

**International Campaign for Tibet**

**Financial Statements**

And

Independent Auditor's Report

For the Years Ended December 31, 2021 and 2020

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## Independent Auditor's Report

**To the Board of Directors  
International Campaign for Tibet  
Washington, DC**

### **Opinion**

We have audited the accompanying financial statements of International Campaign for Tibet (ICT) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the statement of functional expenses for the year ended December 31, 2021 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 International Campaign for Tibet as of December 31, 2021 and 2020, 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 ICT 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 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.

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 ICT'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 Responsibility 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 ICT'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 ICT'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.

#### **Report on Summarized Comparative Information**

We have previously audited ICT's December 31, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2021. In our opinion, the summarized comparative information presented in the statement of functional expenses for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



SNYDER COHN, PC  
North Bethesda, Maryland  
August 5, 2022

# International Campaign for Tibet

## Statements of Financial Position

December 31	2021	2020
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 709,744	\$ 4,027,626
Grants and contributions receivable	137,862	-
Other receivables	9,185	10,949
Prepaid expenses	43,463	96,499
Total current assets	<u>900,254</u>	<u>4,135,074</u>
<b>Property and equipment, net</b>	<u>2,288,631</u>	<u>2,295,811</u>
<b>Other assets:</b>		
Investments	3,813,382	2,745
Deposits	360	360
Deferred financing costs, net	234	468
Total other assets	<u>3,813,976</u>	<u>3,573</u>
<b>Total assets</b>	<u>\$ 7,002,861</u>	<u>\$ 6,434,458</u>
<b>Liabilities and net assets</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 220,432	\$ 162,731
Note payable, current portion	20,604	31,666
Total current liabilities	<u>241,036</u>	<u>194,397</u>
<b>Other liabilities:</b>		
Note payable, net of current portion	<u>-</u>	<u>23,456</u>
<b>Total liabilities</b>	<u>241,036</u>	<u>217,853</u>
<b>Commitments</b>		
<b>Net assets:</b>		
Net assets without donor restrictions	6,638,969	6,164,846
Net assets with donor restrictions	122,856	51,759
Total net assets	<u>6,761,825</u>	<u>6,216,605</u>
<b>Total liabilities and net assets</b>	<u>\$ 7,002,861</u>	<u>\$ 6,434,458</u>

See Accompanying Notes

# International Campaign for Tibet

## Statement of Activities

**For the year ended December 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenue:</b>			
Contributions	\$ 3,926,813	\$ -	\$ 3,926,813
Grants	-	226,528	226,528
Government grants	-	-	-
Investment income	(28,342)	-	(28,342)
Other income	24,344	-	24,344
Merchandise sales	12,632	-	12,632
Net assets released from restrictions	155,431	(155,431)	-
Total support and revenue	4,090,878	71,097	4,161,975
<b>Expenses:</b>			
Program services:			
Tibetan empowerment	292,262	-	292,262
Education and awareness	1,225,293	-	1,225,293
International operations	26,534	-	26,534
Advocacy and campaigns	357,444	-	357,444
Government relations	209,411	-	209,411
Monitoring and reporting	470,933	-	470,933
Chinese outreach	70,421	-	70,421
Total program services	2,652,298	-	2,652,298
Supporting services:			
Fundraising	661,157	-	661,157
General and administrative	303,300	-	303,300
Total supporting services	964,457	-	964,457
Total expenses	3,616,755	-	3,616,755
<b>Change in net assets</b>	474,123	71,097	545,220
Net assets - beginning	6,164,846	51,759	6,216,605
<b>Net assets - ending</b>	<u>\$ 6,638,969</u>	<u>\$ 122,856</u>	<u>\$ 6,761,825</u>

