Population Institute, Inc.
Financial Statements
(With Independent Auditors' Report)

December 31, 2023 and 2022

Population Institute, Inc.
December 31, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Population Institute, Inc.
Washington, DC

We have audited the accompanying financial statements of Population Institute, Inc. (a nonprofit organization) (the "Institute" or the "Organization"), which comprises 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 notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Institute 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Institute 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 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 the Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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, 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 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 the Institute'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 the Institute'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 the Institute's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

McSoley McCoy & Co.

South Burlington, Vermont
June 28, 2024
VT Reg. No. 92-34

Population Institute, Inc.
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets:		
Cash and cash equivalents	$ 6,463,535	$ 2,900,847
Cash - board designated restricted funds	2,831,831	4,418,059
Prepaid expenses and other assets	7,703	33,550
Due from PMC	62,994	-
Bequests receivable	75,370	75,370
Investments - board designated quasi endowment	1,759,657	1,551,083
Investments - charitable gift annuities	2,212	2,945
Property and equipment, net of accumulated depreciation	709,672	684,846
Total assets	$ 11,912,974	$ 9,666,700
Liabilities and Net Assets:		
Accounts payable	$ 199,683	$ 201,236
Accrued expenses	47,324	56,723
Liability - charitable gift annuities	1,840	2,750
Total liabilities	248,847	260,709
Net assets without donor restrictions:		
Operating	6,362,967	2,752,003
Board designated quasi endowment	1,759,657	1,551,083
Board designated restricted funds	2,831,831	4,418,059
Investment in property and equipment	709,672	684,846
Total net assets	11,664,127	9,405,991
Total liabilities and net assets	$ 11,912,974	$ 9,666,700

The accompanying notes are an integral part of these statements.

Population Institute, Inc.
Statements of Activities
For the Year Ended December 31, 2023
(With Summarized Financial Information for 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Revenues, gains and other support:				
Contributions, grants and bequests	$ 4,094,298	$ -	$ 4,094,298	$ 2,266,257
Net investment income (loss)	208,928	-	208,928	(269,083)
Interest and other income	156,342	-	156,342	30,983
Change in liability - charitable gift annuities	(177)	-	(177)	680
Total revenues and support	4,459,391	-	4,459,391	2,028,837
Expenses:				
Program services	1,586,228	-	1,586,228	1,262,109
Supporting services:				
Management and general	386,282	-	386,282	260,922
Fundraising	228,745	-	228,745	31,079
Total expenses	2,201,255	-	2,201,255	1,554,110
Change in net assets	2,258,136	-	2,258,136	474,727
Net assets - beginning of year	9,405,991	-	9,405,991	8,931,264
Net assets - end of year	$ 11,664,127	$ -	$ 11,664,127	$ 9,405,991

Population Institute, Inc.
Statements of Functional Expenses
For the Year Ended December 31, 2023
(With Summarized Financial Information for 2022)

		Supporting Services			
	Program Services	Management and General	Fundraising	2023 Total	2022 Total
Salaries and wages	$ 528,045	$ 189,698	$ 107,444	$ 825,187	$ 640,646
Benefits and taxes	148,335	53,289	30,183	231,807	163,150
Building repairs and maintenance	-	13,932	2,607	16,539	293
Communications and information technology	9,578	30,931	23,943	64,452	83,333
Conferences and workshops	8,773	-	-	8,773	1,703
Contractual services	117,232	-	33,000	150,232	345,543
Credit card processing fees	-	33	1,518	1,551	2,768
Depreciation	33,437	12,011	6,804	52,252	52,188
Dues and subscriptions	6,451	-	411	6,862	3,923
Education and training	2,685	-	-	2,685	1,100
Events	-	-	4,966	4,966	-
Grants	406,245	-	-	406,245	155,500
Insurance	14,152	5,084	2,880	22,116	10,464
Other expenses	-	57,724	-	57,724	40,838
Postage and shipping	4,226	-	12,506	16,732	3,180
Property taxes	7,536	2,707	1,533	11,776	14,763
Printing and copying	30,661	-	187	30,848	7,128
Professional fees	-	14,837	-	14,837	10,200
Jr. Fellows	9,200	-	-	9,200	-
Sr. Fellows	239,000	-	-	239,000	-
Supplies	2,182	-	-	2,182	227
Travel	15,129	4,829	79	20,037	11,980
Utilities	3,361	1,207	684	5,252	5,183
	$ 1,586,228	$ 386,282	$ 228,745	$ 2,201,255	$ 1,554,110

The accompanying notes are an integral part of these statements.

