

**EQUALITY NOW, INC.  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2009 AND 2008**

**LEDERER, LEVINE & ASSOCIATES, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Equality Now, Inc.  
New York, NY

We have audited the accompanying statements of financial position of Equality Now, Inc. (the "Organization") as of December 31, 2009 and 2008 and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the Organization's Nairobi Office, which statements reflect total assets of \$59,333 and \$373,029, respectively as of December 31, 2009 and 2008, and total revenues of \$310,073 and \$504,022, respectively, for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Organization's Nairobi Office, is based solely on the report of the other auditors.

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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the financial statements enumerated above present fairly, in all material respects, the financial position of Equality Now, Inc. as of December 31, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

  
Lederer, Levine & Associates, LLC

New York, NY  
July 22, 2010

**EQUALITY NOW, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents (Note B)	\$ 1,507,085	\$ 1,744,711
Investments (Notes B and D)	950,547	913,344
Contributions and grants receivable (Note C)	1,221,082	611,911
Prepaid expenses	46,537	27,117
Property and equipment, net (Notes B and E)	43,283	43,717
Other assets	<u>36,009</u>	<u>21,344</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>3,804,543</u></b>	<b>\$ <u>3,362,144</u></b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 109,813	\$ 89,611
Grants payable (Note F)	101,398	262,040
Deferred rent (Note B)	<u>31,154</u>	<u>10,551</u>
<b>TOTAL LIABILITIES</b>	<b><u>242,365</u></b>	<b><u>362,202</u></b>
Commitments and contingencies (Note I)		
<b>NET ASSETS</b>		
Unrestricted	1,784,223	1,750,959
Temporarily restricted (Note G)	<u>1,777,955</u>	<u>1,248,983</u>
<b>TOTAL NET ASSETS</b>	<b><u>3,562,178</u></b>	<b><u>2,999,942</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>3,804,543</u></b>	<b>\$ <u>3,362,144</u></b>

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

**EQUALITY NOW, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	2009			2008		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support and revenue:						
Contributions and grants:						
Foundations	\$ 689,539	\$ 1,373,047	\$ 2,062,586	\$ 485,984	\$ 561,801	\$ 1,047,785
Individual donors	707,337	145,000	852,337	1,076,813	112,507	1,189,320
Corporations	143,158		143,158	19,416		19,416
Special events, net of direct benefit to donors of \$4,711	59,084		59,084	90,032		90,032
Donated goods and services (Note H)	79,466		79,466	(13,713)		(13,713)
Investment income (Note D)	69,833		69,833	2,476		2,476
Other income	4,099		4,099			
Loss on foundation grant		(10,000)	(10,000)			
Public support and revenue before release of restrictions	<u>1,752,516</u>	<u>1,508,047</u>	<u>3,260,563</u>	<u>1,660,988</u>	<u>674,308</u>	<u>2,335,296</u>
Net assets released from restrictions	<u>979,075</u>	<u>(979,075)</u>		<u>903,777</u>	<u>(903,777)</u>	
Total public support and revenue	<u>2,731,591</u>	<u>528,972</u>	<u>3,260,563</u>	<u>2,564,765</u>	<u>(229,469)</u>	<u>2,335,296</u>
Expenses:						
Program services:						
Justice and Equality Program	889,009		889,009	496,467		496,467
FGM Program	505,899		505,899	722,897		722,897
Trafficking Program	394,256		394,256	476,427		476,427
International Peace and Security Program	102,049		102,049	166,024		166,024
Women's Action Network and Outreach	266,313		266,313	276,333		276,333
International Coordination	<u>108,358</u>		<u>108,358</u>	<u>107,163</u>		<u>107,163</u>
Total program services	<u>2,265,884</u>		<u>2,265,884</u>	<u>2,245,311</u>		<u>2,245,311</u>
Supporting services:						
Management and general	194,814		194,814	140,184		140,184
Fund-raising	<u>237,629</u>		<u>237,629</u>	<u>179,455</u>		<u>179,455</u>
Total supporting services	<u>432,443</u>		<u>432,443</u>	<u>319,639</u>		<u>319,639</u>
Total expenses	<u>2,698,327</u>		<u>2,698,327</u>	<u>2,564,950</u>		<u>2,564,950</u>
Change in net assets	33,264	528,972	562,236	(185)	(229,469)	(229,654)
Net assets - beginning of year	<u>1,750,959</u>	<u>1,248,983</u>	<u>2,999,942</u>	<u>1,751,144</u>	<u>1,478,452</u>	<u>3,229,596</u>
Net assets - end of year	<u>\$ 1,784,223</u>	<u>\$ 1,777,955</u>	<u>\$ 3,562,178</u>	<u>\$ 1,750,959</u>	<u>\$ 1,248,983</u>	<u>\$ 2,999,942</u>

