



International Campaign for Tibet

Financial Statements
and
Independent Auditor's Report

December 31, 2023 and 2022



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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 (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year 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 International Campaign for Tibet as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 International Campaign for Tibet and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of International Campaign for Tibet as of December 31, 2022 were audited by Sikich LLP, whose report dated July 27, 2023, expressed an unmodified opinion of those financial statements. Effective as of April 30, 2024, Sikich LLP reorganized and transferred its attest practice to Sikich CPA LLC, a Virginia limited liability company.

Emphasis of Matter - Restatement

As discussed in Note 14 to the financial statements, International Campaign for Tibet has restated the December 31, 2022 financial statements during 2023 in order to properly recognize trademarks as an intangible asset. Our opinion is not modified with respect to this matter.

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 International Campaign for Tibet'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 International Campaign for Tibet'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 International Campaign for Tibet'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.

Sikich CPA LLC

Alexandria, Virginia
August 27, 2024

**International Campaign for Tibet
Statements of Financial Position
December 31, 2023 and 2022**

	2023	(RESTATED) 2022
Assets		
Current assets:		
Cash	\$ 764,403	\$ 432,690
Investments	4,693,735	4,582,613
Contributions and grants receivable	79,731	176,846
Other receivables	512	1,250
Prepaid expenses	<u>56,363</u>	<u>103,160</u>
Total current assets	5,594,744	5,296,559
Cash-restricted	15,724	15,724
Property and equipment, net	2,199,192	2,220,482
Trademarks	113,167	113,167
Deposits	<u>360</u>	<u>360</u>
Total assets	<u>\$ 7,923,187</u>	<u>\$ 7,646,292</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	<u>\$ 201,221</u>	<u>\$ 161,434</u>
Total liabilities	<u>201,221</u>	<u>161,434</u>
Net assets:		
Without donor restrictions	7,626,511	7,282,049
With donor restrictions	<u>95,455</u>	<u>202,809</u>
Total net assets	<u>7,721,966</u>	<u>7,484,858</u>
Total liabilities and net assets	<u>\$ 7,923,187</u>	<u>\$ 7,646,292</u>

See accompanying notes to the financial statements.

International Campaign for Tibet
Statement of Activities
For the Year Ended December 31, 2023

	Without donor restrictions	With donor restrictions	Total
Revenues:			
Contributions	\$ 4,005,872	\$ 79,731	\$ 4,085,603
List rental income	15,769	-	15,769
Other income	20,411	-	20,411
Investment returns, net	244,778	-	244,778
Net assets released from restrictions:			
Satisfaction of donor restrictions	<u>187,085</u>	<u>(187,085)</u>	<u>-</u>
Total revenues	<u>4,473,915</u>	<u>(107,354)</u>	<u>4,366,561</u>
Expenses:			
Program services:			
Education and awareness	1,827,639	-	1,827,639
Monitoring and reporting	663,903	-	663,903
Advocacy and campaigns	325,716	-	325,716
Government relations	320,084	-	320,084
Tibetan empowerment	255,936	-	255,936
Chinese outreach	<u>63,250</u>	<u>-</u>	<u>63,250</u>
Total program services	<u>3,456,528</u>	<u>-</u>	<u>3,456,528</u>
Support services:			
Fundraising	384,350	-	384,350
General and administrative	<u>288,575</u>	<u>-</u>	<u>288,575</u>
Total support services	<u>672,925</u>	<u>-</u>	<u>672,925</u>
Total expenses	<u>4,129,453</u>	<u>-</u>	<u>4,129,453</u>
Change in net assets	344,462	(107,354)	237,108
Net assets, beginning of year	<u>7,282,049</u>	<u>202,809</u>	<u>7,484,858</u>
Net assets, end of year	<u>\$ 7,626,511</u>	<u>\$ 95,455</u>	<u>\$ 7,721,966</u>

See accompanying notes to the financial statements.

