

ACCESS NOW AND ACCESS NOW EUROPE
COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

ACCESS NOW AND ACCESS NOW EUROPE

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Access Now and Access Now Europe

Report on the Financial Statements

We have audited the accompanying combined financial statements of Access Now (a U.S. nonprofit organization) and Access Now Europe (a Belgium nonprofit association), which comprise the combined statement of financial position at December 31, 2018, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Access Now and Access Now Europe as of December 31, 2018, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental combining schedules of financial position, activities, and functional expenses are presented for the purpose of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Emphasis of Matter

As discussed in Note 2 to the combined financial statements, Access Now and Access Now Europe adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-14. Our opinion is not modified with respect to this matter.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

White Plains, New York
October 18, 2019

ACCESS NOW AND ACCESS NOW EUROPE
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

Cash and cash equivalents	\$ 2,377,610
Grants and contributions receivable	2,107,514
Prepaid expenses	49,141
Property, equipment and intangibles, net	78,897
Security deposits	<u>53,312</u>
 Total Assets	 <u>\$ 4,666,474</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 314,656
Deferred revenue	<u>114,540</u>
 Total Liabilities	 <u>429,196</u>

Commitments

Net Assets:	
Without donor restrictions	1,443,923
With donor restrictions	<u>2,793,355</u>
 Total Net Assets	 <u>4,237,278</u>
 Total Liabilities and Net Assets	 <u>\$ 4,666,474</u>

The accompanying notes are an integral part of these combined financial statements.

ACCESS NOW AND ACCESS NOW EUROPE
 COMBINED STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, Gains, and Other Support:			
Contributions	\$ 1,409,483	\$ 2,165,172	\$ 3,574,655
Government grants	756,501	2,188,173	2,944,674
Program event sponsorship	871,375	-	871,375
In-kind contributions	367,172	-	367,172
Loss on foreign currency translation	(149,782)	-	(149,782)
Interest and other income	2,352	-	2,352
Net assets released from restrictions	<u>4,456,015</u>	<u>(4,456,015)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	<u>7,713,116</u>	<u>(102,670)</u>	<u>7,610,446</u>
Expenses:			
Program services	5,582,982	-	5,582,982
Management and general	928,112	-	928,112
Fundraising	<u>187,369</u>	<u>-</u>	<u>187,369</u>
Total Expenses	<u>6,698,463</u>	<u>-</u>	<u>6,698,463</u>
Change in Net Assets	1,014,653	(102,670)	911,983
Net Assets, Beginning of Year	<u>429,270</u>	<u>2,896,025</u>	<u>3,325,295</u>
Net Assets, End of Year	<u><u>\$ 1,443,923</u></u>	<u><u>\$ 2,793,355</u></u>	<u><u>\$ 4,237,278</u></u>

The accompanying notes are an integral part of these combined financial statements.

ACCESS NOW AND ACCESS NOW EUROPE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Personnel Costs:				
Salaries	\$ 1,646,537	\$ 421,253	\$ 138,819	\$ 2,206,609
Payroll taxes	160,696	64,031	10,556	235,283
Employee benefits and pension	132,814	83,365	538	216,717
	<u>1,940,047</u>	<u>568,649</u>	<u>149,913</u>	<u>2,658,609</u>
Direct Expenses:				
Consultants and contractors	928,561	90,143	7,904	1,026,608
Depreciation and amortization	14,975	5,963	930	21,868
Equipment	26,543	14,084	-	40,627
Event costs	722,549	1,830	1,560	725,939
Grants to other organizations	895,671	-	-	895,671
Insurance	86	7,603	-	7,689
Office supplies and expenses	34,761	54,656	6,805	96,222
Professional fees	344,501	111,536	-	456,037
Program expenses - other	41,931	-	-	41,931
Promotion	3,624	1,797	5	5,426
Rent and utilities	156,845	23,924	7,542	188,311
Staff development	30,717	11,193	-	41,910
Stipends and retention incentive	27,576	-	-	27,576
Telephone and communications	57,300	17,088	100	74,488
Travel and meetings	248,277	13,461	12,610	274,348
Web development and maintenance	109,018	6,185	-	115,203
	<u>5,582,982</u>	<u>928,112</u>	<u>187,369</u>	<u>6,698,463</u>
Total Expenses	<u>\$ 5,582,982</u>	<u>\$ 928,112</u>	<u>\$ 187,369</u>	<u>\$ 6,698,463</u>

The accompanying notes are an integral part of these combined financial statements.