Population Institute, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flow from operating activities:		
Change in net assets	$ 2,258,136	$ 474,727
Adjustments to reconcile change in net assets to net cash provided (used in) by operating activities:		
Depreciation	52,252	52,188
Realized and unrealized (gains) losses on investments	(182,131)	289,072
Change in charitable gift annuities	(177)	680
(Increase) decrease in operating assets:		
Accounts receivable	(62,994)	-
Prepaid expenses	25,847	451
Grants and bequests receivable	-	(3,880)
Increase (decrease) in operating liabilities:		
Accounts and grants payable	(1,553)	96,471
Accrued expenses	(9,399)	12,929
Total adjustments	(178,155)	447,911
Net cash provided by operating activities	2,079,981	922,638
Cash flows from investing activities:		
Acquisition of property and equipment	(77,078)	-
Purchase of investments	(364,019)	(735,871)
Sale of investments	337,576	714,521
Net cash used in investing activities	(103,521)	(21,350)
Net increase in cash and cash equivalents	1,976,460	901,288
Cash and cash equivalents, beginning of year	7,318,906	6,417,618
Cash and cash equivalents, end of year	$ 9,295,366	$ 7,318,906
Cash consists of:		
Unrestricted cash	6,463,535	2,900,847
Restricted cash	2,831,831	4,418,059
	$ 9,295,366	$ 7,318,906

The accompanying notes are an integral part of these statements.

1. Summary of Significant Accounting Policies

Organization - Incorporated in Washington, D.C. in 1969, Population Institute, Inc.'s ("PI", the "Institute" or the "Organization") mission is to improve the health and wellbeing of people and the planet by supporting policies and programs that promote sexual and reproductive health and rights. Through advancing reproductive freedom, they strive to achieve a world population in balance with a healthy global environment and resource base. PI builds support for those policies and programs by educating policymakers, policy administrators, the media, and the general public about:

- The essential importance of achieving gender equality and promoting sexual and reproductive health and rights;
- The adverse impacts of overpopulation on the environment, scarce natural resources, biodiversity, and efforts to eliminate hunger and severe poverty in developing countries; and
- The personal, social and economic benefits that arise from expanding access to family planning services and information.

The Institute is a member organization of Population Media Center, Inc. ("PMC"), a Vermont non-profit corporation with a similar mission, as its sole member. Support for the Institute comes primarily from grants, contributions and bequests.

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting.

Financial Statement Presentation - The Organization reports information regarding its financial position and activities according to two classes of net assets: those with donor restrictions and those without. Contributions received are recorded as either "with donor restrictions" or "without donor restrictions" depending upon the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to those without and reported in the statement of activities as net assets released from restrictions. Contributions with donor restrictions whose restrictions are met in the same period are shown as increases in net assets without donor restrictions. The transfer of assets with donor-imposed conditions is accounted for as a refundable advance, instead of as a contribution, until the conditions have been substantially met.

Cash and Cash Equivalents - Except for cash and money funds in the board designated funds, the Institute treats all cash accounts, checking, savings, money market, and other cash funds with an initial maturity of three months or less as cash and cash equivalents for purposes of the Statements of Cash Flows.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Summary of Significant Accounting Policies (continued)

Promises to Give - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Those expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts, if material, are computed using estimated market interest rates applicable to the years in which the promises are received. Any amortization of these discounts would be reflected in contribution revenue. Conditional promises to give are not included in support until the conditions are substantially met.