International Campaign for Tibet
Statement of Activities
For the Year Ended December 31, 2022

	Without donor restrictions	With donor restrictions	Total
Revenues:			
Contributions	\$ 4,588,844	\$ 99,232	\$ 4,688,076
Grants	30,000	121,072	151,072
List rental income	32,976	-	32,976
Merchandise sales	214	-	214
Investment returns, net	(471,339)	-	(471,339)
Net assets released from restrictions:			
Satisfaction of donor restrictions	<u>140,351</u>	<u>(140,351)</u>	<u>-</u>
Total revenues	<u>4,321,046</u>	<u>79,953</u>	<u>4,400,999</u>
Expenses:			
Program services:			
Education and awareness	1,606,651	-	1,606,651
Monitoring and reporting	541,776	-	541,776
Advocacy and campaigns	380,477	-	380,477
Government relations	338,549	-	338,549
Tibetan empowerment	217,845	-	217,845
Chinese outreach	<u>68,799</u>	<u>-</u>	<u>68,799</u>
Total program services	<u>3,154,097</u>	<u>-</u>	<u>3,154,097</u>
Support services:			
Fundraising	357,712	-	357,712
General and administrative	<u>279,324</u>	<u>-</u>	<u>279,324</u>
Total support services	<u>637,036</u>	<u>-</u>	<u>637,036</u>
Total expenses	<u>3,791,133</u>	<u>-</u>	<u>3,791,133</u>
Change in net assets	529,913	79,953	609,866
Net assets, beginning of year, as previously stated	6,638,969	122,856	6,761,825
Restatement	<u>113,167</u>	<u>-</u>	<u>113,167</u>
Net assets, end of year, as restated	<u>\$ 7,282,049</u>	<u>\$ 202,809</u>	<u>\$ 7,484,858</u>

See accompanying notes to the financial statements.

International Campaign for Tibet
Statement of Functional Expenses
For the Year Ended December 31, 2023

	Education and awareness	Monitoring and reporting	Advocacy and campaigns	Government relations	Tibetan empowerment	Chinese outreach	Total program services	Fundraising	General and administrative	Total support services	Total expenses
Salaries and wages	\$ 383,108	318,646	66,161	125,706	72,080	21,972	987,673	\$ 51,526	\$ 56,196	\$ 107,722	\$ 1,095,395
Printing	549,100	36,502	98,477	45,817	11,378	1,262	742,536	158,244	2,674	160,918	903,454
Professional services	440,842	46,861	86,496	45,263	26,112	27,736	673,310	85,399	50,119	135,518	808,828
Postage & delivery	194,847	18,420	38,960	19,873	8,026	1,094	281,220	38,643	1,396	40,039	321,259
Health, life & disability	61,996	54,966	9,574	18,095	7,678	3,550	155,859	8,597	43,401	51,998	207,857
Travel	37,152	43,371	2,767	21,762	43,900	18	148,970	42	12,357	12,399	161,369
Depreciation	33,486	29,437	5,171	9,489	4,296	1,882	83,761	4,620	3,729	8,349	92,110
Payroll taxes	31,676	28,164	4,915	9,083	4,056	1,837	79,731	4,410	4,413	8,823	88,554
Accounting & payroll	2,306	2,041	355	661	298	132	5,793	320	72,253	72,573	78,366
Grants & donations	29	-	-	381	68,537	-	68,947	-	-	-	68,947
Building expenses	18,065	15,965	2,797	5,201	2,381	1,036	45,445	2,531	8,069	10,600	56,045
Dues & subscriptions	8,707	30,401	2,078	5,132	454	212	46,984	469	4,506	4,975	51,959
Pension plan	18,044	16,011	2,785	5,155	2,264	1,043	45,302	2,524	3,431	5,955	51,257
Bank charges	4,916	4,793	780	1,353	664	304	12,810	9,709	3,503	13,212	26,022
Office supplies	4,042	1,291	149	1,037	997	62	7,578	1,907	15,657	17,564	25,142
Insurance	9,660	8,677	1,507	2,804	1,416	565	24,629	1,333	-	1,333	25,962
Telephone	6,365	5,656	982	1,855	811	370	16,039	884	1,362	2,246	18,285
Media & books	14,000	-	-	-	-	-	14,000	-	5,038	5,038	19,038
State registration	-	-	-	-	-	-	-	11,418	156	11,574	11,574
Delivery	6,639	356	1,359	625	245	21	9,245	1,406	15	1,421	10,666
Equipment rental	1,800	1,588	277	509	237	104	4,515	251	202	453	4,968
Rent	859	757	126	283	106	50	2,181	117	98	215	2,396
Total expenses	\$ 1,827,639	\$ 663,903	\$ 325,716	\$ 320,084	\$ 255,936	\$ 63,250	\$ 3,456,528	\$ 384,350	\$ 288,575	\$ 672,925	\$ 4,129,453