ACCESS NOW AND ACCESS NOW EUROPE
 COMBINED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 911,983
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	21,868
Changes in assets (increase):	
Grants and contributions receivable	(639,703)
Prepaid expenses	(2,318)
Other assets	(11,059)
Security deposits	(18,419)
Changes in liabilities increase (decrease):	
Accounts payable and accrued expenses	48,435
Grants payable	(299,126)
Deferred revenue	<u>(92,022)</u>
Net Cash Used in Operating Activities	<u>(80,361)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Property and equipment acquisitions	<u>(5,222)</u>
Net Cash Used in Investing Activities	<u>(5,222)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(85,583)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,463,193</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,377,610</u></u>

The accompanying notes are an integral part of these combined financial statements.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 1 - Nature of Organization

Access Now is a not-for-profit corporation incorporated in the State of California in July 2009. Access Now was formed to defend and extend the digital rights of internet users around the world by combining direct technical support, comprehensive policy engagement, global advocacy and grassroots grant making to effectuate long-term systemic change. Access Now Europe is an international not-for-profit association recognized by the “Association Internationale Sans But Lucratif” (A.I.S.B.L). The entity is registered in Brussels, Belgium and is governed by Belgium law.

Access Now and Access Now Europe (referred to as “AN” and “ANE,” respectively, or “the Organization,” collectively) shares the same primary purpose and mission. The Organization’s focal programmatic areas of activity include the following:

- Business and Human Rights
Urging companies to make their practices more transparent, accountable, and rights-respecting;
- Digital Security
Working to ensure that online activities are private, safe, and secure;
- Freedom of Expression
Fighting for the right to speak freely, which is critical for demonstrating dissent, guaranteeing a free press, and defending human rights;
- Net Discrimination
Fighting for a free and open internet, advocating for the Net Neutrality principle that internet access should be offered to everyone on a nondiscriminatory basis, without favoring certain websites, applications, or services;
- Privacy
Defending the right to privacy, the cornerstone for human rights in the digital age.

Access Now is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Access Now Europe is exempt from income taxes as a registered international not-for-profit association (A.I.S.B.L) in Brussels, Belgium.

Note 2 - Summary of Significant Accounting Policies

Adoption of FASB ASU No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*

Effective January 1, 2018, the Organization adopted the provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-14. The ASU provided for changes in financial statement presentation that affect classification of net assets and presentation of expenses. It also provided for enhanced disclosures of net assets, methods used to allocate costs among functions, as well as available resources and liquidity.

The adoption of ASU 2016-14 did not impact the Organization’s December 31, 2017 net asset balances.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Principles of Combination

The combined financial statements include the financial position, changes in net assets, functional expenses and cash flows of AN and ANE. All intercompany transactions and balances have been eliminated in the combined financial statements.

Basis of Accounting

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of the combined financial statement in conformity with U.S. GAAP 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include highly liquid investments with initial maturities when acquired of three months or less.

Fair Value of Financial Instruments

Fair value is defined as 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. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Organization's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At December 31, 2018, the cost basis of the Organization's financial instruments, including cash and cash equivalents, grants and contributions receivable, accounts payable and accrued expenses, and deferred revenue, approximated fair value due to the short maturity of these instruments.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Fair Value of Financial Instruments (cont'd.)

At December 31, 2018, the Organization does not have assets or liabilities required to be measured at fair value in accordance with FASB Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*.

Grants and Contributions Receivable

Grants and contributions receivable, which consist of unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is recorded as additional contribution revenue in accordance with donor stipulated restrictions, if any. Conditional promises to give are not included as support until the conditions are substantially met.

Contribution, Program Event Sponsorship, and Grant Revenue

Unconditional contributions and program event sponsorship, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as without donor restrictions, if they are received without any donor stipulations. Gifts are reported as with donor restrictions, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Government grants are recorded as revenues with or without donor restrictions to the extent that expenses have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, the Organization defers the amounts as advances from government agencies.