Comparative Financial Information - The financial statements include certain prior-year summarized comparative information in total but not by net asset class (and, for the Statement of Functional Expenses, in total but not by functional category). Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Property and Equipment - Property and equipment are recorded at cost or, in the case of donated property, at the estimated fair value at the date of receipt. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The Organization capitalizes all significant betterments with a cost or value of at least $5,000 and a useful life of at least one year.

Equipment, furniture & fixtures	3 - 10 years
Buildings and improvements	10 - 40 years

Long-lived assets, such as property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of the recoverability would be performed.

Fair Value Measurements - Generally accepted accounting principles in the United States of America establish a framework for measuring fair value. The guidance states that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions market participants would use in pricing the asset or liability under current market conditions at the measurement date.

As a basis for considering market participant assumptions in fair value measurements, the guidance establishes a fair value hierarchy that is based on the subjectivity of inputs. It distinguishes between observable inputs (Levels 1 and 2) which are either observable from market data or corroborated by observable market data and those that are unobservable (Level 3).

Three levels of inputs that may be used to measure fair value are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded on an active exchange market.

Level 2 – Inputs other than quoted prices, included in Level 1, that are observable, either directly or indirectly. Such inputs may include quoted p rices for similar assets, observable

Summary of Significant Accounting Policies (continued)

inputs include quoted prices (interest rates, yield curves, etc.) or inputs derived principally from or corroborated by observable market data by correlation or other means. This category generally includes certain U.S. Government and agency mortgage-backed debt securities and alternative investments using net asset value (NAV) per share for which the Organization has the ability to redeem its investment at or close to the measurement date.

Level 3 – Inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

The inputs reflect the Organization's assumptions based on the best information available in the circumstances. This category generally includes certain private debt and equity instruments, alternative investments where the investee measures at NAV per share or the redemption date is not close to the measurement date.

All investments have been valued in accordance with the definition of Level 1 inputs as described above.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value.

Furthermore, although the Institute's 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.

Subsequent Events and Report Issuance Date

Management has evaluated events subsequent through June 28, 2024 (the date these financial statements were available to be issued) for potential recognition or disclosure as required under U.S. generally accepted accounting principles.

2. Income Taxes

PI is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code, and is classified as a publicly supported organization under Section 509(a)(1). Contributions to the Organization qualify for the charitable contribution deduction under Internal Revenue Code Section 170(b)(1)(A).

FASB ASC 740, Income Taxes, requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. For tax exempt entities, tax exempt status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax exempt status. Management believes the Organization has no uncertain tax positions. The Organization anticipates that it will not have a change in uncertain tax positions during the next twelve months that would have a material impact on the Organization's financial statements. If necessary the Organization would accrue interest and penalties on uncertain tax positions as a component of the provision for income taxes. The Organization is no longer subject to federal and state income tax examinations by tax authorities for years before the tax year ended December 31, 2020.

3. Donated Services and Facilities

No amounts have been reflected in the financial statements for donated services. PI generally pays for services requiring specific expertise. However, a number of individuals volunteer their time and perform a variety of tasks that assist the Institute with its program, administrative and fundraising activities.

4. Property and Equipment

Property and equipment consisted of the following at December 31st:

	2023	2022
Land, buildings and improvements	$ 1,392,667	$ 1,315,589
Equipment, furniture and fixtures	97,306	97,306
Subtotal	1,489,973	1,412,895
Less - accumulated depreciation	(780,301)	(728,049)
Net property and equipment	$ 709,672	$ 684,846

Depreciation amounted to $52,252 and $52,188 for the years ended December 31, 2023 and 2022, respectively.

5. Net Assets with Donor Restrictions

Though the Institute often receives grants and contributions restricted to specific purposes, in recent years all of this restricted support has been fully expended in the year received and therefore there have been no net assets with donor restrictions at either December 31, 2023 and 2022.