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

**EQUALITY NOW, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	Program Services						Supporting Services				
	Justice and Equality Program	FGM Program	Trafficking Program	International Peace and Security Program	Women's Action Network and Outreach	International Coordination	Total Program Services	Management and General	Fund-Raising	Total Supporting Services	Total Expenses
Salaries	\$ 335,361	\$ 129,706	\$ 121,280	\$ 52,431	\$ 134,160	\$ 48,179	\$ 821,117	\$ 91,116	\$ 105,711	\$ 196,827	\$ 1,017,944
Payroll taxes and employee benefits	49,275	17,010	22,846	9,613	27,826	6,390	132,960	25,631	21,411	47,042	180,002
Professional services and consultants	114,532	27,598	43,661	14,039	27,292	18,738	245,860	11,661	11,933	23,594	269,454
Grants	88,790	188,631	160,000				437,421				437,421
Advertising						513	513	145		145	658
Audiovisual	498	6,010	37	15	200	11	6,771	42	50	92	6,863
Banking fees	417	327				1,338	2,082	15,724		15,724	17,806
Computer network fees	2,947	1,829	544	444	945	705	7,414	223	326	549	7,963
Conferences	12,446	6,750	687		2,966	35	22,884	335	35,190	35,525	58,409
Dues and subscriptions	108	186	186	186	617	535	1,818	186	1,475	1,661	3,479
Insurance	3,287	1,178	1,572	663	2,301	367	9,368	1,582	1,933	3,515	12,883
Office expense	3,738	1,204	1,694	729	2,029	2,841	12,235	5,180	1,636	6,816	19,051
Postage and delivery	45,086	10,074	1,473	4,389	6,188	4,758	71,968	1,408	13,909	15,317	87,285
Printing and duplication	25,398	9,461	294	2,598	7,419	4,100	49,270	299	5,390	5,689	54,959
Rent and utilities	68,472	19,865	30,542	13,173	35,589	11,128	178,769	23,247	28,413	51,660	230,429
Repairs and maintenance	890	346	427	189	1,939	1,569	5,360	1,536	1,804	3,340	8,700
Supplies	2,937	1,133	966	386	1,499	1,445	8,366	4,163	1,264	5,427	13,793
Telephone	11,376	2,842	2,257	1,117	2,719	721	21,032	4,274	1,288	5,562	26,594
Translations	13,882	3,939	819	1,013	975	298	20,926	148	148	148	21,074
Travel and accommodations	109,569	77,810	4,971	1,064	1,664	1,470	196,548	3,839	195	4,034	200,582
Depreciation and amortization					9,985	3,217	13,202	4,223	5,553	9,776	22,978
<b>TOTAL EXPENSES</b>	<b>\$ 889,009</b>	<b>\$ 505,899</b>	<b>\$ 394,256</b>	<b>\$ 102,049</b>	<b>\$ 266,313</b>	<b>\$ 108,358</b>	<b>\$ 2,265,884</b>	<b>\$ 194,814</b>	<b>\$ 237,629</b>	<b>\$ 432,443</b>	<b>\$ 2,698,327</b>