See Accompanying Notes

# International Campaign for Tibet

## Statement of Activities

**For the year ended December 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenue:</b>			
Contributions	\$ 5,024,021	\$ -	\$ 5,024,021
Grants	-	125,965	125,965
Government grants	220,700	-	220,700
Investment income	4,058	-	4,058
Other income	27,832	-	27,832
Merchandise sales	13,935	-	13,935
Net assets released from restrictions	117,614	(117,614)	-
<b>Total support and revenue</b>	<b>5,408,160</b>	<b>8,351</b>	<b>5,416,511</b>
<b>Expenses:</b>			
Program services:			
Tibetan empowerment	597,608	-	597,608
Education and awareness	700,384	-	700,384
International operations	33,015	-	33,015
Advocacy and campaigns	300,588	-	300,588
Government relations	251,212	-	251,212
Monitoring and reporting	634,613	-	634,613
Chinese outreach	36,523	-	36,523
<b>Total program services</b>	<b>2,553,943</b>	<b>-</b>	<b>2,553,943</b>
Supporting services:			
Fundraising	671,438	-	671,438
General and administrative	297,392	-	297,392
<b>Total supporting services</b>	<b>968,830</b>	<b>-</b>	<b>968,830</b>
<b>Total expenses</b>	<b>3,522,773</b>	<b>-</b>	<b>3,522,773</b>
<b>Change in net assets</b>	<b>1,885,387</b>	<b>8,351</b>	<b>1,893,738</b>
<b>Net assets - beginning</b>	<b>4,279,459</b>	<b>43,408</b>	<b>4,322,867</b>
<b>Net assets - ending</b>	<b>\$ 6,164,846</b>	<b>\$ 51,759</b>	<b>\$ 6,216,605</b>

See Accompanying Notes

## International Campaign for Tibet

### Statement of Functional Expenses

**For the year ended December 31, 2021 with summarized financial information for 2020**

	Program Services							
	Tibetan Empowerment	Education and Awareness	International Operations	Advocacy and Campaigns	Government Relations	Monitoring and Reporting	Chinese Outreach	Total Program
Salaries and wages	\$ 103,863	\$ 219,809	\$ 16,981	\$ 59,811	\$ 77,928	\$ 246,340	\$ 25,084	\$ 749,816
Professional services	11,629	335,140	1,129	121,586	38,234	50,842	28,126	586,686
Printing	3,996	329,690	50	83,414	33,711	14,551	1,651	467,063
Postage	2,920	184,024	160	45,664	19,059	6,090	1,100	259,017
Health, life & disability	14,486	41,239	2,359	12,527	12,027	53,715	5,108	141,461
Grants/Donations	124,441	1,050	-	4,757	-	-	-	130,248
Depreciation & amortization	6,637	18,762	1,071	5,575	5,585	24,289	2,302	64,221
Payroll taxes	6,478	18,109	1,035	5,469	5,513	23,488	2,221	62,313
Accounting & payroll	414	1,196	71	379	356	1,570	145	4,131
Bank charges	1,117	3,144	167	948	925	4,097	396	10,794
Pension plan	3,549	10,025	576	3,180	3,278	12,903	1,245	34,756
Building expenses	2,908	8,278	438	2,564	2,625	10,469	978	28,260
Media/books	-	25,487	-	74	-	4	-	25,565
Telephone	1,952	5,525	315	1,616	1,631	7,148	681	18,868
Insurance	1,763	5,148	267	1,397	1,498	6,641	641	17,355
Dues & subscriptions	457	2,561	68	4,921	4,814	2,561	142	15,524
Delivery	85	7,606	-	1,909	776	136	35	10,547
Office supplies	1,374	2,206	81	604	521	2,109	186	7,081
Travel	3,224	3,353	1,592	62	59	172	16	8,478
State registration	-	-	-	-	-	-	-	-
Rent	750	2,124	122	631	633	2,752	261	7,273
Equipment rental	219	817	52	356	238	1,056	103	2,841
<b>Total expenses</b>	<b>\$ 292,262</b>	<b>\$ 1,225,293</b>	<b>\$ 26,534</b>	<b>\$ 357,444</b>	<b>\$ 209,411</b>	<b>\$ 470,933</b>	<b>\$ 70,421</b>	<b>\$ 2,652,298</b>