6. Bequests Receivable

The Institute is a beneficiary of several trust and estate-related bequests currently under third party administration. For unconditional bequests, PI records a promise to give once the will or trust document has been accepted by the courts and the amount of the bequest can be reasonably estimated. Based on the nature of the promise, the contributions are considered unrestricted. Substantially all of the estimated $75,370 in receivables as of December 31, 2023 is expected to be received in 2024.

7. Retirement Plan

The Institute maintains a 401(k) retirement plan for the benefit of its employees. Employees who meet certain age and service requirements are eligible to participate. The Institute makes contributions to the Plan of 8% of each covered employee's compensation. Employees can also make deferrals to the Plan up to statutory limits. Employer contributions to the retirement plan were $58,534 and $49,197 for the years ended December 31, 2023 and 2022.

8. Concentration of Revenue

The Institute received $4,000,000 and $2,000,000 for the years ended December 31, 2023 and 2022 from one charitable gift fund – amounts representing approximately 90% and 99% of total revenue for those years.

9. Board Designated Net Assets

The Organization created two board designated funds in 2017:

The first fund, created in June 2017 using $1,300,000 in proceeds from the sale of real property to open a new investment account, is designated for the long-term support of the Organization.

The second fund, created in October 2017 with $3,000,000 in proceeds from a certain community foundation and currently invested in several money market, checking accounts, and certificates of deposit, is designated for the support of targeted programmatic activities. In 2018, $2,000,000 was added to the fund.

10. Concentration of Cash on Deposit

The Organization has concentrated its credit risk by maintaining deposits in U.S. financial institutions that, often, exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses in such accounts and believes it is not exposed to any unreasonable credit risk to cash.

11. Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis in the Statement of Activities. The Institute allocates its payroll, tax and benefit costs based on actual time worked by staff on the various program, general and administrative and fundraising activities as recorded on contemporaneous timesheets. Other costs (such as occupancy and depreciation, telephone and internet, and computer and website expenses) are attributable to and benefit one or more program or supporting services and are allocated based on the direct payroll allocation percentages discussed immediately above.

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12. Investments

The cost, fair market value (determined by "Level 1" inputs by reference to quoted market prices), and unrealized appreciation (depreciation) of Population Institute's investments, by investment class, are summarized as follows:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
As of December 31, 2023:			
Money market funds	$ 44,726	$ 44,726	$ -
Fixed income securities and mutual funds	781,375	748,048	(33,327)
Equities and equity mutual funds	690,936	966,883	275,947
	$ 1,517,037	$ 1,759,657	$ 242,620

Investments (continued)

As of December 31, 2022:

Money market funds	$ 42,036	$ 42,036	$ -
Fixed income securities and mutual funds	868,259	802,619	(65,640)
Equities and equity mutual funds	585,650	706,428	120,778
	$ 1,495,945	$ 1,551,083	$ 55,138

Net investment income (loss) is summarized as follows (not including net investment income (loss) on the charitable gift assets):

	2023	2022
Interest and dividends	$ 35,677	$ 32,467
Realized and unrealized gains (loss)	182,131	(289,072)
Investment fees	(8,880)	(12,478)
Net investment income (loss)	$ 208,928	$ (269,083)

13. Liquidity and Availability of Financial Assets

The Institute's working capital and cash flows have seasonal variations during the year attributable to the timing of general fundraising efforts and major program activities. The Organization manages liquidity by investing surplus funds – and then withdrawing them to operations as needed – in the board designated fund discussed above. The Board also authorizes transfers of board designated funds in order to fund special program activities where current available resources are insufficient.

The following reflects the Institute's financial assets as of December 31st, reduced by amounts not available for general use within one year because of donor-imposed or internal designations. Amounts available include amounts that are available for general expenditure in the following year (i.e. time restricted donations, if any). Amounts not available include amounts set aside for operating or other reserves that could be drawn upon if the board of directors approved the action.

	2023	2022
Cash and cash equivalents	$ 6,463,534	$ 2,900,847
Receivables expected to be collected in the coming year	75,370	75,370
Financial assets available to meet cash needs for general expenditures within one year	$ 6,538,904	$ 2,976,217