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

EQUALITY NOW, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2008

	Program Services					Supporting Services			Total Expenses		
	Justice and Equality Program	FGM Program	Trafficking Program	International Peace and Security Program	Women's Action Network and Outreach	International Coordination	Total Program Services	Management and General		Fund-Raising	Total Supporting Services
Salaries	\$ 222,182	\$ 144,972	\$ 128,948	\$ 90,305	\$ 137,959	\$ 44,921	\$ 769,287	\$ 63,817	\$ 90,314	\$ 154,131	\$ 923,418
Payroll taxes and employee benefits	28,894	22,879	22,133	15,334	29,225	7,753	126,216	11,024	18,857	29,881	156,099
Professional services and consultants	80,507	71,120	48,789	27,263	23,321	8,809	258,809	8,221	10,604	18,825	278,634
Grants	30,130	358,431	110,000				498,581				498,581
Advertising	60					1,492	1,552	960		960	2,512
Audiovisual	210	19,856	464	14	434	20	20,988	39	61	100	21,098
Banking fees	133	1,056	956			1,545	3,690	8,196		8,196	11,886
Computer network fees	3,131	2,650	669	471	691	238	7,850	346	404	750	8,600
Conferences	6,690	2,232	4,500		2,150	25	15,597	275	2,212	2,487	18,084
Dues and subscriptions	592	189	167	161	1,132	213	2,454	6	1,144	1,150	3,604
Insurance	1,613	1,483	1,754	889	2,605	451	8,795	1,675	1,738	3,413	12,208
Office expense	2,899	2,609	2,327	1,525	4,338	1,818	15,516	7,197	1,818	9,015	24,531
Postage and delivery	13,047	17,277	8,524	2,997	10,884	13,591	66,320	2,078	13,575	15,653	81,973
Printing and duplication	7,520	12,167	4,091	436	8,391	6,166	38,771	122	8,379	8,501	47,272
Rent and utilities	36,216	21,328	25,564	19,077	32,413	6,669	141,267	19,902	20,667	40,569	181,836
Repairs and maintenance	463	139	275	423	1,087	2,239	4,636	81	1,002	1,083	5,719
Supplies	1,436	1,689	2,565	576	1,332	858	8,256	2,626	860	3,486	11,742
Telephone	5,152	3,416	2,628	1,422	2,105	1,363	16,086	2,685	1,088	3,773	19,859
Translations	5,344	7,007	854	482	401	379	14,467		188	188	14,655
Travel and accommodations	50,248	32,397	111,419	4,649	13,371	6,012	218,086	6,652	2,060	8,712	226,808
Depreciation and amortization					4,484	2,601	7,085	4,282	4,484	8,766	15,851
	\$ 496,467	\$ 722,897	\$ 476,427	\$ 166,024	\$ 276,333	\$ 107,163	\$ 2,245,311	\$ 140,184	\$ 179,455	\$ 319,639	\$ 2,564,950

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

**EQUALITY NOW, INC.**  
**STATEMENTS OF CASH FLOWS**  
**AS OF DECEMBER 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Change in net assets	\$ 562,236	\$ (229,654)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	22,978	15,851
Donated investments	(2,016)	(9,910)
Net unrealized and realized (gains) losses on investments	(33,239)	52,396
Changes in:		
Contributions and grants receivable	(609,171)	248,047
Prepaid expenses	(19,420)	20,411
Other assets	(14,665)	(706)
Accounts payable and accrued expenses	20,202	(48,342)
Grants payable	(160,642)	(51,984)
Deferred rent	20,603	(4,255)
Net cash used by operating activities	<u>(213,134)</u>	<u>(8,146)</u>
Cash flows from investing activities:		
Proceeds from sales of investments	862,810	856,286
Purchases of investments	(864,758)	(884,171)
Purchases of property and equipment	<u>(22,544)</u>	<u>(38,223)</u>
Net cash used by investing activities	<u>(24,492)</u>	<u>(66,108)</u>
Net change in cash and cash equivalents	(237,626)	(74,254)
Cash and cash equivalents - Beginning of Year	<u>1,744,711</u>	<u>1,818,965</u>
Cash and cash equivalents - End of Year	<u>\$ 1,507,085</u>	<u>\$ 1,744,711</u>

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

**EQUALITY NOW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009 AND 2008**

**Note A - Organization and Nature of Activities**

**Organization**

Equality Now, Inc. (the "Organization") is an international human rights organization, with offices in New York, London, and Nairobi, dedicated to action for the civil, political, economic and social rights of women and girls. The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws, and its program services are described below. The London Office is registered as a charity in England and Wales.

