



**WOMEN IN AVIATION INTERNATIONAL, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2024





# **WOMEN IN AVIATION INTERNATIONAL, INC.**

## FINANCIAL STATEMENTS

FIFTEEN MONTHS ENDED DECEMBER 31, 2024

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Women in Aviation International, Inc.

### **Opinion**

We have audited the accompanying financial statements of Women in Aviation International, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the fifteen months 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 the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the fifteen months 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 the Organization 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 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 the Organization'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, 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 Organization'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 Organization'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.

*Calibre CPA Group, PLLC*

Bethesda, MD  
August 14, 2025



## WOMEN IN AVIATION INTERNATIONAL, INC.

### STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

#### Assets

##### Assets

Cash and cash equivalents	\$ 1,423,868
Receivables, net	241,445
Prepaid expenses	154,633
Investments	
Operating	243,301
Endowment	1,586,286
Total investments	1,829,587
Property and equipment, net	3,452
Right-of-use assets - operating leases	8,309
Total assets	\$ 3,661,294

#### Liabilities and Net Assets

##### Liabilities

Accounts payable	\$ 89,448
Accrued expenses	20,366
Accrued vacation	43,286
Deferred revenue - conference	488,993
Lease liability - operating leases	8,656
Total liabilities	650,749

##### Net assets

Without donor restrictions	(20,728)
With donor restrictions	3,031,273
Total net assets	3,010,545

Total liabilities and net assets	\$ 3,661,294
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# WOMEN IN AVIATION INTERNATIONAL, INC.

## STATEMENT OF ACTIVITIES

FIFTEEN MONTHS ENDED DECEMBER 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support, revenue and other income</b>			
Contributions	\$ 324,393	\$ 1,550,453	\$ 1,874,846
Conference program revenue			
Registration	1,554,009	-	1,554,009
Exhibit booth	372,272	-	372,272
Sponsorships	797,549	-	797,549
Total conference program revenue	2,723,830	-	2,723,830
Magazine program revenue	84,054	-	84,054
Membership program revenue	887,007	-	887,007
Investment income, net	162,312	203,302	365,614
Other revenue	70,955	-	70,955
Net assets released from restriction	990,360	(990,360)	-
Total support, revenue and other income	5,242,911	763,395	6,006,306
<b>Expenses</b>			
Program expenses			
Conference	2,144,737	-	2,144,737
Magazine	331,675	-	331,675
Membership	362,173	-	362,173
Scholarship	709,192	-	709,192
Girls in Aviation	226,131	-	226,131
Hilton	412,646	-	412,646
Other programs	129,454	-	129,454
Total program expenses	4,316,008	-	4,316,008
General and administrative expenses	1,702,989	-	1,702,989
Fundraising expenses	53,803	-	53,803
Total expenses	6,072,800	-	6,072,800
<b>Change in net assets</b>	(829,889)	763,395	(66,494)
<b>Net assets</b>			
Beginning of period	809,161	2,267,878	3,077,039
End of period	\$ (20,728)	\$ 3,031,273	\$ 3,010,545

See accompanying notes to financial statements.