See accompanying notes to the financial statements

International Campaign for Tibet
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Education and awareness	Monitoring and reporting	Advocacy and campaigns	Government relations	Tibetan empowerment	Chinese outreach	Total program	Fundraising	General and administrative	Total support services	Total expenses
Salaries and wages	\$ 336,787	\$ 273,096	\$ 60,651	\$ 115,224	\$ 60,469	\$ 26,257	\$ 872,484	\$ 57,560	\$ 71,639	129,199	1,001,683
Printing	476,056	27,554	119,363	61,302	35,943	2,937	723,155	112,967	5,311	118,278	841,433
Professional services	398,372	44,068	107,238	57,281	39,039	25,172	671,170	87,240	62,270	149,510	820,680
Postage & delivery	185,354	15,130	44,749	24,894	14,233	1,655	286,015	40,758	3,715	44,473	330,488
Health, life & disability	56,499	51,888	10,604	18,431	8,089	4,160	149,671	10,168	12,246	22,414	172,085
Payroll taxes	27,081	24,802	5,076	8,886	3,876	1,994	71,715	4,840	6,675	11,515	83,230
Depreciation	27,126	24,781	5,047	8,948	3,893	1,987	71,782	4,809	5,097	9,906	81,688
Accounting & payroll	1,860	1,697	344	617	269	136	4,923	328	73,522	73,850	78,773
Travel	16,516	432	10,277	17,629	7,894	109	52,857	81	4,813	4,894	57,751
Grants & donations	3,298	-	5,000	1,480	35,569	-	45,347	-	425	425	45,772
Pension plan	15,104	13,812	2,833	5,002	2,163	1,122	40,036	2,690	2,875	5,565	45,601
Dues & subscriptions	7,176	27,819	567	5,420	400	214	41,596	559	2,775	3,334	44,930
Building expenses	13,046	11,963	2,390	4,274	1,909	953	34,535	2,310	7,241	9,551	44,086
Insurance	9,651	8,718	1,743	3,262	1,370	698	25,442	1,698	1,735	3,433	28,875
Bank charges	4,138	3,819	787	1,331	587	310	10,972	10,491	4,421	14,912	25,884
Office supplies	6,348	2,723	1,903	1,255	642	347	13,218	4,358	6,252	10,610	23,828
Telephone	7,373	6,719	1,350	2,411	1,092	531	19,476	1,281	2,931	4,212	23,688
Media & books	11,914	-	-	-	-	-	11,914	4,706	1,039	5,745	17,659
State registration	-	-	-	-	-	-	-	10,292	3,730	14,022	14,022
Equipment rental	1,573	1,444	294	512	230	117	4,170	279	297	576	4,746
Rent	<u>1,379</u>	<u>1,311</u>	<u>261</u>	<u>390</u>	<u>178</u>	<u>100</u>	<u>3,619</u>	<u>297</u>	<u>315</u>	<u>612</u>	<u>4,231</u>
Total expenses	<u>\$ 1,606,651</u>	<u>\$ 541,776</u>	<u>\$ 380,477</u>	<u>\$ 338,549</u>	<u>\$ 217,845</u>	<u>\$ 68,799</u>	<u>\$ 3,154,097</u>	<u>\$ 357,712</u>	<u>\$ 279,324</u>	<u>\$ 637,036</u>	<u>\$ 3,791,133</u>

