

CONSOLIDATED FINANCIAL STATEMENTS

POPULATION CONNECTION

**POPULATION CONNECTION
ACTION FUND**

**POPULATION CONNECTION
ACTION FUND PAC**

**FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2021**

**POPULATION CONNECTION
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POPULATION CONNECTION ACTION FUND PAC**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Population Connection
Population Connection Action Fund
Population Connection Action Fund PAC
Washington, D.C.

Opinion

We have audited the accompanying consolidated financial statements of Population Connection, Population Connection Action Fund and Population Connection Action Fund PAC (the Organizations), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organizations as of December 31, 2022, and the consolidated change 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 Consolidated Financial Statements section of our report. We are required to be independent of the Organizations 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and 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, including omissions, 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 consolidated 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 consolidated 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 consolidated 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 the Organizations' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' 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 the Organizations' 2021 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 26, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedule of Financial Position on page 23, Consolidating Schedule of Activities on page 24 and Consolidating Schedule of Change in Net Assets on page 25 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Gelman Rosenberg & Friedman

June 10, 2023

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

ASSETS		2022	2021
CURRENT ASSETS			
Cash and cash equivalents	\$	2,250,066	\$ 7,087,319
Accounts receivable		489,735	318,690
Grants receivable		86,461	16,143
Prepaid expenses		358,970	379,870
Inventory		4,480	6,968
Advance		<u>50,000</u>	<u>55,000</u>
Total current assets		<u>3,239,712</u>	<u>7,863,990</u>
FIXED ASSETS, NET		<u>395,702</u>	<u>499,363</u>
OTHER ASSETS			
Right-of-use assets, net		2,149,048	-
Investments		20,024,224	20,936,045
Deposit		<u>33,720</u>	<u>33,720</u>
Total other assets		<u>22,206,992</u>	<u>20,969,765</u>
TOTAL ASSETS	\$	<u>25,842,406</u>	<u>29,333,118</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Operating lease liabilities	\$	318,591	\$ -
Accounts payable and accrued liabilities		1,018,893	686,721
Deferred rent		-	27,604
Gift annuity liability		<u>120,902</u>	<u>118,152</u>
Total current liabilities		<u>1,458,386</u>	<u>832,477</u>
LONG-TERM LIABILITIES			
Operating lease liabilities, net of current portion		2,159,007	-
Gift annuity liability, net of current portion		791,892	864,319
Deferred rent, net of current portion		-	329,678
Contributions payable, net of current portion		<u>195,000</u>	<u>-</u>
Total long-term liabilities		<u>3,145,899</u>	<u>1,193,997</u>
Total liabilities		<u>4,604,285</u>	<u>2,026,474</u>
NET ASSETS			
Without donor restrictions:			
Undesignated		3,232,121	12,265,644
Board designated		<u>18,000,000</u>	<u>15,000,000</u>
Net assets without donor restrictions		21,232,121	27,265,644
With donor restrictions		<u>6,000</u>	<u>41,000</u>
Total net assets		<u>21,238,121</u>	<u>27,306,644</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u>25,842,406</u>	<u>29,333,118</u>