See Accompanying Notes



# International Campaign for Tibet

## Statement of Functional Expenses (continued)

**For the year ended December 31, 2021 with summarized financial information for 2020**

		Support Services				
	Total Program	Fundraising (Development)	General and Administrative	Total Supporting Services	2021 Total	2020 Total
Salaries and wages	\$ 749,816	\$ 79,323	\$ 76,416	\$ 155,739	\$ 905,555	\$ 957,357
Professional services	586,686	173,194	56,812	230,006	816,692	815,173
Printing	467,063	285,180	5,177	290,357	757,420	744,242
Postage	259,017	50,014	13,421	63,435	322,452	268,931
Health, life & disability	141,461	16,354	16,430	32,784	174,245	144,777
Grants/Donations	130,248	-	-	-	130,248	84,879
Depreciation & amortization	64,221	7,429	7,279	14,708	78,929	71,889
Payroll taxes	62,313	7,176	6,931	14,107	76,420	76,582
Accounting & payroll	4,131	479	67,722	68,201	72,332	56,058
Bank charges	10,794	13,271	25,166	38,437	49,231	67,842
Pension plan	34,756	3,884	3,674	7,558	42,314	68,679
Building expenses	28,260	3,144	8,558	11,702	39,962	28,525
Media/books	25,565	2,065	988	3,053	28,618	18,215
Telephone	18,868	2,184	2,837	5,021	23,889	9,976
Insurance	17,355	1,984	1,991	3,975	21,330	22,466
Dues & subscriptions	15,524	568	2,469	3,037	18,561	9,230
Delivery	10,547	2,626	195	2,821	13,368	9,249
Office supplies	7,081	1,848	3,189	5,037	12,118	23,033
Travel	8,478	50	2,556	2,606	11,084	21,967
State registration	-	9,193	156	9,349	9,349	9,857
Rent	7,273	842	825	1,667	8,940	5,073
Equipment rental	2,841	349	508	857	3,698	8,773
<b>Total expenses</b>	<b>\$ 2,652,298</b>	<b>\$ 661,157</b>	<b>\$ 303,300</b>	<b>\$ 964,457</b>	<b>\$ 3,616,755</b>	<b>\$ 3,522,773</b>

See Accompanying Notes

# International Campaign for Tibet

## Statements of Cash Flows

For the years ended December 31	2021	2020
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 545,220	\$ 1,893,738
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	78,929	71,889
Net realized and unrealized loss on investments	70,899	-
Donated investments	(120,028)	(100,754)
Principal forgiveness on PPP loan	-	(220,700)
(Increase) decrease in:		
Grants and contributions receivable	(137,862)	186,225
Other receivables	1,764	(10,949)
Prepaid expenses	53,036	(9,227)
Increase (decrease) in:		
Accounts payable and accrued expenses	57,701	39,766
<b>Net cash provided by operating activities</b>	<u>549,659</u>	<u>1,849,988</u>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(3,761,508)	-
Proceeds from sale of investments	-	98,059
Purchase of property and equipment	(71,515)	(65,883)
<b>Net cash provided by (used in) investing activities</b>	<u>(3,833,023)</u>	<u>32,176</u>
<b>Cash flows from financing activities:</b>		
Payments made on note payable	(34,518)	(30,502)
Proceeds from PPP loan	-	220,700
<b>Net cash provided by (used in) financing activities</b>	<u>(34,518)</u>	<u>190,198</u>
Net increase (decrease) in cash and cash equivalents	(3,317,882)	2,072,362
Cash and cash equivalents - beginning	<u>4,027,626</u>	<u>1,955,264</u>
<b>Cash and cash equivalents - ending</b>	<u>\$ 709,744</u>	<u>\$ 4,027,626</u>

### Supplemental disclosure of cash flow information:

Cash paid during the year for:		
Interest	\$ 1,614	\$ 4,301

See Accompanying Notes

# International Campaign for Tibet

## Notes to Financial Statements

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**December 31, 2021 and 2020**

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**Note 1: Summary of significant accounting policies:**

International Campaign for Tibet (ICT) is a 501(c)(3) tax exempt, nonprofit organization based in Washington, DC. Formed in 1988, the organization works to promote human rights and democratic freedoms for the people of Tibet. ICT's major sources of revenue are from contributions, grants, and events.

Basis of accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, revenue is recognized when earned and expenses when the obligation is incurred.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with ICT's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents - Cash and cash equivalents consist of short-term, highly liquid investments with maturities of three months or less at the date of their acquisition. Money market accounts included in investment accounts are treated as investments.

Accounts receivable - Accounts receivable are stated at their net realizable value. ICT records receivables net of an allowance for doubtful accounts when necessary. The allowance is determined based on review of the estimated collectability of the specific accounts, plus a general provision based on historical loss experience and existing economic conditions. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determines an account, or a portion thereof, to be worthless. Management considers all receivables to be fully collectible; therefore, no allowance for doubtful accounts has been established.

Contributions receivable - Contributions receivable consist of unconditional promises to give that are expected to be collected within one year and are recorded at their net realizable value. Conditional promises to give are not included as support until the conditions are substantially met. Management considers all promises to give to be fully collectible; therefore, no allowance for doubtful accounts has been established.

## International Campaign for Tibet

### Notes to Financial Statements

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December 31, 2021 and 2020

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**Note 1: Summary of significant accounting policies: (continued)**

Property and equipment - Property and equipment is stated at cost. Contributed property and equipment are recorded at fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 10 years, and an estimated 40 years for the building. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount and fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. ICT capitalizes all additions to property and equipment over \$500.

