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Physicians for Reproductive Health

Consolidated Financial Statements
September 30, 2019 and 2018
With Independent Auditor's Report

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ADVISORY TAX AUDIT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Physicians for Reproductive Health:

We have audited the accompanying consolidated financial statements of Physicians for Reproductive Health, which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Physicians for Reproductive Health's preparation and fair presentation of the consolidated 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 Physicians for Reproductive Health'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Physicians for Reproductive Health as of September 30, 2019 and 2018, and the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter – Change in Accounting Principles

As discussed in Note 1 to the consolidated financial statements, in fiscal year 2019, Physicians for Reproductive Health adopted new accounting guidance in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedules of financial position - Global Doctors for Choice, LLC and activities and changes in net assets - Global Doctors for Choice, LLC are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

WithumSmith+Brown, PC

February 13, 2020

Physicians for Reproductive Health
Consolidated Statements of Financial Position
September 30, 2019 and 2018

	2019	2018
Assets		
Current assets		
Cash and cash equivalents	$ 1,596,300	$ 1,729,498
Investments	3,435,335	2,822,414
Unconditional promises to give, current portion	70,000	1,621,502
Other receivables	860	4,178
Prepaid expenses and other current assets	121,312	134,717
Total current assets	5,223,807	6,312,309
Property and equipment, net	122,520	163,516
Other assets		
Unconditional promises to give, non-current portion	79,243	76,605
Other assets	18,523	21,751
Total other assets	97,766	98,356
Total assets	$ 5,444,093	$ 6,574,181
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 262,592	$ 310,228
Net assets		
Without donor restrictions		
Board designated fund - GDC action fund	9,000	9,000
Board designated fund - GDC reserve fund	24,000	12,000
Available for general use	3,617,281	3,508,114
Total without donor restrictions	3,650,281	3,529,114
With donor restrictions	1,531,220	2,734,839
Total net assets	5,181,501	6,263,953
Total liabilities and net assets	$ 5,444,093	$ 6,574,181

The Notes to Consolidated Financial Statements are an integral part of these statements.

Physicians for Reproductive Health
Consolidated Statements of Activities and Changes in Net Assets
Years Ended September 30, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues						
Contributions						
Foundations	$ 124,734	$ 1,833,536	$ 1,958,270	$ 139,110	$ 1,872,244	$ 2,011,354
Individuals	1,061,325	301,050	1,362,375	1,331,897	229,942	1,561,839
In-kind	380,466	-	380,466	52,169	-	52,169
Service fees	9,771	-	9,771	15,001	-	15,001
Interest and dividend income	89,183	-	89,183	66,590	-	66,590
Investment income	47,445	-	47,445	83,457	-	83,457
Miscellaneous income	56,700	-	56,700	47,630	-	47,630
	1,769,624	2,134,586	3,904,210	1,735,854	2,102,186	3,838,040
Net assets released from restrictions due to satisfaction of time and purpose restrictions	3,338,205	(3,338,205)	-	4,312,175	(4,312,175)	-
	5,107,829	(1,203,619)	3,904,210	6,048,029	(2,209,989)	3,838,040
Expenses						
Program activities	4,112,092	-	4,112,092	5,110,283	-	5,110,283
Supporting services	874,570	-	874,570	695,696	-	695,696
	4,986,662	-	4,986,662	5,805,979	-	5,805,979
Changes in net assets	121,167	(1,203,619)	(1,082,452)	242,050	(2,209,989)	(1,967,939)
Net assets, beginning of year	3,529,114	2,734,839	6,263,953	3,287,064	4,944,828	8,231,892
Net assets, end of year	$ 3,650,281	$ 1,531,220	$ 5,181,501	$ 3,529,114	$ 2,734,839	$ 6,263,953

The Notes to Consolidated Financial Statements are an integral part of these statements.

Physicians for Reproductive Health
Consolidated Statements of Functional Expenses
Years Ended September 30, 2019 and 2018