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**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Contributions	\$ 9,577,410	\$ 696,231	\$ 10,273,641	\$ 11,332,848
Membership	795,418	-	795,418	794,023
Grants	38,200	-	38,200	10,000
Other revenue	34,103	-	34,103	38,024
Investment (loss) income, net	(3,875,196)	-	(3,875,196)	2,580,065
Contributed services	205,200	-	205,200	170,485
Net assets released from donor restrictions	<u>731,231</u>	<u>(731,231)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>7,506,366</u>	<u>(35,000)</u>	<u>7,471,366</u>	<u>14,925,445</u>
EXPENSES				
Program Services:				
Government Relations	659,551	-	659,551	632,923
Communications	3,420,720	-	3,420,720	2,175,398
Population Education	2,176,555	-	2,176,555	2,008,495
Field and Outreach	1,913,419	-	1,913,419	620,814
Membership Services	<u>2,678,140</u>	<u>-</u>	<u>2,678,140</u>	<u>1,939,851</u>
Total program services	<u>10,848,385</u>	<u>-</u>	<u>10,848,385</u>	<u>7,377,481</u>
Supporting Services:				
General and Administrative	968,185	-	968,185	786,208
Fundraising	<u>1,723,319</u>	<u>-</u>	<u>1,723,319</u>	<u>1,847,342</u>
Total supporting services	<u>2,691,504</u>	<u>-</u>	<u>2,691,504</u>	<u>2,633,550</u>
Total expenses	<u>13,539,889</u>	<u>-</u>	<u>13,539,889</u>	<u>10,011,031</u>
Change in net assets before other item	(6,033,523)	(35,000)	(6,068,523)	4,914,414
OTHER ITEM				
Forgiveness of debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,525,130</u>
Change in net assets	(6,033,523)	(35,000)	(6,068,523)	6,439,544
Net assets at beginning of year	<u>27,265,644</u>	<u>41,000</u>	<u>27,306,644</u>	<u>20,867,100</u>
NET ASSETS AT END OF YEAR	<u>\$ 21,232,121</u>	<u>\$ 6,000</u>	<u>\$ 21,238,121</u>	<u>\$ 27,306,644</u>

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**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022					
	Program Services					Total Program Services
	Government Relations	Communications	Population Education	Field and Outreach	Membership Services	
Salaries, benefits and taxes	\$ 371,441	\$ 829,853	\$ 1,304,023	\$ 441,066	\$ 766,629	\$ 3,713,012
Lease expenses	38,121	90,066	140,844	50,460	88,430	407,921
Printing and production	666	1,218,307	26,868	931	674,320	1,921,092
Postage and delivery	42	626,836	24,751	365	301,283	953,277
Telephone	2,515	5,422	9,287	3,136	5,672	26,032
Depreciation and amortization	8,871	19,474	30,711	10,512	17,934	87,502
Professional fees	71,367	550,420	469,388	208,687	707,481	2,007,343
Supplies and miscellaneous	15,696	48,821	60,515	17,073	110,875	252,980
Travel and representation	1,832	31,521	98,575	31,249	5,516	168,693
Contributions	149,000	-	11,593	1,149,940	-	1,310,533
Other	-	-	-	-	-	-
TOTAL	\$ 659,551	\$ 3,420,720	\$ 2,176,555	\$ 1,913,419	\$ 2,678,140	\$ 10,848,385

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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	2022 (Continued)			2021	
	Supporting Services				
	General and Administrative	Fundraising	Total Supporting Services	Total Expenses	Total Expenses
Salaries, benefits and taxes	\$ 644,160	\$ 1,073,876	\$ 1,718,036	\$ 5,431,048	\$ 5,212,518
Lease expenses	79,239	118,721	197,960	605,881	617,072
Printing and production	498	80,912	81,410	2,002,502	1,003,984
Postage and delivery	383	40,620	41,003	994,280	535,803
Telephone	4,423	7,638	12,061	38,093	38,897
Depreciation and amortization	14,765	25,247	40,012	127,514	142,721
Professional fees	158,368	301,100	459,468	2,466,811	1,834,083
Supplies and miscellaneous	61,730	60,623	122,353	375,333	307,474
Travel and representation	4,619	11,688	16,307	185,000	26,309
Contributions	-	-	-	1,310,533	292,170
Other	-	2,894	2,894	2,894	-
TOTAL	\$ 968,185	\$ 1,723,319	\$ 2,691,504	\$ 13,539,889	\$ 10,011,031