Deferred financing costs - Deferred financing costs consist of fees and expenses incurred related to the mortgage loan and are being amortized using the straight-line method over the life of the mortgage loan.

Investments - Investments consist of equity securities, bonds, and money market funds, and are presented in the financial statements at market prices with changes in the fair value reflected in revenue annually. Interest, dividends, and realized gains and losses are recorded as revenue when earned. ICT uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, ICT measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. There have been no changes in the valuation methodologies used during the current year. All assets are considered Level 1 and have been valued using a market approach.

Fair value measurements - The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that ICT has the ability to access.

# International Campaign for Tibet

## Notes to Financial Statements

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December 31, 2021 and 2020

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**Note 1: Summary of significant accounting policies: (continued)**

Fair value measurements (continued) -

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Contributions - Contributions received are recorded as support with or without donor restrictions depending on the existence of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Donated assets are recognized as contribution revenue at their fair market value on the date of donation.

PPP loan forgiveness - In April 2020, ICT was granted a loan in the amount of \$220,700 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. Under the terms of the PPP, the loan was forgiven in December 2020. The forgiveness income is being treated as a conditional contribution under ASC 958-605 and is included in government grants on the statement of activities for the year ended December 31, 2020.

## International Campaign for Tibet

### Notes to Financial Statements

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December 31, 2021 and 2020

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**Note 1: Summary of significant accounting policies: (continued)**

Net assets - In the accompanying financial statements, net assets and revenue have been classified based on the existence or absence of donor-imposed restrictions. The classes of net assets are as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets that are subject to donor-imposed purpose or time restrictions.

Revenue recognition - In 2020, ICT adopted ASU 2014-09 using the retrospective method to all periods presented. The standard's purpose is to eliminate variations in the way businesses across industries handle accounting for revenue recognition. This is accomplished by identifying customer contracts, performance obligations, and transaction prices, then recording revenue as ICT satisfies the performance obligations of each contract. We have analyzed the provisions of ASC Topic 606 and have concluded that no changes are necessary to ICT's revenue recognition policies in order to conform to the new standard.

ICT evaluates whether a contribution is conditional, which affects the timing of the revenue recognized. Unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions received are accounted for as a liability initially, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions. When a stipulated donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and released from restrictions. Revenue generated from sales of physical products is recognized when the goods are shipped.

Revenue disaggregation - In accordance with ASU 2014-09, ICT disaggregates revenue from contracts with customers into major revenue streams and the timing of recognizing revenue. All revenues for the years ended December 31, 2021 and 2020 are recognized at a point in time.

Economic uncertainties - On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic, which has caused worldwide business interruption. This interruption may negatively impact ICT's operating results, but the related financial impact and duration cannot be reasonably estimated at this time.

## International Campaign for Tibet

### Notes to Financial Statements

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December 31, 2021 and 2020

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**Note 1: Summary of significant accounting policies: (continued)**

Accounting for uncertainty in income taxes - ICT accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax effect is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for uncertain tax positions. Interest and penalties, if any, are accrued as a component of general and administrative expenses when assessed. ICT is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Similar to other tax-exempt organizations, ICT is subject to tax on unrelated business income. Tax years prior to 2018 are no longer subject to examination by the IRS or the tax jurisdiction of the District of Columbia.

During the years ended December 31, 2021 and 2020, ICT did not have net taxable income from unrelated business activities; therefore, there is no provision in these financial statements for income taxes or interest and penalties related to unrecognized tax benefits.

Reclassifications - Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. Net assets and changes in net assets are unchanged due to these reclassifications

## International Campaign for Tibet

### Notes to Financial Statements

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**December 31, 2021 and 2020**

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**Note 2: Liquidity and availability:**

The following reflects ICT's financial assets on December 31, 2021 and 2020, reduced by amounts that are not available for general use because of donor-imposed purpose restrictions within one year of the balance sheet date.

	2021	2020
Financial assets:		
Cash	\$ 709,744	\$ 4,027,626
Accounts receivable	147,047	10,949
Investments	3,813,382	2,745
	<u>4,670,173</u>	<u>4,041,320</u>
Less those unavailable for general expenditure within one year, due to:		
Amounts designated for future purpose restrictions	<u>(122,856)</u>	<u>(51,759)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,547,317</u>	<u>\$ 3,989,561</u>

As part of the ICT's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. ICT also has a line of credit providing for a maximum borrowing of \$200,000 which can be made available until November 24, 2022 should the need arise.