	2019									2018
	Program Activities					Supporting Services				
	Education Research & Training	Global Doctors for Choice	Voice & Engagement	Public Policy & Community Support	Program Total	Management & General	Development	Support Total	Total	Summarized Total
Salaries and benefits	$ 821,319	$ 120,038	$ 483,400	$ 675,269	$ 2,100,026	$ 110,016	$ 170,803	$ 280,819	$ 2,380,845	$ 3,144,255
Professional fees	118,779	117,670	170,433	174,541	581,423	721,789	80,150	801,939	1,383,362	1,274,718
Printing and duplication	64	193	12,914	336	13,507	306	43,618	43,924	57,431	61,900
Communications	-	35	-	-	35	57,645	-	57,645	57,680	68,308
Travel	179,823	34,303	34,647	63,051	311,825	34,203	4,353	38,556	350,381	466,678
Conferences and conventions	138,869	6,226	176,896	14,320	336,311	3,991	3,553	7,544	343,855	332,282
Dues, subscriptions and seminars	9,575	-	608	2,958	13,140	9,893	3,685	13,578	26,718	33,304
Occupancy	-	-	-	-	-	79,381	-	79,381	79,381	78,353
Leased and purchased equipment	1,606	954	39,243	-	41,803	67,923	108	68,031	109,834	116,303
Other operating costs	1,148	37,292	21,816	189	60,445	36,392	40,344	76,736	137,181	184,162
Depreciation and amortization	-	4,113	-	15,104	19,217	40,777	-	40,777	59,994	45,716
Overhead allocation	263,517	-	156,762	214,081	634,360	(689,083)	54,723	(634,360)	-	-
	$ 1,534,700	$ 320,824	$ 1,096,719	$ 1,159,849	$ 4,112,092	$ 473,233	$ 401,337	$ 874,570	$ 4,986,662	$ 5,805,979

The Notes to Consolidated Financial Statements are an integral part of these statements.

Physicians for Reproductive Health
Consolidated Statements of Cash Flows
Years Ended September 30, 2019 and 2018

	2019	2018
Operating activities		
Changes in net assets	$ (1,082,452)	$ (1,967,939)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	59,994	45,716
Realized gain on investments	(66,680)	(44,343)
Unrealized loss (gain) on investments	6,623	(50,774)
Change in unamortized discount on unconditional promises to give	(2,638)	(1,796)
Bad debt (recovery) expense on unconditional promises to give	(19,561)	10,943
Changes in assets and liabilities		
Unconditional promises to give	1,571,063	459,366
Other receivables	3,318	(1,634)
Prepaid expenses and other current assets	13,405	(28,819)
Other assets	3,228	5,878
Accounts payable and accrued expenses	(47,636)	(24,556)
Net cash provided by (used in) operating activities	438,664	(1,597,958)
Investing activities		
Purchase of property and equipment	(18,998)	(90,021)
Net (purchase of) proceeds from investments	(552,864)	(353,409)
Net cash used in investing activities	(571,862)	(443,430)
Net change in cash and cash equivalents	(133,198)	(2,041,388)
Cash and cash equivalents		
Beginning of year	1,729,498	3,770,886
End of year	$ 1,596,300	$ 1,729,498

Supplemental disclosure of cash flow information

There were no amounts paid for interest or income taxes during the years ended September 30, 2019 or 2018.

The Notes to Consolidated Financial Statements are an integral part of these statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Physicians for Reproductive Health (the “Organization”) unites the medical community and concerned supporters. Together, the Organization works to improve access to comprehensive reproductive health care, including contraception and abortion, especially to meet the health care needs of economically disadvantaged patients.

On September 5, 2014, Global Doctors for Choice, LLC ("GDC") was formed. The Organization is the initial and sole member of GDC as well as the fiscal sponsor. GDC was formed to engage exclusively in educational, scientific, public safety or other charitable purposes. The earnings of GDC inure solely to the benefit of the Organization.

In 2014, the Organization also became the fiscal sponsor of another non-profit unincorporated group: Creating a Clinicians Corps. The fiscal sponsorship ended during the year ended September 30, 2018.

Principles of Consolidation

The consolidated financial statements include the accounts and balances of Physicians for Reproductive Health and GDC, a wholly-owned subsidiary, and the activities for which the Organization is the fiscal sponsor. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

These consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions

Net assets with donor restrictions are 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 other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the gift is received and are released from restrictions when the asset is placed into service.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid debt instruments, purchased with an initial maturity of three months or less, to be cash equivalents.

Investments

Investments in money market and equity securities with readily determinable values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. Donated investments are recorded at the fair value at the date of receipt. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in assets without restrictions unless the income or loss is restricted by donor or law.

Unconditional Promises to Give and Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in assets without restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in assets with restrictions. When a restriction expires, assets with restrictions are reclassified as assets without restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Property and Equipment

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful life of the asset as follows:

Description	Estimated Life (Years)
Office furniture and equipment	5
Computer and website development	3
Leasehold improvements	Life of lease

Expenditures for maintenance and repairs are charged to activities as incurred. Expenditures for betterments and major renewals are capitalized and, therefore, would be included in property and equipment.