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (6,068,523)	\$ 6,439,544
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	127,514	142,721
Net depreciation (appreciation) of investments	4,234,804	(2,123,231)
Change in value of annuity obligations	21,084	10,144
Forgiveness of debt	-	(1,525,130)
Amortization of right-of-use asset	381,408	-
(Increase) decrease in:		
Accounts receivable	(171,045)	277,999
Grants receivable	(70,318)	710,877
Prepaid expenses	20,900	(58,060)
Inventory	2,488	5,039
Advance	5,000	(55,000)
Increase (decrease) in:		
Accounts payable and accrued liabilities	332,172	114,474
Grants payable	195,000	-
Deferred rent	-	(2,138)
Operating lease liabilities	<u>(410,140)</u>	<u>-</u>
Net cash (used) provided by operating activities	<u>(1,399,656)</u>	<u>3,937,239</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(4,770,283)	(8,376,229)
Proceeds from sale of investments	1,447,300	6,846,471
Purchase of furniture and equipment	<u>(23,853)</u>	<u>(13,139)</u>
Net cash used by investing activities	<u>(3,346,836)</u>	<u>(1,542,897)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on annuity obligations	(118,152)	(104,641)
Proceeds from annuities	27,391	91,584
Proceeds from loan payable	<u>-</u>	<u>759,430</u>
Net cash (used) provided by financing activities	<u>(90,761)</u>	<u>746,373</u>
Net (decrease) increase in cash and cash equivalents	(4,837,253)	3,140,715
Cash and cash equivalents at beginning of year	<u>7,087,319</u>	<u>3,946,604</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,250,066</u>	<u>\$ 7,087,319</u>
SUPPLEMENTAL INFORMATION:		
Right-of-Use Assets	<u>\$ 2,530,456</u>	<u>\$ -</u>
Operating Lease Liabilities for Right-of-Use Assets	<u>\$ 2,887,738</u>	<u>\$ -</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Population Connection is a not-for-profit corporation engaged in promoting social welfare by educating opinion leaders and the general public about population and growth issues, as well as promoting adoption of public policies, which will bring human population and activities into balance with Earth's environmental and natural resource base.

The Population Connection Action Fund is the political arm of Population Connection, and is organized for social welfare purposes and specifically to support the mission of Population Connection to educate the American people and advocate progressive action to stabilize world population at a level that can be sustained by Earth's resources.

The Population Connection Action Fund PAC provides financial support to Federal candidates and Federal committees registered with the Federal Election Commission that demonstrate support for improving global access to reproductive health and family planning services.

Principles of consolidation -

The accompanying consolidated financial statements include the accounts of the Organizations pursuant to the criterion established by FASB ASC 958-810, *Not-for-Profit Entities, Consolidation*. Under FASB ASC 958-810, consolidation is required if a separate not-for-profit organization has control (i.e., major voting interest) and significant economic interest in that other organization. All significant inter-company accounts and transactions have been eliminated in consolidation.

Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities and Change in Net Assets as net assets released from donor restrictions.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Basis of presentation (continued) -

The consolidated 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 the Organizations' consolidated financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Program and supporting services -

The following program and supporting services are included in the accompanying consolidated financial statements:

Government Relations -

To inform Congress and the Administration about population issues and advocate the adoption of measures to move the U.S. and the world towards stabilizing population. The Organizations will also lobby in support of population related legislation and engage elected officials to promote solutions to empower women around the world. These activities will enable the Organizations to seek enactment of legislation related to their mission.

Communications -

To keep the Organizations' members, public officials, media representatives and others up-to-date on U.S. and global population issues by publishing informational material, including hosting a website that will include news about particular population related legislation and particular legislators who are either supporting or not supporting the legislation. This is intended to educate the public about relevant issues.

Population Education -

To promote population literacy among American youth by (1) providing teachers with information about population dynamics and their impacts and demonstrating ways that these concepts can be incorporated into classroom activities; and (2) preparing a number of educators to offer training to other teachers through the Organizations' Population Education Training Program Network (PETNet). To provide follow-up assistance and information enabling former trainees of the Organizations to apply their training most effectively.

Field and Outreach -

The Organizations will assist activists nationwide in lobbying on behalf of population-related legislation. The Population Connection Action Fund will bring visibility, education, and grassroots advocacy to call for population stabilization, with the Field Program organizing and mobilizing influential voters and supporters. The Population Connection Action Fund will organize and provide training, technical assistance, and funding to supporters and activists. The Population Connection Action Fund will also represent Population Connection in coalitions focused on grassroots action at public presentations and exhibitions as needed.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Program and supporting services (continued) -

Membership Services -

Informing the public population on issues at local community events, hosting film screenings, distributing our magazine, writing letters to the editor of local newspapers, signing and gathering signatures for petitions. Support members by providing materials for their distribution, paying registration and logistical fees for local events such as Earth Day, holding training and information sessions, responding to their correspondence to their correspondence and requests for information, and orders for our products and/or publications. During the pandemic, in-person events were cancelled, and we shifted to all virtual events for our members and the public, including expert speaker series, a four-part course on climate change and population, a population book club, and online film screenings.