See accompanying notes to the financial statements

International Campaign for Tibet
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ <u>237,108</u>	\$ <u>609,866</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation of property and equipment	92,110	81,688
Net realized and unrealized (gain) loss on investments	(99,866)	525,355
Amortization of deferred financing costs	-	234
Donated investments	(1,343)	(12,816)
Decrease (increase) in assets:		
Contributions and grants receivable	97,115	(38,984)
Other receivables	738	7,935
Prepaid expenses	46,797	(59,697)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	<u>39,787</u>	<u>(58,998)</u>
Total adjustments	<u>175,338</u>	<u>444,717</u>
Net cash provided by operating activities	<u>412,446</u>	<u>1,054,583</u>
Cash flows from investing activities:		
Purchases of investments	(3,820,977)	(1,281,737)
Proceeds from sales of investments	3,850,549	43,331
Purchases of property and equipment	(70,820)	(13,539)
Reinvested dividends	<u>(39,485)</u>	<u>(43,364)</u>
Net cash used in investing activities	<u>(80,733)</u>	<u>(1,295,309)</u>
Cash flows from financing activities:		
Principal payments on note payable	<u>-</u>	<u>(20,604)</u>
Net cash used in financing activities	<u>-</u>	<u>(20,604)</u>
Net increase (decrease) in cash and cash-restricted	331,713	(261,330)
Cash and cash-restricted, beginning of year	<u>448,414</u>	<u>709,744</u>
Cash and cash-restricted, end of year	<u>\$ 780,127</u>	<u>\$ 448,414</u>
Cash and cash-restricted reconciliation:		
Cash	\$ 764,403	\$ 432,690
Cash-restricted	<u>15,724</u>	<u>15,724</u>
Total cash and cash-restricted	<u>\$ 780,127</u>	<u>\$ 448,414</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	<u>\$ -</u>	<u>\$ 309</u>

See accompanying notes to the financial statements.

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

1. Organization

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

Description of program services

Education and awareness - A wide range of activities and initiatives that build greater public awareness about the issues in Tibet. This includes all communications activities and public events, Allies for Tibet and other advocacy work, Tibet Talks, social media, newsletters, email newsletters and the website, www.savetibet.org. This program also includes work focusing on education around the environment in Tibet and the impact of climate change.

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.

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.

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.

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

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies

a. Basis of presentation

ICT's financial statements are presented in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) for nonprofit organizations. Under those principles, ICT is required to report information regarding its financial position and activities according to two classes of net assets:

- *Net Assets Without Donor Restrictions* represent resources that are not subject to donor imposed restrictions and are available for operations at management's discretion.
- *Net Assets With Donor Restrictions* represent resources restricted by donors. Some donor restrictions are temporary in nature and those restrictions will be met by actions of ICT or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

b. Basis of accounting

ICT's financial statements are prepared on the accrual basis of accounting in accordance with U.S. GAAP.

c. Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and their functional allocation during the reporting period. Actual results could differ from those estimates.

d. Fair value measurements

US GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. U.S. GAAP requires ICT to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Significant unobservable inputs.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

Valuation Techniques

Following is a description of the valuation techniques used for assets and liabilities measured at fair value on a recurring basis. There have been no changes to the techniques used during the years ended December 31, 2023 and 2022.

- Exchange-traded funds: Valued at the closing quoted price in an active market.
- Equities: Valued at the closing quoted price in an active market.
- Mutual Funds: Valued at the NAV of shares on the last trading day of the calendar year.
- U.S. government securities: U.S. Treasury notes in which ICT invests are usually “off the run” on the measurement date. Thus, they are valued by a pricing service using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. U.S. Treasury notes that are “on the run” are measured at quoted prices in active markets for the same security.
- Bonds: The investment grade municipal and corporate bonds held by the ICT generally do not trade in active markets on the measurement date. Therefore, corporate debt securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.

e. Income taxes

ICT is exempt from federal and local income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. ICT is not classified as a private foundation.

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

ICT is not aware of any activities that would jeopardize their tax-exempt status that would require recognition in the accompanying financial statements. Generally, tax returns are subject to examination by taxing authorities for up to three years from the date a completed return is filed. If material omissions of income exist, tax returns may be subject to examination for up to six years. It is the ICT's policy to disclose interest and/or penalties related to uncertain tax positions, if any, in the accompanying financial statements. As of December 31, 2023 and 2022, ICT had no uncertain tax positions which should be disclosed. ICT is no longer subject to U.S. federal or state examinations by tax authorities for tax years prior to 2020.

f. Cash and Cash-Restricted

For financial statement purposes, ICT classifies demand deposits as cash. Cash included in investment portfolios are included in investments on the statements of financial position. Cash-restricted represent funds restricted by donors until the purpose is met by ICT.

g. Contributions and grants receivable

Contributions and grants receivable are unconditional promises to give that are recognized as contributions and grants when the promise or grant award is received. All contributions and grants receivable are expected to be collected in less than one year and are reported at their net realizable value. Reserves are established for receivables that are delinquent and considered uncollectible based on periodic reviews by management. At December 31, 2023 and 2022, management believes all receivables are considered collectible, therefore no allowance for doubtful accounts have been recognized. However, write-offs may occur.

h. Investments

Investments are reported at fair value and realized and unrealized gains and losses are reported in the accompanying statements of activities as increases or decreases in net assets without donor restrictions, unless the income or loss is restricted by donor restrictions or law. ICT invests in a variety of investments that are exposed to various risks, such as fluctuations in market value and credit risk. It is reasonably possible that changes in risks in the near term could materially affect investment balances and amounts reported in the accompanying financial statements. Donated securities are recorded at their fair value on the date of the donation. Investment return is reported net of external and direct internal investment expenses.