Valuation of Long-Lived Assets

In accordance with the provisions of the accounting pronouncement on accounting for the impairment or disposal of long-lived assets, the Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the varying amount of the assets may not be fully recoverable. Management has determined that no assessment was required for the periods presented in these financial statements.

Income Taxes

Physicians for Reproductive Health is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue code and has been designated as an organization which is not a private foundation. Management has determined that there were no uncertain tax positions at September 30, 2019 and 2018. In addition, there was no interest or penalties related to income taxes included in the consolidated financial statements presented.

So long as GDC's sole member is the Organization, GDC will be treated as a disregarded entity for federal income tax purposes, and GDC's results of operations will be included within the Organization's tax filings.

Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains cash amounts with two financial institutions. In an attempt to limit the credit risk, the Organization places all funds with high quality financial institutions. At various times throughout the year, the Organization had cash balances in excess of FDIC insurance coverage. The Organization has not experienced any losses resulting from credit risk.

Functional Allocation of Expenses

The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among program services and management and general services based on the benefit received. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

Expenses	Method of Allocation
Salaries and benefits	Time and effort
Professional fees	Salaries
Printing and publications	Salaries
Communications	Salaries
Dues, subscriptions and seminars	Salaries
Other operating costs	Salaries
Occupancy	Salaries
Equipment	Salaries
Depreciation and amortization	Salaries
Overhead allocation	Salaries

Reclassification

As disclosed later in this note, the 2018 consolidated financial statements were reclassified for the adoption of Accounting Standards Update ("ASU") 2016-14. Changes in net assets and net assets are unchanged due to the reclassification.

Change in Accounting Principles

Presentation of Financial Statements of Not-For-Profit Entities

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-14, Not-for-profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-profit Entities*. ASU 2016-14, which is effective for fiscal years beginning after December 15, 2017 with early adoption permitted, requires a change to two areas of not-for-profit accounting and significant new financial statement presentation and disclosure requirements. Under ASU 2016-14 underwater funds will be accounted for within net assets with donor restrictions and not within net assets without donor restrictions as is the current practice. In addition, the ASU eliminates the accounting policy election to release donor imposed restrictions over the useful life of donated property and equipment when the donor does not explicitly specify the period of time the property must be used. Instead, entities will be required to relieve the donor's restrictions at the time the asset is placed in service. The ASU also changes the presentation and disclosure requirements of not-for-profit entities in the following areas: expense disclosures, display of net asset classes, cash flow presentation, quantitative and qualitative liquidity disclosures and presentation of investment returns. The Organization has elected to early adopt ASU 2016-14 during the year ended September 30, 2019.

A recap of the net asset reclassifications driven by the adoption of ASU 2016-14 as of September 30, 2018 are as follows:

	ASU 2016-14 Classifications		
	Without Donor Restrictions	**With Donor Restrictions**	**Total Net Assets**
Net asset classifications			
As previously presented:			
Unrestricted	$ 3,529,114	$ -	$ 3,529,114
Temporarily restricted	-	2,734,839	2,734,839
Net assets, as reclassified	$ 3,529,114	$ 2,734,839	$ 6,263,953

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), which provides a comprehensive new revenue recognition model that requires a company to recognize revenue in an amount that reflects the consideration it expects to receive for the transfer of promised goods or services to its customers. The standard also requires additional disclosure regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. This ASU, which was deferred by ASU 2015-14, is effective for annual periods and interim periods beginning after December 15, 2018. The ASU is to be applied retrospectively or using a cumulative effect transition method. Early adoption is permitted.

Leases

In February 2016, FASB issued ASU 2016-02, *Leases* (Topic 842), which requires the recognition of a “right to use” asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet for all of the Company’s lease obligations. This ASU is effective for fiscal years beginning after December 15, 2020.

Accounting for Contributions

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new guidance assists not-for-profit entities in determining whether to account for a transfer of assets as a contribution or an exchange transaction. This update also clarifies that a contribution is conditional if the agreement includes both a barrier (as defined) and a right of return or release. The standard is effective for transactions in which the entity serves as a resource recipient for annual periods beginning after December 15, 2018, and interim periods beginning after December 15, 2019, and as a resource provider for annual periods beginning after December 15, 2019, and interim periods beginning after December 15, 2020.

Fair Value Measurement

On August 28, 2018, the FASB issued ASU 2018-13, *Fair Value Measurement* (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement which amends Accounting Standards Codification 820 to add, remove and modify fair value measurement requirements. The following are the main provisions of ASU 2018-13:

- The following disclosure requirements that impact the Organization were removed from Topic 820: the policy for timing of transfers between levels of the fair value hierarchy; the valuation processes for Level 3 fair value measurements; and the changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period.