General and Administrative -

This supporting service category includes the functions necessary to secure proper administrative functioning of the Organizations' governing Boards, maintain an adequate working environment and manage financial responsibilities of the Organizations.

Fundraising -

This supporting service category includes expenditures, which provide the structure necessary to encourage and secure private financial support.

New accounting pronouncements adopted -

During 2022, the Organizations adopted ASU 2019-01, *Leases* (Topic 842), which changed the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. The Organizations applied the new standard using the modified retrospective approach and adopted the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. See Note 4 for further details.

During the year ended December 31, 2022, the Organizations adopted ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which improves generally accepted accounting principles in the United States (U.S. GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this Update address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities. The ASU was adopted retrospectively and did not change the recognition and measurement requirements for those contributed nonfinancial assets.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Cash and cash equivalents -

The Organizations consider all cash and other highly liquid investments, including certificates of deposit, with maturities of three months or less to be cash equivalents, and excluding money market funds held by investment managers in the amount of \$59,655 for the year ended December 31, 2022. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organizations maintain cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Accounts and grants receivable -

Accounts and grants receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectable. Accordingly, an allowance for doubtful accounts has not been established.

Inventory -

Inventory consists of books, videos, t-shirts and various other items and is measured at the lower of cost and net realizable value using the first-in, first-out method of inventory under FASB ASU 2015-11 *Simplifying the Measurement of Inventory*.

Fixed assets -

Fixed assets in excess of \$2,500 are recorded at cost, or if donated, at the estimated fair value at the date of receipt. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, ranging from three to five years, or, for leasehold improvements, the lesser of the life of the lease or the service life of the improvements.

When assets are sold or otherwise disposed of, the asset and related accumulated depreciation or amortization are removed from the accounts and any remaining gain or loss is included in operations. Repairs and maintenance are expensed when incurred.

For the year ended December 31, 2022, depreciation and amortization was \$127,514.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to the Consolidated Statement of Activities and Change in Net Assets, to its current fair value.

Investments -

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in investment (loss) income in the Consolidated Statement of Activities and Change in Net Assets. Interest and dividends are shown net of investment expenses provided by external investment advisors in the Consolidated Statement of Activities and Change in Net Assets.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Gift annuity liability -

Population Connection entered into charitable Gift Annuity Agreements in which the donor receives payments during their lifetime, with any remainder reverting to Population Connection. The liability is determined based on actuarial assumptions and is included in the liability section of the accompanying consolidated financial statements. The amount of the contribution recorded by Population Connection is the fair value of the assets, less the present value of the estimated annuity payments.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organizations are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

Contributed services -

The Organizations recognize revenue and expenses from contributed services received for the Government Relations, Population Education, Field and Outreach and Communications Programs. The amounts reported consist primarily of teachers' services and are based on the estimated fair value of professional teachers' services rendered at workshops and other donated services. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organizations.

Use of estimates -

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Income taxes -

Population Connection is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined by the Internal Revenue Service not to be a private foundation.

The Population Connection Action Fund is exempt from Federal income taxes under Section 501(c)(4) of the Internal Revenue Code.

The Population Connection Action Fund PAC is exempt from Federal income taxes under Section 527 of the Internal Revenue Code. This section does not exempt taxation of investment income. No income taxes were payable as of December 31, 2022.

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Uncertain tax positions -

For the year ended December 31, 2022, the Organizations have documented their consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

Contributions and grants -

Gifts, including pledges and grants are recognized in the appropriate category of net assets in the period received. Contributions of assets other than cash are recorded at their estimated fair value at the date of gift. Pledges receivable are stated at the estimated net present value, net of an allowance for uncollectable amounts. The Organizations perform an analysis of the individual grant and contribution to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For grants and contributions qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Contributions and grants qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Contributions or grants qualifying as conditional contributions contain a right of return from obligation provision that limits how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. Most grant awards are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are therefore recognized as contributions when the revenue becomes unconditional. The Organizations recognize revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. Population Connection Action Fund has \$1,800,000 in awards that were considered to be conditional as of December 31, 2022. The balance is eliminated in consolidation. Population Connection does not have any recognized conditional awards as of December 31, 2022.