## WOMEN IN AVIATION INTERNATIONAL, INC.

### STATEMENT OF FUNCTIONAL EXPENSES

FIFTEEN MONTHS ENDED DECEMBER 31, 2024

	Conference	Magazine	Membership	Scholarship	Girls in Aviation	Hilton	Other Program	General and Administrative	Fundraising	Total
Salaries, payroll taxes and benefits	\$ 314,966	\$ 184,357	\$ 248,593	\$ 113,257	\$ 121,827	\$ 593	\$ 40,823	\$ 583,719	\$ 43,346	\$ 1,651,481
Advertising and marketing	34,630	2,393	5,884	3,300	1,391	590	400	126,055	-	174,643
Bank/merchant fees	-	-	15	-	-	-	-	102,013	-	102,028
Contributions/scholarships	20,646	-	-	571,896	-	26,000	-	-	-	618,542
Depreciation	-	-	-	-	-	-	-	4,389	-	4,389
Dues and subscriptions	12,281	5,413	18,466	4,802	-	11,879	690	47,466	4,609	105,606
Insurance	8,702	-	-	-	5,500	-	-	30,926	-	45,128
Office supplies	77,832	222	3,728	-	22,101	108,842	3,291	97,861	-	313,877
Other expenses	55,062	4,135	36,584	13,000	1,337	-	-	88,329	4,127	202,574
Postage and delivery	2,287	8,990	4,801	453	31,290	8,873	6,594	59,422	-	122,710
Printing - other	11,590	57,376	6,078	-	34,916	-	5,913	1,953	-	117,826
Professional fees	373,094	66,552	34,024	1,000	68	117,701	3,360	495,637	-	1,091,436
Rent	-	-	-	-	-	-	-	12,480	-	12,480
Travel and entertainment	64,149	2,237	4,000	1,484	551	103,175	56,674	30,895	1,721	264,886
Utilities	-	-	-	-	-	-	35	10,720	-	10,755
Event expenses	1,169,498	-	-	-	7,150	34,993	11,674	11,124	-	1,234,439
Total expenses	<u>\$ 2,144,737</u>	<u>\$ 331,675</u>	<u>\$ 362,173</u>	<u>\$ 709,192</u>	<u>\$ 226,131</u>	<u>\$ 412,646</u>	<u>\$ 129,454</u>	<u>\$ 1,702,989</u>	<u>\$ 53,803</u>	<u>\$ 6,072,800</u>

See accompanying notes to financial statements.



## WOMEN IN AVIATION INTERNATIONAL, INC.

### STATEMENT OF CASH FLOWS

FIFTEEN MONTHS ENDED DECEMBER 31, 2024

#### Cash flows from operating activities

Change in net assets	\$ (66,494)
Adjustments to reconcile net assets to net cash used for operating activities	
Loss on sale of property and equipment	1,876
Depreciation	4,389
Net appreciation on investments	(217,878)
Right-of-use assets amortization	11,935
Allowance for expected credit loss	20,000
Change in assets and liabilities	
Receivables	(77,324)
Prepaid expenses	(67,306)
Accounts payable	13,822
Accrued expenses	(39,451)
Accrued vacation	(18,831)
Deferred revenue	478,493
Lease liability - operating leases	(11,805)
Net cash used for operating activities	<u>31,426</u>

#### Cash flows from investing activities

Purchases of investments	(486,150)
Proceeds from sale of investments	<u>501,448</u>
Net cash used for investing activities	<u>15,298</u>

#### Net change in cash and cash equivalents

46,724

#### Cash and cash equivalents

Beginning of period	<u>1,377,144</u>
End of period	<u>\$ 1,423,868</u>





## WOMEN IN AVIATION INTERNATIONAL, INC.

### NOTES TO FINANCIAL STATEMENTS

FIFTEEN MONTHS ENDED DECEMBER 31, 2024

#### NOTE 1. NATURE OF ACTIVITIES

**Nature of Activities** - Women in Aviation International, Inc. (the Organization) was originally formed in 1994 through an Illinois non-profit organization, incorporated in 1990. The primary mission of the Organization is to promote career opportunities, networking, and resources; enhance education; and provide scholarships, with an emphasis for women in the aviation industry. Other functions include publishing the bi-monthly magazine *Aviation for Women*, hosting annual and regional conferences, coordinating local chapters, and maintaining an endowment fund. The Organization has individual and corporate members throughout the United States and in several foreign countries.

The Organization approved a change in their year end from September 30 to December 31. These financial statements present the activity for the fifteen months beginning October 1, 2023 through December 31, 2024.

#### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The Organization's financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Consequently, revenue is recognized when earned and expenses are recognized when incurred.

**Basis of Presentation** - The Organization follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this topic, the Organization is required to report information regarding its financial position and activities according to two classes: net assets without donor restrictions and net assets with donor restrictions.

Net assets and revenues, expenses, gains, and losses are classified based on the existence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restriction* - These net assets are available to finance the general operations of the Organization. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, and the purposes specified in its organizing documents.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Net assets with donor restriction* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor.

Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization had \$3,026,273 in net assets with donor restriction at December 31, 2024.