- Also, in lieu of a roll forward for Level 3 fair value measurements, a non-public entity is required to disclose transfers into and out of Level 3 of the fair value hierarchy and purchases, and issues of Level 3 assets and liabilities.

- For investments in certain entities that calculate net asset value, an entity is required to disclose the timing of liquidation of an investee's assets and the date when restrictions from redemption might lapse only if the investee has communicated the timing to the entity or announced the timing publicly.

The effective date of ASU 201-13 is effective for fiscal years beginning after December 15, 2019. Management is evaluating the impact this ASU will have on its financial statements.

2. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of funds pledged for various programs and general operating support. These pledges are payable through the Organization's fiscal year ended 2021 and are recorded at their net present value, using a discount rate of approximately 2.9% per annum. Maturity of pledges receivable are as follows at September 30:

	2019	2018
Less than one year	$ 80,000	$ 1,651,063
Two to five years	80,000	80,000
Total unconditional promises to give	160,000	1,731,063
Less: Unamortized discount	(757)	(3,395)
Less: Allowance for uncollectible pledges	(10,000)	(29,561)
Net unconditional promises to give	149,243	1,698,107
Less: Current portion of unconditional promises to give	(70,000)	(1,621,502)
Non-current portion of unconditional promises to give	$ 79,243	$ 76,605

3. INVESTMENTS

At September 30, investments consist of:

	2019		
	Fair Value	**Cost**	**Fair Value in Excess of Cost**
Equity securities	$ 2,021,001	$ 1,392,583	$ 628,418
Debt securities	1,414,334	1,636,485	(222,151)
	$ 3,435,335	$ 3,029,068	$ 406,267

	2018		
	Fair Value	**Cost**	**Fair Value in Excess of Cost**
Equity securities	$ 1,697,975	$ 1,263,548	$ 434,427
Debt securities	1,124,439	1,145,976	(21,537)
	$ 2,822,414	$ 2,409,524	$ 412,890

Fair Value Accounting

Pursuant to the requirements of the accounting pronouncement on fair value measurements, the Organization has provided fair value disclosure information for relevant assets and liabilities in the consolidated financial statements. Fair value is based on 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. In order to increase consistency and comparability in fair value measurements, this pronouncement establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: In the event little or no market data is available, the Organization develops measurement criteria based on the best information available. This measurement reflects management's own assumptions about the assumptions a market participant would use in pricing the asset or liability. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

The following table summarizes assets which have been accounted for at fair value on a recurring basis as of September 30, along with the basis of determination of fair value:

	2019			
	Total	**Quoted Prices in Active Markets (Level 1)**	**Observable Measurement Criteria (Level 2)**	**Unobservable Measurement Criteria (Level 3)**
Equity securities	$ 2,021,001	$ 2,021,001	$ -	$ -
Debt securities	1,414,334	1,414,334	-	-
	$ 3,435,335	$ 3,435,335	$ -	$ -

	2018			
	Total	**Quoted Prices in Active Markets (Level 1)**	**Observable Measurement Criteria (Level 2)**	**Unobservable Measurement Criteria (Level 3)**
Equity securities	$ 1,697,975	$ 1,697,975	$ -	$ -
Debt securities	1,124,439	1,124,439	-	-
	$ 2,822,414	$ 2,822,414	$ -	$ -

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	2019	**2018**
Computer and website development	$ 224,000	$ 296,143
Leasehold improvements	30,798	30,798
	254,798	326,941
Less: Accumulated depreciation	(132,278)	(163,425)
	$ 122,520	$ 163,516

Depreciation expense for the years ended September 30, 2019 and 2018 was $59,994 and $45,716, respectively.

5. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The Organization regularly monitors liquidity required to meet its operating needs and commitments. The Organization's cash flows fluctuate during the year attributable to the timing of the program operations and collection of funds from donors and grantors. As of September 30, 2019 and 2018, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses were as follows:

	2019	2018
Financial assets		
Cash and cash equivalents	$ 1,596,300	$ 1,729,498
Investments	3,435,335	2,822,414
Unconditional promises to give, current portion	70,000	1,621,502
Other receivables	860	4,178
Prepaid expenses and other current assets	121,312	134,717
	5,223,807	6,312,309
Available line of credit	250,000	250,000
Less: Financial assets unavailable for general use		
Net assets with donor restrictions	(1,531,220)	(2,734,839)
Total financial assets available within one year	$ 3,942,587	$ 3,827,470

6. LINES OF CREDIT

The Organization secured a revolving bank line of credit with a limit of up to $250,000. The Organization had not drawn any money from this line of credit as of September 30, 2019 and 2018.