Allowance for Doubtful Accounts

The Organization determines whether an allowance for doubtful accounts should be provided for grants and contributions receivable. Such estimates are based on management's assessment of the aged basis of the receivables, current economic conditions and historical information. Grants and contributions receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables. Bad debt expense is charged if the receivable is determined to be uncollectible based on periodic review by management. The Organization has determined that there is no need for an allowance for doubtful accounts at December 31, 2018.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred, and cost of renewals and improvements are capitalized. The Organization capitalizes property and equipment with a useful life of two years or more and a cost of \$3,000 or more.

Net Assets

Net assets without donor restrictions include funds having no restrictions as to use or purpose imposed by donors. Net assets with donor restrictions include purpose restricted net assets whose use has been restricted by donors to a specific time period or purpose.

Functional Reporting

The breakdown of functional expenses into program services, management and general and fundraising is provided by management using the best estimates as to the appropriate allocation. Grants to other organizations, and consultants and contractors are directly charged to program expenses. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including square footage and time and effort.

In-Kind Contributions

In-kind contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of services are recognized if the services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. In-kind contributions of \$367,172 recognized in the accompanying combined statement of activities for the year ended December 31, 2018 consist of donated legal and web hosting services.

Grant Expense

Grant expense is recognized in the period the grant is approved by management, provided the grant is not subject to significant future conditions. Unpaid grants at the end of the year are recorded as grants payable.

Operating Leases

Operating lease and rent expense has been recorded on the straight-line basis over the term of the lease.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Foreign Currency Translation

The assets and liabilities of ANE, which are recorded in European Union (EU) euro, are translated to U.S. Dollars (USD) using the exchange rate in effect at the date of the combined statement of financial position date. Revenues, expenses, gains and losses are translated using the average exchange rate for the year. Gains or losses on foreign currency translations are recognized in the accompanying combined financial statements. The exchange rate utilized within the combined statement of financial position at December 31, 2018 was EU 1.00/1.17 USD. The average exchange rate utilized to translate revenues, expenses, gains, and losses relating to the year ended December 31, 2018 was EU 1.00/1.17 USD.

Accounting for Uncertainty in Income Taxes

The Organization applies the provisions pertaining to uncertain tax provisions (FASB ASC Topic 740) and has determined there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations prior to 2015.

New Accounting Pronouncements

ASU No. 2018-08

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which will assist organizations in evaluating the transfer of assets and the nature of the related transaction. Organizations will be required to determine whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and if a contribution is conditional. The guidance in this ASU requires that organizations determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both indicates that the recipient is not entitled to the transferred assets or a future transfer of assets until it has overcome any barriers in the agreement.

For nonpublic entities who are recipients, the amendments of ASU No. 2018-08 are effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early application is permitted for all entities.

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards ("IFRS"). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

New Accounting Pronouncements (cont'd.)

ASU No. 2016-02 (cont'd.)

The ASU provides that lessors should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed twelve months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020. Early application is permitted for all entities.

ASU No. 2014-09

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU is the result of a joint project of the FASB and the IASB to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and IFRS. The guidance in this ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards.

The ASU provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity should apply the following five-step process to recognize revenue:

- Step 1: Identify the contract with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

For nonpublic entities, the amendments of ASU No. 2014-09 are effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early application is permitted under certain circumstances.

The Organization has not yet determined if these ASUs will have a material effect on its combined financial statements.

Note 3 - Concentrations of Credit Risk

AN maintains cash balances in several financial institutions which are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. From time to time, the Organization's balances may exceed these limits.

For the year ended December 31, 2018, approximately 45% of the Organization's total support and revenue was received from two donors.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 4 - Property, Equipment and Intangibles

Property, equipment and intangibles consist of the following as of December 31, 2018:

Equipment and software	\$ 47,181
Intangibles - website design	119,991
	<u>167,172</u>
Less: Accumulated depreciation and amortization	<u>88,275</u>
Property, equipment and intangibles, net	<u><u>\$ 78,897</u></u>

Note 5 - Grants and Contributions Receivable

Grants and contributions receivable consist of the following as of December 31, 2018:

Unconditional promises to be collected in:

Less than one year	\$ 1,854,304
One to five years	<u>253,210</u>
	<u><u>\$ 2,107,514</u></u>

Receivables in excess of one year have not been discounted to net present value as management deems such discount to be immaterial to the financial statements.