**Justice and Equality Program**

The Organization works to end all forms of violence and discrimination against women and girls and to reform discriminatory laws and practices. Through the Justice and Equality Program, the Organization also works to bring issues relating to women's rights to the attention of the United Nations in its consideration of governments' compliance and their obligations under the International Covenant on Civil and Political Rights, the Convention on the Elimination of All Forms of Discrimination against Women ("CEDAW"), the Beijing Platform for Action, and other international legal instruments.

**FGM Program**

The campaign to eradicate female genital mutilation ("FGM") involves working closely with and supporting grassroots activists and organizations in establishing and implementing appropriate strategies to eradicate FGM globally. The Organization manages the Fund for Grassroots Activism to End FGM, which is funded by private foundations and individual contributors, to assist and support local grassroots organizations in over a dozen countries in Africa working to end this practice through outreach and advocacy.

**Trafficking Program**

The Organization works to end the trafficking of women and girls, particularly for purposes of commercial sexual exploitation, by educating the public, targeting sex tourism operators and influencing policy makers to pass strong, effective anti-trafficking legislation. The Organization works closely with local organizations, as well as with government officials and United Nations representatives, to achieve these goals in accordance with national and international laws. The Organization also manages the Fund for Grassroots Activism to End Sex Trafficking, which is funded by private foundations and individual contributors, to assist and support local grassroots organizations around the world working to end trafficking and the commercial exploitation of women and girls.

**International Peace and Security Program**

The Organization works to promote the equal partnership of women in conflict resolution and sustainable peace through the implementation of United Nations Security Council Resolution 1325 on Women, Peace and Security, and to address the impact of war on women and their children, who account for the majority of those adversely affected by armed conflict.

**Women's Action Network and Outreach**

This network consists of more than 30,000 groups and individuals, in over 160 countries around the world, who take action in response to appeals on behalf of women, participate in campaigns on broader women's issues, and channel information and strategy on women's concerns in their own countries back through the network.

EQUALITY NOW, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(continued)

**Note A - Organization and Nature of Activities (continued)**

**International Coordination**

The Organization's Nairobi Office was formally established in 2000, and in 2003 an office was opened in London. These offices conduct research and advocacy campaigns and educate concerned groups and individuals in Africa, in Europe, and throughout the world, in order to protect human rights, calling for a worldwide response to crisis situations and equality for women. International coordination also includes expenses related to African and Asian research and campaigns.

**Note B - Summary of Significant Accounting Policies**

**Basis of Accounting**

The Organization prepares its financial statements using the accrual basis of accounting. The Organization follows accounting principles generally accepted in the United States of America ("US GAAP") which include certain specialized requirements set forth in publications of the Financial Accounting Standards Board and the American Institute of Certified Public Accountants.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less at the date of purchase or gift to be cash equivalents, except for cash equivalents maintained in the Organization's investment accounts (see Note D).

**Restricted Contributions**

Contributions are recognized when the donor makes a promise to give to the Organization 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.

**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.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**Property and Equipment**

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives. The Organization capitalizes property and equipment with a useful life of three years or more and a cost of \$1,000 or more.

EQUALITY NOW, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(continued)

**Note B – Summary of Significant Accounting Policies (continued)**

**Accrued Vacation**

Employees accrue vacation on an annual basis. Unused vacation must be used within three months of year-end. Accrued vacation is included as an expense and liability in the accompanying financial statements and represents the liability for the cost of unused employee vacation time payable in the event of employee terminations. At December 31, 2009 and 2008, the accrued vacation obligations were \$15,324 and \$11,569, respectively.

**Deferred Rent**

The difference between rent expense incurred by the Organization on an accrual basis and the amounts paid in cash attributed to scheduled rent increases as well as rent abatements are reported as a deferred rent liability in the accompanying statements of financial position.

**Net Assets**

The net assets of the Organization are classified and reported as follows:

1. **Unrestricted**

Unrestricted net assets represent those resources for which there are no restrictions by donors as to their use.

2. **Temporarily restricted**

Temporarily restricted net assets represent those resources that have been restricted by donors as to time or to specific purposes. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by donors.

**Functional Allocation of Expenses**

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.

**Accounting for Uncertainty in Income Taxes**

The Organization's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax.

**Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is July 22, 2010.

EQUALITY NOW, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2009 AND 2008  
 (continued)

**Note B – Summary of Significant Accounting Policies (continued)**

**Fair Value Measurements**

The Organization under US GAAP established a fair value hierarchy organized into three levels based upon the “input” assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices that are observable either directly or indirectly with fair value being determined through the use of models or other valuation methodologies. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The values by input level of the Organization's investments as of December 31, 2009 are as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Investments	\$ <u>950,547</u>	\$ _____	\$ _____	\$ <u>950,547</u>

**Note C – Contributions and Grants Receivable**

At each year-end, contributions and grants receivable were estimated to be due as follows:

	December 31,	
	2009	2008
2009	\$	\$ 567,639
2010	663,890	25,000
2011	530,203	25,000
2012	<u>46,563</u>	<u>        </u>
	1,240,656	617,639
Reduction of contributions and grants due in excess of one year, at a discount rate of 3.25% and 5%	<u>(19,574)</u>	<u>(5,728)</u>
	<u>\$ 1,221,082</u>	<u>\$ 611,911</u>

The Organization estimates that, based on a history of satisfactory collections, contributions and grants receivable will be collected in full. Therefore, no allowance for uncollectible amounts has been provided.

**EQUALITY NOW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009 AND 2008**  
**(continued)**

**Note D – Investments**

At each year-end, investments consisted of the following:

	December 31,			
	2009		2008	
	Market Value	Cost	Market Value	Cost
Invested cash and cash equivalents	\$ 760,196	\$ 760,196	\$ 29,477	\$ 29,477
Equity securities	88,191	81,189	68,702	89,291
Mutual funds	51,980	42,981	39,703	55,968
Certificates of deposit			729,648	728,349
Corporate bonds	50,180	50,371	45,814	49,562
	<u>\$ 950,547</u>	<u>\$ 934,737</u>	<u>\$ 913,344</u>	<u>\$ 952,647</u>

During each year, the Organization's investment income consisted of the following:

	December 31,	
	2009	2008
Interest and dividends	\$ 12,804	\$ 66,471
Net realized losses	(21,873)	(12,736)
Net unrealized gains (losses)	55,112	(39,660)
Net realized currency gains (losses)	23,790	(27,788)
	<u>\$ 69,833</u>	<u>\$ (13,713)</u>

**Note E – Property and Equipment**

At each year-end, property and equipment consisted of the following:

	December 31,	
	2009	2008
Office furniture and fixtures	\$ 16,650	\$ 21,967
Office equipment	39,709	69,904
Leasehold improvements	1,145	3,280
Software	33,319	26,907
Website	13,295	
	104,118	122,058
Less accumulated depreciation and amortization	(60,835)	(78,341)
	<u>\$ 43,283</u>	<u>\$ 43,717</u>

During 2009 and 2008, the Organization wrote off \$40,484 and \$-0-, respectively, of fully depreciated property and equipment.

**EQUALITY NOW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009 AND 2008**  
**(continued)**

**Note F – Grants Payable**

Grants payable consisted of the following at each year end:

	December 31,	
	2009	2008
Payable in less than one year	\$ <u>101,398</u>	\$ <u>262,040</u>

**Note G - Temporarily Restricted Net Assets**

At each year-end, temporarily restricted net assets were restricted for the following program and support services:

	December 31,	
	2009	2008
Program-related:		
FGM Program	\$	\$ 238,301
Trafficking Program	153,675	293,700
Justice and Equality Program		30,000
	153,675	562,001
Time-related:		
General Support	481,499	69,272
FGM Program	150,663	186,012
Trafficking Program	354,308	
Justice and Equality Program	497,341	233,829
International Coordination	65,956	197,869
Women's Action Network	74,513	
	1,624,280	686,982
	\$1,777,955	\$1,248,983

In July 2004, the Pond Foundation granted \$172,458 to the Organization to fund the production of a documentary film on the grassroots movement to eradicate FGM in Africa and around the world. Of that grant, \$1,422 remained in temporarily restricted net assets at December 31, 2006. An individual contributor from Spain also donated \$200,000 to reduce the budget deficit for the FGM Film. At December 31, 2008, \$31,367 remained in temporarily restricted net assets for film distribution. At December 31, 2009 the entire amount was included in net assets released from restrictions.

