over time, consistent with the Foundation's objectives. The BDF maintains a higher percentage of its portfolio in fixed income with the objective of providing short-term access to funds as needed.

Strategies Employed for Achieving Objectives

The Foundation believes that the strategic allocation of portfolio assets across broadly defined financial assets and sub-asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long-term investment returns and portfolio asset value stability. Accordingly, portfolio assets will be managed as a diversified portfolio composed of two major components: an equity portion and a fixed income portion. The expected role of portfolio equity investments will be to maximize the long-term real growth of portfolio assets, while the role of fixed income investments will be to generate current income, provide for more stable periodic returns, and provide some protection against a prolonged decline in the market value of portfolio equity investments.

Spending Policy and How the Investment Objectives Relate to the Spending Policy

The Foundation has a donor-restricted endowment policy of appropriating a distribution each year a maximum of four percent of the CWE's portfolio's average fair value over the prior 12 quarters through the calendar year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment as the objective is to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

The Foundation approved a distribution in excess of the four percent maximum policy during the year ended December 31, 2025 due to investment returns exceeding expectations. Future distributions will continue to default to the approved policy, however the Foundation reserves the right to modify actual distributions based on actual investment returns.

Funds with Deficiencies

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 Foundation to retain as a fund of perpetual duration. There were no endowment funds with deficiencies at December 31, 2025 and 2024.

Note 4 – Lease Obligation

In December 2024, the Foundation entered into a noncancelable operating lease for its office space with a term through December 31, 2029. Operating lease cost under this lease totaled \$28,748 for the year ended December 31, 2025, and is included within meetings, events, and other office in the statement of functional expenses. Net operating cash flows for this lease totaled \$26,013 for the year ended December 31, 2025. ROU assets obtained in exchange for new operating lease liabilities totaled \$128,639 during the year ended December 31, 2024.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

A maturity analysis of annual cash flows for lease liabilities as of December 31, 2025, is as follows for the years ending December 31:

2026	\$	27,314
2027		28,679
2028		30,113
2029		<u>31,619</u>
Total undiscounted cash flows		117,725
Less: Imputed interest (at 4.43%)		<u>(9,916)</u>
	\$	<u><u>107,809</u></u>

The operating lease liability is presented in the statements of financial position as follows at December 31:

	<u>2025</u>	<u>2024</u>
Operating lease liability (a current liability)	\$ 23,104	\$ 20,830
Operating lease liability, less current portion	<u>84,705</u>	<u>107,809</u>
	<u><u>\$ 107,809</u></u>	<u><u>\$ 128,639</u></u>