**Note 3: Property and equipment:**

Property and equipment consisted of the following at December 31:

	2021	2020
Land	\$ 620,568	\$ 620,568
Building	2,573,400	2,573,400
Furniture and equipment	531,871	460,356
	<u>3,725,839</u>	<u>3,654,324</u>
Less: accumulated depreciation	<u>(1,437,208)</u>	<u>(1,358,513)</u>
Property and equipment, net	<u>\$ 2,288,631</u>	<u>\$ 2,295,811</u>

Depreciation expense for the years ended December 31, 2021 and 2020 was \$78,695 and \$71,655, respectively.



## International Campaign for Tibet

### Notes to Financial Statements

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**December 31, 2021 and 2020**

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**Note 4: Investments:**

Investments consisted of equity securities in the amount of \$2,745 at December 31, 2020. Investments consisted of the following at December 31, 2021:

	Cost	Fair Market Value	Unrealized Gain (Loss)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Bonds	\$ 3,539,206	\$ 3,466,399	\$ (72,807)
Equities	26	44	18
Money market	<u>346,939</u>	<u>346,939</u>	<u>-</u>
Total	<u>\$ 3,886,171</u>	<u>\$ 3,813,382</u>	<u>\$ (72,789)</u>

ICT's investment return was made up of the following for the years ended December 31:

	2021	2020
	<u>                    </u>	<u>                    </u>
Net realized and unrealized gain(loss) on investments	\$ (70,899)	\$ 2,695
Less: investment fees	<u>(17,698)</u>	<u>-</u>
Total gain(loss) on investments	(88,597)	2,695
Interest and dividends	<u>60,255</u>	<u>1,363</u>
Total investment return	<u>\$ (28,342)</u>	<u>\$ 4,058</u>

The investments are designated as without donor restrictions and as such, the investment return is included as increases or decreases in net assets without donor restrictions.

**Note 5: Deferred financing costs:**

During the mortgage loan refinance process, ICT incurred \$2,342 of deferred financing costs which began being amortized in 2013. Accumulated amortization on these deferred financing costs was \$2,108 and \$1,874 as of December 31, 2021 and 2020, respectively. Amortization expense for the year ended December 31, 2022 is expected to be \$234.

## International Campaign for Tibet

### Notes to Financial Statements

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December 31, 2021 and 2020

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**Note 6: Net assets with donor restrictions:**

Net assets with donor restrictions were available for grants to Tibetan photographers, filmmakers and writers, and for Tibetan Covid relief. Net assets with donor restrictions are available for the following purposes at December 31:

	2021	2020
IBU grant	\$ 90,936	\$ 36,035
Peretti grant	16,196	-
Covid/earthquake relief in Nepal	15,724	15,724
	<u>\$ 122,856</u>	<u>\$ 51,759</u>

The following net assets with donor restrictions were released by satisfying their restricted purposes specified by the donors at December 31:

	2021	2020
Peretti grant	\$ 44	\$ 15,705
IBU grant	155,387	101,909
	<u>\$ 155,431</u>	<u>\$ 117,614</u>

**Note 7: Note payable:**

ICT has a mortgage note payable to a bank in the original amount of \$300,000, which was refinanced in December 2012. The note bears a fixed rate of 4.15% and requires monthly payments of \$2,779 through November 2022, the due date of the note. Any additional payments of principal are subject to a prepayment penalty. The note is secured by ICT's land, building, and furniture and equipment.

Future minimum principal payments over the next year are \$20,604.

Interest expense was \$1,614 and \$4,301 for the years ended December 31, 2021 and 2020, respectively.

ICT has a line of credit providing for a maximum borrowing of \$200,000. The line of credit bears a variable rate of the Bank's Prime Rate, which cannot decrease below 4.25% or exceed 30.00%, and had an initial maturity date of November 24, 2014. The line of credit was renewed with a new maturity date of November 24, 2022 and is secured by ICT's receivables and fixed assets.

## International Campaign for Tibet

### Notes to Financial Statements

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**December 31, 2021 and 2020**

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**Note 7: Note payable: (continued)**

There were no borrowings on the line of credit during 2021 and ICT does not plan to renew this line of credit after its maturity date. The amount outstanding was \$-0- at December 31, 2021 and 2020.