Membership -

Membership revenue classified as exchange transactions following ASU 2014-09, *Revenue from Contracts With Customers*, are recorded as revenue when performance obligations are met. Membership dues includes general member benefits that are a series of distinct obligations. The revenue is recognized ratably over the membership period.

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Membership (continued) -

There are several benefits received that are individual distinct obligations such as discounted rates to conferences and meetings; however, they are immaterial in nature to the contract and thus are included with the general member benefits.

Risks and uncertainties -

The Organizations invest in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

New accounting pronouncement (not yet adopted) -

Accounting Standard Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The ASU is effective for the Organizations for the year ending December 31, 2023. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach.

The Organizations plan to adopt the new ASU at the required implementation date and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying consolidated financial statements.

2. INVESTMENTS

Investments at December 31, 2022, at fair value, were comprised of the following:

Cash	\$ 59,655
Certificates of deposit	2,229,042
Stocks	<u>17,735,527</u>

TOTAL INVESTMENTS	<u>\$ 20,024,224</u>
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Included in investment loss are the following at December 31, 2022:

Interest and dividends	\$ 372,996
Net depreciation of investments	(4,234,804)
Gift annuity income	1,377
External investment expense	<u>(14,765)</u>

TOTAL INVESTMENT LOSS	<u>\$ (3,875,196)</u>
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**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

3. FIXED ASSETS

Fixed assets at December 31, 2022 consisted of the following:

Furniture and equipment	\$ 238,095
Leasehold improvements	<u>789,863</u>
Subtotal	1,027,958
Less: Accumulated depreciation and amortization	<u>(632,256)</u>
FIXED ASSETS, NET	<u>\$ 395,702</u>

4. LEASE EXPENSES

Population Connection amended its previous Washington D.C. lease to extend through June 30, 2028. The latest amendment provides for 30 months of discounted rent, a tenant improvement allowance, fixed annual escalations in base rent and a pro-rata share of real estate taxes and operating expenses. The rent increases by approximately 1% each year.

Population Connection also signed a lease for their San Diego, California location that is year to year.

Population Connection also has leases for a copier machine and postage meter machine that both qualify as operating leases. These leases end during the years ending December 31, 2024 and December 31, 2023, respectively.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Consolidated Statement of Financial Position.

ASU 2019-01, *Leases* (Topic 842), changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. The Organizations elected the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases.

Population Connection also elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes. Population Connection adopted the package of practical expedients to not perform any lease reclassification, did not reevaluate embedded leases and did not reassess initial direct costs. As a result, Population Connection recorded a right-of-use asset in the amount of \$2,508,732. Population Connection recorded an operating lease liability in the amount of \$2,866,015. Population Connection recorded a right-of-use asset and lease liability for a copier machine in the amount of \$11,875. Population Connection recorded a right-of-use asset and lease liability for a mail meter in the amount of \$9,849. The weighted average of the discount rates used to calculate the lease liability was 1.55%.

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

4. COMMITMENTS (Continued)

At December 31, 2022, the right-of-use asset totaled \$2,149,048 and the lease liability totaled \$2,477,598.

Minimum future rental payments required under the above leases for the year ended December 31, 2022 are as follows:

Year Ending December 31,

2023	\$ 354,400
2024	478,531
2025	487,112
2026	499,289
2027	508,713
Thereafter	<u>261,314</u>
	2,589,359
Less: Imputed interest	<u>(111,761)</u>
	2,477,598
Less: Current portion	<u>(318,591)</u>
LONG-TERM PORTION	<u>\$ 2,159,007</u>

For the year ended December 31, 2022, rent expense, including monthly operating costs for the aforementioned lease, totaled \$605,881.

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31, 2022:

Population Education	\$ 5,000
Endowed Contributions Restricted for Perpetuity	<u>1,000</u>
TOTAL NET ASSETS WITH DONOR RESTRICTION	<u>\$ 6,000</u>

6. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets released included donations which were released from donor-imposed restrictions by incurring expenses, which satisfied the restricted purposes specified by the donors and the passage of time.