In 2009, the Netherlands Organization for International Development Co-operation ("NOVIB") granted \$536,044 (400,000 Euros) to the Organization for general support, to be received over a three-year period. At December 31, 2009, \$362,346 remained in temporarily restricted net assets.

In 2007, the Ford Foundation granted \$200,000, to be received over a two-year period for work conducted by the Nairobi Office. At December 31, 2008, \$100,000, remained in temporarily restricted net assets. At December 31, 2009 the entire amount was included in net assets released from restrictions.

In 2007, Comic Relief granted \$761,035 (385,000 British Pounds) to the Organization, to be received over a three-year period, for work conducted in the Nairobi and London offices. At December 31, 2009 and 2008, \$65,956 and \$197,869 respectively, remained in temporarily restricted net assets.

In 2009 NoVo Foundation granted \$750,000 to the Organization to be received over a three-year period. The amount was granted for Justice and Equality (\$171,277), Trafficking/ Sex Tourism (\$390,993), and FGM Programs (\$28,320). In addition the grant included funds for Women's Action Network & Outreach (\$82,228), and General Support (\$77,182). At December 31, 2009, \$679,631 remained in temporarily restricted net assets.

**EQUALITY NOW, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**Note G – Temporarily Restricted Net Assets (continued)**

During each year, net assets released from restrictions consisted of the following:

	December 31,	
	2009	2008
Purpose restrictions satisfied:		
FGM Program	\$ 238,301	\$ 153,280
Trafficking Program	160,025	83,333
Justice and Equality Program	<u>30,000</u>	<u>6,704</u>
	<u>428,326</u>	<u>243,317</u>
Time restrictions satisfied:		
General Support	20,059	197,002
FGM Program	186,012	219,545
Justice and Equality Program	222,765	
International Coordination	131,913	131,913
International Peace and Security Program	<u>(10,000)</u>	<u>112,000</u>
	<u>550,749</u>	<u>660,460</u>
	<u>\$ 979,075</u>	<u>\$ 903,777</u>

**Note H - Donated Goods and Services**

Contributions of services are recognized by the Organization as both revenue and expense in the accompanying statements of activities, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The fair value of contributed services, which included consulting and legal services, was \$79,466 and \$90,032 for 2009 and 2008, respectively.

**Note I – Commitments and Contingencies**

The Organization is obligated for office space for its New York headquarters and its Nairobi and London offices, under operating leases that expire in 2017. The Organization also rents office equipment under leases which expire in 2014. The related future minimum rentals, exclusive of real estate tax escalation charges, are approximately as follows:

Year	Amount
2010	\$ 183,519
2011	185,395
2012	178,911
2013	183,828
2014	171,616
Thereafter	332,585

Rental expense under the above lease obligations including utilities was approximately \$230,000 and \$182,000 for 2009 and 2008, respectively.

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**Note J - Employee Benefit Plan**

The Organization has a savings incentive plan in which it contributes up to 3% of all participants' salaries. Employer contributions were approximately \$23,000 and \$22,000 for 2009 and 2008, respectively.

**Note K - Concentration of Credit Risk**

The Organization maintains its cash with a major banking institution in amounts which, at times, may be in excess of the federal insurance limit of \$250,000 per depositor. This limit will be in effect through December 31, 2013. Management believes that the Organization has no significant risk of loss on these accounts relating to the failure of the banking institution.

**Note L - Joint Costs**

The Organization distributes printed materials that support both program as well as fundraising activities. For the years ended December 31, 2009 and 2008, these costs consisted of the following:

	2009			2008		
	Women's Action Network and Outreach	Fund- Raising	Total	Women's Action Network and Outreach	Fund- Raising	Total
Printing	\$ 5,825	\$ 5,825	\$ 11,650	\$ 7,960	\$ 7,960	\$ 15,920
Mailing services	2,157	2,157	4,314	1,034	1,034	2,068
Postage	772	772	1,544	4,991	4,991	9,982
Translation	447	447	894	405	405	810
	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 18,402</u>	<u>\$ 14,390</u>	<u>\$ 14,390</u>	<u>\$ 28,780</u>