**Note 8: Allocation of joint costs:**

For the years ended December 31, 2021 and 2020, ICT incurred joint costs of \$1,318,076 and \$1,239,496, respectively, for informational materials and activities that included electronic and direct mail fundraising appeals that were allocated as of December 31 as follows:

	2021	2020
Tibetan empowerment	\$ 9,200	\$ 34,452
Education and awareness	781,836	659,487
International operations	20,939	-
Advocacy and campaigns	251,416	242,765
Government relations	63,283	94,481
Monitoring and reporting	14,758	29,247
Chinese outreach	3,814	3,210
Fundraising	172,830	175,854
	<u>\$ 1,318,076</u>	<u>\$ 1,239,496</u>

**Note 9: Functional allocation of expenses:**

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain supporting general and administrative costs have been allocated according to the amount the programs and supporting services benefited. Joint costs are allocated by the mailing. The allocation of percentages between program versus fundraising and development are based upon the number of paragraphs in the mailing, while salaries, benefits, payroll taxes and other expenses are allocated on the basis of estimates of time and effort. The following program services are included in the accompanying financial statements:

*Tibetan Empowerment* - Working with Tibetan communities in the United States and abroad to teach and empower them about their history and how to advocate for themselves. Includes Tibetan Youth Leadership program, Rowell Fund for Tibet and the Lodi Gyari Fellowship. Also includes Political Prisoner Rehabilitation, which works with former Tibetan political prisoners to help them adapt to freedom and teach others about their experiences.

## International Campaign for Tibet

### Notes to Financial Statements

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**December 31, 2021 and 2020**

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**Note 9: Functional allocation of expenses:** (continued)

*Education and Awareness* - A wide range of activities and initiatives that build greater public awareness about the issues in Tibet. Includes all communications activities and public events. Including Allies for Tibet and other advocacy work, Tibet Talks, social media, newsletters, email newsletters and the website, [www.savetibet.org](http://www.savetibet.org). Also includes work focusing on education around the environment in Tibet and the impact of climate change. Includes campaigns for release of Tibetan political prisoners, for the promotion of human rights in Tibet, and for religious freedom.

*International Operations* - Support for ICT's international offices, staff and consultants in Amsterdam, Berlin, and Brussels.

*Advocacy and Campaigns* - Includes campaigns for the release of Tibetan political prisoners, promotion of human rights and religious freedom.

*Government Relations* - Work relating to programs that involve national, state, and regional governments, the U.S. Congress and Administration, European nations, and the European Union and the United Nations.

*Monitoring and Reporting* - Includes publication of reports, both online and printed of the situation in Tibet and Chinese government policies towards the Tibetan people and their impact.

*Chinese Outreach* - Creating an understanding of Tibetan issues through increased communication with various segments of the Chinese community.

**Note 10: Employee retirement plan:**

In October 1999, ICT established a 403(b) salary reduction agreement for all full-time employees meeting minimum service requirements. Contributions to the plan are made through voluntary salary reductions. ICT may make a matching contribution equal to 100% of the voluntary salary reduction, up to 5% of the employee's base salary. ICT's contributions to the plan for the years ended December 31, 2021 and 2020 were \$42,314 and \$68,679, respectively.

**Note 11: Operating leases:**

ICT leases equipment and storage space under various operating leases on a month-to-month basis. There are no future minimum rental payments relating to these leases. Rental expense amounted to \$12,637 and \$13,848 for the years ended December 31, 2021 and 2020, respectively.

## **International Campaign for Tibet**

### **Notes to Financial Statements**

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**December 31, 2021 and 2020**

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**Note 12: Concentrations:**

ICT maintains cash and cash equivalents with commercial banks and a securities broker-dealer. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) and the Securities Investor Protection Corporation (SIPC) up to specified limits. At various times throughout 2021 and 2020, cash balances at these institutions exceeded the federally insured limits. ICT has not experienced any losses with respect to its cash balances.

For the year ended December 31, 2021, no one contributor made up more than 10% of revenue. For the year ended December 31, 2020, one contributor made up 19% of total revenue.

For the year ended December 31, 2021, one contributor made up 79% of the total receivable balance. For the year ended December 31, 2020, no one contributor made up more than 10% of the total receivable balance.

**Note 13: Related party transactions:**

During the year ended December 31, 2021, ICT received a research grant of \$30,000 from ICT Europe. ICT Europe is a separate organization with no control over ICT, but the entities have a board member in common as well as a shared mission which results in a close relationship.

**Note 14: Subsequent events:**

Subsequent events have been evaluated through August 5, 2022, which is the date the financial statements were available to be issued.

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