**Cash and Cash Equivalents** - For financial statement purposes, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash is considered to be amounts immediately available for withdrawal from bank accounts. Amounts held by investment advisors are considered investments regardless of maturity.

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

**Investments** - Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are reported on a trade-date basis. Interest income is reported on the accrual basis. Dividends are reported on the ex-dividend date. Realized and unrealized gains and losses on general investments are reported as part of investment income in the statement of activities.

**Financial Risk** - The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant financial risk on cash.

The Organization invests in various securities which are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to the change in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Receivables** - Receivables consist primarily of amounts due from magazine advertisement and conference sponsorship revenues, stated at unpaid balances. Accounts receivables are presented net of an allowance for credit losses resulting from the inability of customers to make required payments. The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any changes in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. At December 31, 2024, management determined that an allowance for credit losses of \$20,000 was necessary.

**Property and Equipment** - Property and equipment are recorded at cost less accumulated depreciation if purchased or fair value if contributed. Depreciation is computed using the straight-line method. Normal repairs and maintenance are expensed as incurred. Expenditures that materially extend the useful life of an asset are capitalized. When assets are sold, retired, or otherwise disposed of, the applicable costs and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recognized. It is the Organization's policy to capitalize expenditures for these items in excess of \$500.

**Revenue Recognition** - Revenue is derived from both exchange transactions and contribution transactions. Revenue from exchange transactions is recognized when control of promised goods or services is transferred to the Organization's members and customers, in an amount that reflects the consideration they expect to be entitled to in exchange for those goods or services. Except for goods and services provided in connection with membership dues, which are transferred over the period of membership, all goods and services are transferred at a point in time. Payments are generally required in advance and are reported as deferred revenue until the related revenue is recognized. Deferred revenue consists primarily of membership dues and event receipts received in advance. Unconditional contributions are recognized upon receipt of cash or other assets, or when a donor promises to transfer cash or other assets in the future. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been substantially met.

*Contributions* - The Board has established an endowment account to accumulate funds for the current and future needs of the Organization. The Organization carries on fundraising activities for scholarships and other programs to benefit the membership and community.

*Conferences* - The Organization holds an annual conference in the Spring of each year and other regional conferences to promote education, networking, and career enhancement opportunities in aviation. Income from this activity includes advertising, sponsorships, and registration fees.

*Magazine* - Includes advertising income from the publication of a magazine primarily for Organization members. It is published six times annually.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Membership** - The Organization has seven membership levels and assesses annual dues.

**Deferred Revenues** - Deferred revenue - conference consists of committed sponsorships and exhibitor fees, and pre-registrations collected for the 2025 conference.

**Functional Allocation of Expenses** - The costs of providing the various programs and supporting activities of the Organization have been summarized on a functional basis in the statements of activities and functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Other costs are allocated among the program and supporting services benefited based on management's best estimates.

**Income Taxes** - The Organization is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as other than a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

The Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position would be sustained on examination by taxing authorities, based on the technical merits of the position. Management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements. The Organization would be liable for income taxes in the U.S. federal jurisdiction. Generally, the Organization is no longer subject to U.S. federal tax examinations by tax authorities before the 2021 tax year.

**New Accounting Pronouncement Adopted** - During the fifteen months ended December 31, 2024, the Organization adopted the provisions of Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326). This ASU replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The ASU requires nonprofit entities to immediately recognize the estimated expected credit losses over the life of a financial instrument, including trade receivables and meetings revenue. The estimate of expected credit losses considers not only historical information, but also current and future economic conditions and events. The Organization adopted the ASU effective October 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in additional disclosures.

## NOTE 3. SIGNIFICANT CONCENTRATIONS

The Organization hosts an industry conference which is sponsored in part by contributions received from companies in the aviation industry. It is reasonably possible that in the near term these sources could reduce or cease funding which would cause a severe impact on the Organization. The Organization does not expect that support from these entities will be lost in the near term.

#### NOTE 4. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following reflects the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at end of year	\$ 3,494,900
Less: those unavailable for general expenditures within one year, due to donor restrictions	<u>3,031,273</u>
Total	<u>\$ 463,627</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments.