At December 31, 2022, net assets released from donor restrictions consisted of the following:

Program Support - Passage of Time	<u>\$ 731,231</u>
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**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

7. DEFINED CONTRIBUTION PLAN

Effective January 30, 1999, Population Connection established a 401(k) retirement plan for all employees, which was implemented in August 1999. Population Connection matches the employee contribution up to the first 6% of salary. There is a three-year graduated vesting schedule for employer contributions to the Plan. Population Connection made contributions to the Plan totaling \$232,834, during the year ended December 31, 2022.

8. JOINT COSTS ACTIVITIES

For the year ended December 31, 2022, the Organizations incurred joint costs of \$3,024,040 for informational materials and activities that included direct mail fundraising appeals. Joint costs were allocated as follows at December 31, 2022:

Communications	\$ 2,077,179
Fundraising	<u>946,861</u>
TOTAL JOINT COSTS ACTIVITIES	<u>\$ 3,024,040</u>

9. CHARITABLE GIFT ANNUITIES

The Organizations administer various charitable gift annuity agreements that allow a donor to contribute assets to the Organizations in exchange for a promise to pay a fixed amount to the donor or to other designated beneficiaries over the agreements' term, usually the designated beneficiary's lifetime. At the end of the agreements' term, the remaining assets are available for the Organizations' use.

The portion of the agreement attributable to the future interest of the Organizations is recorded in the Consolidated Statement of Activities and Change in Net Assets as contributions without donor restrictions in the period the agreement is established. Assets are held in investments, which are recorded at readily determinable fair value in the Consolidated Statement of Financial Position.

On an annual basis, the Organizations revalue the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments is calculated using a discount rate ranging from .06% to 5.5% and applicable mortality tables.

The following liabilities have been recorded in the Consolidated Statement of Financial Position at December 31, 2022:

Current liability to the beneficiaries	\$ 120,902
Long-term liability to the beneficiaries	<u>791,892</u>
TOTAL LIABILITY TO THE BENEFICIARIES	<u>\$ 912,794</u>

Gift annuity income from these agreements in the amount of \$1,377 was recorded in the Consolidated Statement of Activities and Change in Net Assets in investment (loss) income for the year ended December 31, 2022.

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

10. LIQUIDITY

Financial assets available for use for general expenditures within one year of the Consolidated Statement of Financial Position comprise the following at December 31, 2022:

Cash and cash equivalents	\$ 2,250,066
Accounts receivable	489,735
Grants receivable	<u>86,461</u>
Subtotal	2,826,262
Less financial assets not available:	
Funds restricted in perpetuity	(1,000)
Donor restricted funds	(5,000)
Board designated funds	<u>(18,000,000)</u>

FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u><u>\$ (15,179,738)</u></u>
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The Organizations have a policy to structure their financial assets to be available and liquid as obligations become due. In an event of need, the Board designated funds could be undesignated by the Board of Directors.

11. CONTRIBUTED SERVICES

During the year ended December 31, 2022, the Organizations was the beneficiary of donated services which allowed the Organizations to provide greater resources toward various programs. There were no donor-imposed restrictions associated with the in-kind contributions during the year ended December 31, 2022. The amounts reported consist primarily of teachers' services and are based on the estimated fair value of professional teachers' services rendered at workshops and other donated services.

To properly reflect total program expenses, the following donations have been included in revenue and expense for the year ended December 31, 2022.

Professional Services	<u><u>\$ 205,200</u></u>
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The following programs have benefited from these donated services:

Population Education	\$ 181,200
Field	6,000
Government Relations	6,000
Development	6,000
Communications	<u>6,000</u>
TOTAL	<u><u>\$ 205,200</u></u>

12. RELATED PARTIES

Population Connection, Population Connection Action Fund and Population Connection Action Fund PAC share overlapping management and Board Members. All related party transactions have been eliminated during consolidation of the accompanying financial statements.

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

13. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organizations have categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Consolidated Statement of Financial Position are categorized based on the inputs to valuation techniques as follows.