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

i. Property and equipment, net

Property and equipment acquisitions are recorded in the financial statements at cost, net of accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as follows:

Furniture and equipment	3 - 20 years
Building	40 years

ICT's policy is to capitalize major additions and improvements over \$500. Repairs and maintenance which do not significantly add to the value of assets are expensed as incurred.

j. Trademarks

ICT carries their trademarks at cost and they are not amortized as they are considered indefinite-lived intangible assets. For the years ended December 31, 2023 and 2022, there was no impairment of trademarks.

k. Revenue recognition

Contributions and grants: Unconditional contributions and grants are recognized as revenue when received or promised and are recorded net of any current year allowance or discount activity. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances. At December 31, 2023 and 2022 there were no conditional promises to give. ICT reports gifts of cash and other assets as donor restricted support if they are received or promised with donor stipulations that limit the use of the donated assets to ICT's programs or to a future year. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

International Campaign for Tibet
Notes to the Financial Statements
December 31, 2023 and 2022

I. Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying 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 between program versus fundraising based upon the number of paragraphs in the mailing. Accounts include printing and postage and delivery. Salaries and wages, health, life & disability, depreciation, payroll taxes, pension plan, telephone, insurance, equipment rental, and rent are allocated on the basis of estimates of time and effort. Other costs that directly benefit a program or supporting services are charged directly to the program or supporting service to which they relate.

3. Liquidity and Availability

The following represents ICT's financial assets at December 31:

Financial assets at year end:	2023	2022
Cash	\$ 764,403	\$ 432,690
Investments	4,693,735	4,582,613
Contributions and grants receivable	79,731	176,846
Other receivables	512	1,250
Cash-restricted	15,724	15,724
Total financial assets	5,554,105	5,209,123
Less amounts not available for unrestricted purposes within one year:		
Net assets with donor restrictions	(15,724)	(103,577)
Financial assets available to meet general expenditures within one year	\$ 5,538,381	\$ 5,105,546

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. Unrestricted cash is maintained in liquid accounts and available to meet general operating needs. ICT also has a line of credit providing for a maximum borrowing of \$200,000, should the need arise.

4. Concentrations of Credit Risk

ICT maintains bank deposits that, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) limits. At December 31, 2023 and 2022, ICT had bank deposits in excess of FDIC limits of \$483,463 and \$155,046, respectively. ICT has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

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5. Investments and Fair Value Measurements

Assets measured at fair value on a recurring basis at December 31, 2023 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Exchange-traded funds	\$ 903,981	\$ -	\$ -	\$ 903,981
Mutual Fund	89,119	-	-	89,119
U.S. Treasury Notes	-	138,489	-	138,489
Bonds	-	<u>3,397,540</u>	-	<u>3,397,540</u>
Total assets	<u>\$ 993,100</u>	<u>\$ 3,536,029</u>	<u>\$ -</u>	4,529,129
Cash, reported at cost				<u>164,606</u>
Total investments				<u>\$ 4,693,735</u>

Assets measured at fair value on a recurring basis at December 31, 2022 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Exchange-traded funds	\$ 9,706	\$ -	\$ -	\$ 9,706
Equities	1,003	-	-	1,003
Mutual Fund	936,528	-	-	936,528
U.S. Treasury Notes	-	277,117	-	277,117
Bonds	-	<u>2,516,455</u>	-	<u>2,516,455</u>
Total assets	<u>\$ 947,237</u>	<u>\$ 2,793,572</u>	<u>\$ -</u>	3,740,809
Cash, reported at cost				<u>841,804</u>
Total investments				<u>\$ 4,582,613</u>

6. Property and Equipment, Net

The following is a summary of property and equipment held at December 31:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 615,997	\$ 545,177
Building	2,573,400	2,573,400
Land	<u>620,568</u>	<u>620,568</u>
Property and equipment	3,809,965	3,739,145
Accumulated depreciation	<u>(1,610,773)</u>	<u>(1,518,663)</u>
Total property and equipment, net	<u>\$ 2,199,192</u>	<u>\$ 2,220,482</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$92,110 and \$81,688, respectively.