Note 6 - Pension Plan Costs

The Organization sponsors a defined-contribution plan under Section 401(k) of the Internal Revenue Code. The plan allows for the Organization to make discretionary contributions based on the participant's salary. The Organization's contributions to the plan amounted to \$60,312 for the year ended December 31, 2018.

Note 7 - Commitments

The Organization leases real property under leases which expire at various dates through December 2027. Rental expense amounted to \$177,649 for the year ended December 31, 2018.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 7 - Commitments (cont'd.)

Future minimum annual rental commitments under noncancellable rental lease obligations are as follows:

<u>Years Ending Decemebr 31:</u>	
2019	\$ 110,147
2020	96,977
2021	48,989
2022	30,017
2023	30,017
Thereafter	<u>101,058</u>
	<u>\$ 417,205</u>

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

Digital Security Project	\$ 730,931
Tomorrow's Internet Project	443,283
Data Protection Project	797,585
Core Support	700,000
#KeepItOn Project	81,777
24/7 Helpline	25,000
Emergency Fund	<u>14,779</u>
	<u>\$ 2,793,355</u>

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 8 - Net Assets with Donor Restrictions (cont'd.)

Net assets with donor restrictions were released from restrictions by incurring expenses satisfying the following:

Digital Accelerator Project	\$ 2,807,237
Digital Security Project	184,705
Tomorrow's Internet Project	343,417
Data Protection Project	258,766
Core Support	500,000
Safetag Digital Security Audit	23,867
#KeepItOn Project	118,223
Listen Better Campaign	17,500
Fellowship	6,667
24/7 Helpline	50,000
Emergency Fund	220
2018 activities	<u>145,413</u>
	<u><u>\$ 4,456,015</u></u>

Note 9 - Financial Assets and Liquidity Resources

As of December 31, 2018, financial assets and liquidity resources available within one year for general expenditures such as operating expenses were as follows:

Cash and cash equivalents	\$ 2,377,610
Grants and contributions receivable	<u>2,107,514</u>
Total financial assets	<u>4,485,124</u>
Less: Contractual or donor-imposed restrictions:	
Donor's restrictions	(2,793,355)
Receivable scheduled to be collected in more than one year	<u>(253,210)</u>
	<u>(3,046,565)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,438,559</u></u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. Management meets on a monthly basis to review cash flows as a 12-month rolling projection of expenditures and income to ensure adequate resources available to meet operational needs. The Organization's expenditures are not subject to significant seasonal fluctuations.

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NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 10 - Subsequent Events

Management has evaluated all events or transactions that occurred after December 31, 2018 through October 18, 2019, the date that the combined financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

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SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

	<u>Access Now</u>	<u>Access Now Europe</u>	<u>Eliminations</u>	<u>Totals</u>
Cash and cash equivalents	\$ 2,305,359	\$ 72,251	\$ -	\$ 2,377,610
Grants and contribution receivable	2,079,888	27,626	-	2,107,514
Prepaid expenses	49,141	-	-	49,141
Inter-organizational receivable	20,740	-	(20,740)	-
Property, equipment and intangibles, net	72,593	6,304	-	78,897
Security deposits	53,312	-	-	53,312
	<u>\$ 4,581,033</u>	<u>\$ 106,181</u>	<u>\$ (20,740)</u>	<u>4,666,474</u>

LIABILITIES AND NET ASSETS

Liabilities:				
Accounts payable and accrued expenses	\$ 235,507	\$ 79,149	\$ -	\$ 314,656
Inter-organizational payable	-	20,740	(20,740)	-
Deferred revenue	114,540	-	-	114,540
	<u>350,047</u>	<u>99,889</u>	<u>(20,740)</u>	<u>429,196</u>
Commitments				
Net Assets:				
Without donor restrictions	1,437,631	6,292	-	1,443,923
With donor restrictions	2,793,355	-	-	2,793,355
	<u>4,230,986</u>	<u>6,292</u>	<u>-</u>	<u>4,237,278</u>
	<u>\$ 4,581,033</u>	<u>\$ 106,181</u>	<u>\$ (20,740)</u>	<u>\$ 4,666,474</u>

See independent auditors' report.