#### NOTE 5. PROPERTY AND EQUIPMENT

As of December 31, 2024, property and equipment consisted of:

Computer and office equipment	\$ 11,578
Furniture and fixtures	<u>1,273</u>
	12,851
Less: accumulated depreciation	<u>(9,399)</u>
Total property and equipment, net	<u>\$ 3,452</u>

Depreciation of property and equipment totaled \$4,389 for the fifteen months ended December 31, 2024.

#### NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

During the fifteen months ended December 31, 2024, \$990,360 was released from net assets with donor restrictions for scholarship awards, fundraising expenses, and investment fees. Net assets with donor restrictions are available for the following purposes:

Endowment - general	\$ 1,514,209
Endowment - scholarships	26,768
Scholarships - other	309,097
Grants	1,043,596
Perpetually restricted net assets	72,500
Other	<u>65,103</u>
Total	<u>\$ 3,031,273</u>

Perpetually restricted net assets consist of contributions to be held indefinitely, the income from which is expendable to support scholarships and awards.

## NOTE 7. ENDOWMENT FUND

The Organization's endowment fund was established to support programs and initiatives including scholarships, research grants, and education agendas that are consistent with the goals and mission of the Organization. Contributions to the endowment fund are subject to donor restrictions that may stipulate the original principal of the gift is to be held and invested by the Organization indefinitely, and income from the fund is to be expended for program services. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization is subject to the State Prudent Management of Institutional Fund Act (SPMIFA) and, therefore, classifies amounts in its donor-restricted endowment fund as net assets with donor restrictions until the Board appropriates amounts for expenditure and any purpose restrictions have been met. The Board of Trustees of the Organization has interpreted SPMIFA as requiring the maintenance of only the original gift amount contributed to an endowment fund unless a donor stipulates the contrary. As a result, of this interpretation, the Organization would consider the fund to be underwater if the fair value of the fund is less than the sum of (1) the original value of initial and subsequent gifts donated to the fund and (2) any accumulations to the fund that are required to be maintained in perpetuity in accordance with applicable donor gift instrument. The Organization has interpreted SPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. The fund is not currently underwater.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purpose of the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the investment policies of the Organization.

As of December 31, 2024 the endowment fund is composed of:

Amounts required to be invested in perpetuity	\$ 72,500
Amounts available for appropriation of program services	<u>1,540,977</u>
Total	<u>\$ 1,613,477</u>

*Investment Return Objectives, Risk Parameters and Strategies* - The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which will equal or exceed the average total

## NOTE 7. ENDOWMENT FUND (CONTINUED)

rate of return of a weighted average composite index including the S&P 500 and a fixed income 10-year government index. Currently, endowment assets are invested in cash, certificates of deposit, and mutual funds that are intended to result in a consistent inflation protected rate of return that has sufficient liquidity, while growing the fund, if possible. Therefore, the Organization expects its endowment assets, over time, to produce an average rate of return of approximately 3-6% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund measure by the standard deviation of quarterly returns. Strategies are managed to not expose the fund to unacceptable levels of risk.

*Spending Policy* - The Organization has a spending policy calculated on asset values averaged over the three prior years. Values are determined on an annual basis. The annual spending amount is calculated by multiplying a percent times an annual value calculated as an average over the three-year period. The percent is determined by the Board each year within a range not to exceed 3-7% of the average asset value calculated. The Organization expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 3-5% annually, which is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Endowment net assets composition by type of fund as of December 31, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$ -	\$ 1,540,977	\$ 1,540,977
Board designated endowment funds	-	-	-
Total	<u>\$ -</u>	<u>\$ 1,540,977</u>	<u>\$ 1,540,977</u>

Changes in endowment net assets during the fifteen months ended December 31, 2024 are as follows:

	With Donor Restrictions
Endowment net assets - beginning of year	\$ 1,286,976
Contributions	59,699
Investment income	203,302
Amount appropriated for expenditures	<u>(9,000)</u>
Endowment net assets - end of year	<u>\$ 1,540,977</u>



## NOTE 8. LEASES

On October 7, 2020, the Organization entered into a new lease agreement for office space in Germantown, Ohio. The lease commenced on November 1, 2020 and ended on October 31, 2022. The lease includes a renewal option for one additional three-year period and an option to terminate the lease at the end of Year 5. The Organization has exercised the renewal option and intends to terminate the lease on October 31, 2025.