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organizations have the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used as of December 31, 2022. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Cash* - Valued at the daily closing price as reported by the fund. The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC). This fund is required to publish its daily net asset value (NAV) and to transact at that price. The money market fund is deemed to be actively traded.
- *Certificates of Deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.
- *Stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.

The table below summarizes, by level within the fair value hierarchy, the Organizations' investments as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Asset Class:				
Cash	\$ 59,655	\$ -	\$ -	\$ 59,655
Certificates of deposit	-	2,229,042	-	2,229,042
Stocks	<u>17,735,527</u>	<u>-</u>	<u>-</u>	<u>17,735,527</u>
TOTAL	<u>\$ 17,795,182</u>	<u>\$ 2,229,042</u>	<u>\$ -</u>	<u>\$ 20,024,224</u>

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

14. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through June 10, 2023, the date the consolidated financial statements were issued.

SUPPLEMENTAL INFORMATION

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022**

ASSETS

	<u>Population Connection</u>	<u>Action Fund</u>	<u>PAC</u>	<u>Eliminations</u>	<u>Total</u>
CURRENT ASSETS					
Cash and cash equivalents	\$ 1,418,618	\$ 780,336	\$ 51,112	\$ -	\$ 2,250,066
Accounts receivable	489,735	-	-	-	489,735
Grants receivable	86,461	-	-	-	86,461
Due from related parties	284,339	327,676	-	(612,015)	-
Prepaid expenses	313,928	45,042	-	-	358,970
Inventory	4,480	-	-	-	4,480
Advance	<u>1,850,000</u>	<u>-</u>	<u>-</u>	<u>(1,800,000)</u>	<u>50,000</u>
Total current assets	<u>4,447,561</u>	<u>1,153,054</u>	<u>51,112</u>	<u>(2,412,015)</u>	<u>3,239,712</u>
FIXED ASSETS, NET	<u>395,702</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,702</u>
OTHER ASSETS					
Right-of-use assets.net	2,149,048	-	-	-	2,149,048
Investments	20,024,224	-	-	-	20,024,224
Deposit	<u>33,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,720</u>
TOTAL ASSETS	<u>\$ 27,050,255</u>	<u>\$ 1,153,054</u>	<u>\$ 51,112</u>	<u>\$ (2,412,015)</u>	<u>\$ 25,842,406</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Operating lease liability	\$ 318,591	\$ -	\$ -	\$ -	\$ 318,591
Accounts payable and accrued liabilities	955,422	63,471	-	-	1,018,893
Refundable advance	-	1,800,000	-	(1,800,000)	-
Due to related parties	328,058	280,104	3,853	(612,015)	-
Gift annuity liability	<u>120,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,902</u>
Total current liabilities	<u>1,722,973</u>	<u>2,143,575</u>	<u>3,853</u>	<u>(2,412,015)</u>	<u>1,458,386</u>

LONG-TERM LIABILITIES

Operating lease liability, net of current	2,159,007	-	-	-	2,159,007
Gift annuity liability, net of current portion	791,892	-	-	-	791,892
Contributions payable, net of current portion	<u>195,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,000</u>
Total long-term liabilities	<u>3,145,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,145,899</u>
Total liabilities	<u>4,868,872</u>	<u>2,143,575</u>	<u>3,853</u>	<u>(2,412,015)</u>	<u>4,604,285</u>

NET ASSETS

Without donor restrictions	22,175,383	(990,521)	47,259	-	21,232,121
With donor restrictions	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
Total net assets	<u>22,181,383</u>	<u>(990,521)</u>	<u>47,259</u>	<u>-</u>	<u>21,238,121</u>