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7. Note Payable and Line of Credit

ICT had a mortgage note payable to a bank in the original amount of \$300,000, which was refinanced in December 2012. The note had a fixed rate of 4.15% and requires monthly payments of \$2,779 through November 2022, the due date of the note. The note was paid in full in 2022.

ICT has a line of credit in the amount of \$200,000. The line bears a variable rate of the Bank's Prime Rate, which cannot decrease below 4.25% or exceed 30.00% and had an original maturity date of November 24, 2014. The line of credit was renewed with a new maturity date of November 24, 2024 and is secured by ICT's receivables and fixed assets. There were no borrowings on the line of credit during the years ended December 31, 2023 or 2022.

8. Net Assets With Donor Restrictions

At December 31, 2023 and 2022, net assets with donor restrictions were available for the following purposes:

	2023	2022
IBU grant	\$ -	\$ 87,853
Covid/earthquake relief in Nepal	15,724	15,724
Time restriction	79,731	99,232
Total net assets with donor restrictions	\$ 95,455	\$ 202,809

9. Related Party Transactions

ICT holds the trademark for International Campaign for Tibet, which two organizations utilize in Europe, ICT-Europe and ICT-Deutschland. There was no financial consideration associated with the trademark agreement. During the years ended December 31, 2023 and 2022, ICT and ICT-Europe had a board member in common. Each of the entities is a separate organization with no control over the other entities. There were no financial transactions with the entities for the years ended December 31, 2023 and 2022.

ICT received total contributions from board members of \$104,190 and \$145,920, respectively, for the years ended December 31, 2023 and 2022.

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10. Concentrations of Receivable Risk

There were no receivable concentrations at December 31, 2023. At December 31, 2022, ICT had one contributor that made up 44% of total receivables. Any significant reduction in revenue and support may adversely impact ICT's financial position and operations.

11. Allocation of Joint Costs

For the years ended December 31, 2023 and 2022, ICT incurred joint costs of \$1,519,338 and \$1,497,690, respectively, for informational materials and activities that include electronic and direct mail fundraising appeals that were allocated as of December 31 as follows:

	2023	2022
Education and awareness	\$ 947,073	\$ 818,060
Monitoring and reporting	50,690	37,110
Advocacy and campaigns	193,904	256,919
Tibetan empowerment	34,952	64,912
Government relations	89,242	110,653
Chinese outreach	2,982	5,189
Fundraising	200,495	204,847
Total allocated joint costs	\$ 1,519,338	\$ 1,497,690

12. Retirement Plan

In 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. For the years ended December 31, 2023 and 2022, retirement plan expense were \$51,275 and \$45,601, respectively.

13. Paycheck Protection Program Loan

The Paycheck Protection Program (PPP) is a low-interest Small Business Administration (SBA) loan and generally covers two and a half months of payroll costs and may be forgiven entirely if the borrower maintains certain staffing levels and spends a certain amount of funds on salaries and other qualifying expenditures during the qualified period. ICT was approved for a loan in April 2020 under this program in the amount of \$220,700. On January 2021 ICT received loan forgiveness in the amount of \$220,700.

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The SBA reserves the right to audit any PPP loan, regardless of size. These audits may occur after forgiveness has been granted. In accordance with the CARES Act, all borrowers are required to maintain their PPP loan documentation for six years after the PPP loan is repaid in full and to provide that documentation to the SBA upon request. ICT does not believe the results of any audits or reviews by the SBA would have a material impact on the financial statements.

14. Restatement

During the 2023 audit it was noted that ICT maintains a number of trademarks in perpetuity. Historically these trademarks were not capitalized. However, they should have been capitalized at cost when acquired pursuant to U.S. GAAP. As a result, a prior period adjustment was made that increased the beginning net assets for 2022 by approximately \$113,167.

15. Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the statement of financial position but arose after that date (that is, nonrecognized subsequent events).

In preparing the financial statements, ICT has evaluated events and transactions for potential recognition or disclosure through August 27, 2024, which is the date the financial statements were available to be issued. Based on the evaluation, ICT noted that there were no subsequent events that require recognition of, or disclosure in, these financial statements.