Operating lease expense totaled \$12,827 for the fifteen months ended December 31, 2024. The Organization had no variable or short-term lease expense in 2024 and does not have any finance leases.

Supplemental qualitative information related to operating leases is as follows:

Weighted-average remaining lease term (in years) - operating leases	1
Weighted-average discount rate - operating leases	4.12%

The maturity of the lease liability under the Organization's operating lease as of December 31, 2024 is as follows:

Year ending December 31, 2025	\$ 8,820
Undiscounted future cash flows	8,820
Less: effects of discounting	(164)
Lease liability recognized	<u>\$ 8,656</u>

## NOTE 9. FAIR VALUE MEASUREMENTS

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include other significant observable inputs including:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability; and
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.



## NOTE 9. FAIR VALUE MEASUREMENTS (CONTINUED)

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

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to the ASC. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 inputs for any assets held by the Organization at December 31, 2024.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024.

Cash and cash equivalents are valued at cost which approximates fair market value.

Mutual funds are valued at net asset value, reported daily in the active exchanges, of shares held by the organization at period-end.

Municipal bonds are valued based on their stated interest rates and quality ratings, which are observable at commonly quoted intervals for the full term of the instruments.

Investments at December 31, 2024 reported at fair value are as follows:

	Level 1	Level 2	Level 3	Fair Value
Cash and cash equivalents held as investment	\$ 48,211	\$ -	\$ -	\$ 48,211
Mutual funds				
Equity	604,731	-	-	604,731
Fixed income	-	-	-	-
Balanced funds	796,571	-	-	796,571
Municipal bonds	-	380,074	-	380,074
	<u>\$ 1,449,513</u>	<u>\$ 380,074</u>	<u>\$ -</u>	<u>\$ 1,829,587</u>



## NOTE 10. CONTRACT BALANCES

The timing of billings, cash collections, and revenue recognition result in contract assets and contract liabilities associated with revenue from exchange transactions. Contract assets consist entirely of trade accounts receivable, which are recognized only to the extent it is probable that the Organization will collect substantially all of the consideration to which they are entitled in exchange for the goods or services that will be or have been transferred. Contract liabilities consist entirely of deferred revenue that results when the Organization receives advance payments from their members and customers before revenue is recognized. Balances in these accounts as of the beginning and end of the fifteen months ended December 31, 2024 are as follows:

	December 31, 2024	September 30, 2023
Accounts receivable		
Membership dues and events	<u>\$ 228,237</u>	<u>\$ 173,497</u>
Deferred revenue		
Events	<u>\$ 488,993</u>	<u>\$ 10,500</u>

## NOTE 11. COMMITMENTS

The Organization plans for future conference facilities by entering into agreements with host hotels and convention centers. Under those agreements, the Organization may incur cancellation penalties if the agreements are terminated early. As of December 31, 2024, cancellation penalties for future conferences are approximately \$2,485,000.

## NOTE 12. CONTINGENCIES

The Organization is named as defendant in cases from time to time. In the opinion of counsel and management, the Organization has adequate defenses for such actions and should be not liable for any significant amounts.

## NOTE 13. RETIREMENT PLAN

The Organization has a 403(b) defined contribution retirement plan for full time eligible employees. Eligible employees can receive a matching contribution of up to 5% of compensation. For the fifteen months ended December 31, 2024, the Organization contributed \$54,784 in matching contributions to the plan.



#### **NOTE 14. RELATED PARTY**

The Organization has 136 chapters and does not have controlling financial interest through direct or indirect ownership of a majority voting interest for any of these chapters. The Organization does not support the chapters financially and charges the chapters annual dues to be affiliated with the Organization. For the fifteen months ended December 31, 2024, the Organization collected \$9,718 in dues from the chapters. The chapters can earn a credit for each member they sign up for membership of Women in Aviation International, Inc. in the amount of three dollars per student and five dollars per individual member. This credit is redeemable for merchandise or conference registration or can be used to pay annual dues to the organization.

#### **NOTE 15. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through August 14, 2025, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.