**TOTAL LIABILITIES AND
NET ASSETS**

<u>\$ 27,050,255</u>	<u>\$ 1,153,054</u>	<u>\$ 51,112</u>	<u>\$ (2,412,015)</u>	<u>\$ 25,842,406</u>
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**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Population Connection</u>	<u>Action Fund</u>	<u>PAC</u>	<u>Eliminations</u>	<u>Total</u>
REVENUE AND SUPPORT WITHOUT DONOR RESTRICTIONS					
Contributions	\$ 9,345,172	\$ 101,717	\$ 130,521	\$ -	\$ 9,577,410
Membership	795,418	-	-	-	795,418
Grants	38,200	-	-	-	38,200
Other revenue	34,103	-	-	-	34,103
Investment loss, net	(3,875,196)	-	-	-	(3,875,196)
Contributed services	205,200	-	-	-	205,200
Net assets released from donor restrictions	<u>731,231</u>	<u>975,000</u>	<u>-</u>	<u>(975,000)</u>	<u>731,231</u>
Total revenue and support without donor restrictions	<u>7,274,128</u>	<u>1,076,717</u>	<u>130,521</u>	<u>(975,000)</u>	<u>7,506,366</u>
EXPENSES					
Program Services:					
Government Relations	683,641	244,916	144,000	(413,006)	659,551
Communications	3,285,442	374,064	-	(238,786)	3,420,720
Population Education	2,176,555	-	-	-	2,176,555
Field and Outreach	1,734,159	502,468	-	(323,208)	1,913,419
Membership Services	<u>2,603,047</u>	<u>75,093</u>	<u>-</u>	<u>-</u>	<u>2,678,140</u>
Total program services	<u>10,482,844</u>	<u>1,196,541</u>	<u>144,000</u>	<u>(975,000)</u>	<u>10,848,385</u>
Supporting Services:					
General and Administrative	901,088	67,097	-	-	968,185
Fundraising	<u>1,528,311</u>	<u>195,008</u>	<u>-</u>	<u>-</u>	<u>1,723,319</u>
Total supporting services	<u>2,429,399</u>	<u>262,105</u>	<u>-</u>	<u>-</u>	<u>2,691,504</u>
Total expenses	<u>12,912,243</u>	<u>1,458,646</u>	<u>144,000</u>	<u>(975,000)</u>	<u>13,539,889</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ (5,638,115)</u>	<u>\$ (381,929)</u>	<u>\$ (13,479)</u>	<u>\$ -</u>	<u>\$ (6,033,523)</u>
REVENUE AND SUPPORT WITH DONOR RESTRICTIONS					
Contributions	\$ 696,231	\$ 975,000	\$ -	\$ (975,000)	\$ 696,231
Net assets released from donor restrictions	<u>(731,231)</u>	<u>(975,000)</u>	<u>-</u>	<u>975,000</u>	<u>(731,231)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ (35,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,000)</u>

**POPULATION CONNECTION
POPULATION CONNECTION ACTION FUND
POPULATION CONNECTION ACTION FUND PAC**

**CONSOLIDATING SCHEDULE OF CHANGE IN NET ASSETS
FOR THE YEAR DECEMBER 31, 2022**

	Population Connection	Action Fund	PAC	Eliminations	Total
NET ASSETS WITHOUT RESTRICTIONS					
Net assets at beginning of year	\$ 27,813,498	\$ (608,592)	\$ 60,738	\$ -	\$ 27,265,644
Change in net assets without restrictions	<u>(5,638,115)</u>	<u>(381,929)</u>	<u>(13,479)</u>	<u>-</u>	<u>(6,033,523)</u>
NET ASSETS AT END OF YEAR	<u>\$ 22,175,383</u>	<u>\$ (990,521)</u>	<u>\$ 47,259</u>	<u>\$ -</u>	<u>\$ 21,232,121</u>
NET ASSETS WITH RESTRICTIONS					
Net assets at beginning of year	\$ 41,000	\$ -	\$ -	\$ -	\$ 41,000
Change in temporarily restricted net assets	<u>(35,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,000)</u>
NET ASSETS AT END OF YEAR	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,000</u>
TOTAL NET ASSETS					
Net assets at beginning of year	\$ 27,854,498	\$ (608,592)	\$ 60,738	\$ -	\$ 27,306,644
Total change in net assets	<u>(5,673,115)</u>	<u>(381,929)</u>	<u>(13,479)</u>	<u>-</u>	<u>(6,068,523)</u>
TOTAL NET ASSETS AT END OF YEAR	<u>\$ 22,181,383</u>	<u>\$ (990,521)</u>	<u>\$ 47,259</u>	<u>\$ -</u>	<u>\$ 21,238,121</u>