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SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Access Now			Access Now Europe	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Totals
Revenues, Gains, and Other Support:					
Contributions	\$ 1,310,810	\$ 2,165,172	\$ 3,475,982	\$ 98,673	\$ 3,574,655
Government grants	756,501	2,188,173	2,944,674	-	2,944,674
Inter-organizational transfers	(390,783)	-	(390,783)	390,783	-
Program event sponsorship	871,375	-	871,375	-	871,375
In-kind contributions	367,172	-	367,172	-	367,172
Loss on foreign currency translation	(152,334)	-	(152,334)	2,552	(149,782)
Interest and other income	1,013	-	1,013	1,339	2,352
Net assets released from restrictions	4,456,015	(4,456,015)	-	-	-
Total Revenues, Gains, and Other Support	<u>7,219,769</u>	<u>(102,670)</u>	<u>7,117,099</u>	<u>493,347</u>	<u>7,610,446</u>
Expenses:					
Program services	5,219,555	-	5,219,555	363,427	5,582,982
Management and general	803,146	-	803,146	124,966	928,112
Fundraising and development	187,369	-	187,369	-	187,369
Total Expenses	<u>6,210,070</u>	<u>-</u>	<u>6,210,070</u>	<u>488,393</u>	<u>6,698,463</u>
CHANGE IN NET ASSETS	1,009,699	(102,670)	907,029	4,954	911,983
NET ASSETS, BEGINNING OF YEAR	<u>427,932</u>	<u>2,896,025</u>	<u>3,323,957</u>	<u>1,338</u>	<u>3,325,295</u>
NET ASSETS, END OF YEAR	<u>\$ 1,437,631</u>	<u>\$ 2,793,355</u>	<u>\$ 4,230,986</u>	<u>\$ 6,292</u>	<u>\$ 4,237,278</u>

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ACCESS NOW
ACCESS NOW EUROPE
SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Services			Support Services			Total
	Access Now	Access Now Europe	Total Program	Access Now Management and General	Access Now Europe Management and General	Access Now Fundraising	
Personnel Costs:							
Salaries	\$ 1,427,595	\$ 218,942	\$ 1,646,537	\$ 347,701	\$ 73,552	\$ 138,819	\$ 2,206,609
Payroll taxes	133,553	27,143	160,696	53,266	10,765	10,556	235,283
Employee benefits and pension	117,740	15,074	132,814	73,821	9,544	538	216,717
	<u>1,678,888</u>	<u>261,159</u>	<u>1,940,047</u>	<u>474,788</u>	<u>93,861</u>	<u>149,913</u>	<u>2,658,609</u>
Direct Expenses:							
Consultants and contractors	910,738	17,823	928,561	90,143	-	7,904	1,026,608
Depreciation and amortization	14,975	-	14,975	2,183	3,780	930	21,868
Equipment	26,543	-	26,543	14,084	-	-	40,627
Event costs	711,266	11,283	722,549	1,830	-	1,560	725,939
Grants to other organizations	895,671	-	895,671	-	-	-	895,671
Insurance	86	-	86	7,603	-	-	7,689
Office supplies and expenses	27,677	7,084	34,761	46,087	8,569	6,805	96,222
Professional fees	344,501	-	344,501	109,022	2,514	-	456,037
Program expenses - other	41,931	-	41,931	-	-	-	41,931
Promotion	3,624	-	3,624	1,797	-	5	5,426
Rent and utilities	134,841	22,004	156,845	17,710	6,214	7,542	188,311
Staff development	24,029	6,688	30,717	10,383	810	-	41,910
Stipends and retention incentive	25,756	1,820	27,576	-	-	-	27,576
Telephone and communications	52,972	4,328	57,300	15,134	1,954	100	74,488
Travel and meetings	217,039	31,238	248,277	12,363	1,098	12,610	274,348
Web development and maintenance	109,018	-	109,018	19	6,166	-	115,203
Total Expenses	<u>\$ 5,219,555</u>	<u>\$ 363,427</u>	<u>\$ 5,582,982</u>	<u>\$ 803,146</u>	<u>\$ 124,966</u>	<u>\$ 187,369</u>	<u>\$ 6,698,463</u>

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