7. NET ASSETS

Components of net assets with restrictions were as follows at September 30:

	2019	2018
Restricted by time	$ 251,669	$ 1,376,333
Restricted by donor for programmatic use as follows:		
Education, research & training	961,113	981,964
Global doctors for choice	112,605	235,951
Voice & engagement	70,000	78,346
Public policy & community support	135,833	62,245
	$ 1,531,220	$ 2,734,839

Net assets with donor restrictions designated for future periods at September 30, 2019 are expected to be released from restrictions as follows:

2020	$ 215,000
2021	26,669
2022	10,000
Thereafter	-
	$ 251,669

Net assets were released from restrictions for the years ended September 30, 2019 and 2018 as follows:

	2019	2018
Expenses incurred to satisfy time restrictions	$ 291,333	$ 1,684,250
Expenses incurred to satisfy program restrictions	3,046,872	2,627,925
	$ 3,338,205	$ 4,312,175

8. RETIREMENT PLAN

During the years ended September 30, 2019 and 2018, the Organization had a tax deferred retirement plan for the benefit of all qualifying employees under section 401(k) of the Internal Revenue Code. Qualifying participants may defer up to 90% of their annual base compensation, up to the Internal Revenue Service maximum limitations. Employer matching contributions are discretionary, and the maximum allowable amount is 6% of each non-Highly Compensated Employee Participant's compensation for the plan year subject to contributing 3% of their gross salary. In addition, the Organization made an additional contribution to each qualifying employee's 401(k) account in January for each of the years ended 2019 and 2018. For the years ended September 30, 2019 and 2018, contributions from the Organization to the plan amounted to approximately $102,000 and $134,000, respectively.

9. COMMITMENTS

Lease Commitments as Lessee

As of September 30, 2019, the Organization occupies office space in New York City under a four year lease which commenced August 2017 and provides for minimum annual payments for the years ended September 30 as follows:

2020	$ 72,691
2021	61,746
	$ 134,437

Rent expense for each of the years ended September 30, 2019 and 2018 was approximately $72,000.

10. SIGNIFICANT GRANTS AND CONCENTRATION RISK

During the each of the years ended September 30, 2019 and 2018, the Organization received approximately 38% of total support and revenue from one contributor. As of September 30, 2019 and 2018, four contributors and two contributors account for 100% and approximately 91% of the total unconditional promises to give, respectively.

11. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events occurring after the consolidated statement of financial position date through the date of February 13, 2020, which is the date the consolidated financial statements were available to be issued. Based on the evaluation, the Organization has determined that no subsequent events have occurred which require disclosure in or adjustment to the consolidated financial statements.

SUPPLEMENTARY INFORMATION

Physicians for Reproductive Health
Schedules of Financial Position - Global Doctors for Choice, LLC
September 30, 2019 and 2018

	2019	2018
Assets		
Current assets		
Cash and cash equivalents	$ 115,970	$ 251,552
Due from Physicians for Reproductive Health	-	10,434
Prepaid expenses	-	15,383
Total current assets	115,970	277,369
Property and equipment, net	6,170	10,283
Total assets	$ 122,140	$ 287,652
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 1,519	$ 10,434
Due to Physicians for Reproductive Health	28,016	52,934
Total liabilities	29,535	63,368
Net assets		
Without donor restrictions		
Board designated fund		
GDC Action Fund	9,000	9,000
Reserve Fund	24,000	12,000
Available for general use	59,605	173,594
Total without donor restrictions	92,605	194,594
With donor restrictions	-	29,690
Total net assets	92,605	224,284
Total liabilities and net assets	$ 122,140	$ 287,652

See Independent Auditor’s Report.

Physicians for Reproductive Health
Schedules of Activities and Changes in Net Assets - Global Doctors for Choice, LLC
Years Ended September 30, 2019 and 2018

	2019	2018
Public support and revenues		
Individual contributions	$ 6,350	$ 12,450
Foundations	142,815	210,870
Physicians for Reproductive Health donated services	15,184	16,394
In-kind donations	14,363	4,276
Other income	10,434	200
	189,146	244,191
Expenses		
Salaries and benefits	120,038	108,614
Professional fees	117,670	103,269
Printing and duplication	193	1,885
Communications	35	517
Travel	34,303	15,953
Conferences and conventions	6,226	39
Fiscal sponsor fees	33,203	46,883
Leased and purchased equipment	954	2,243
Postage and delivery	2,211	10
Office supplies	63	48
Bank charges	591	1,495
Other operating costs	1,225	1,401
Depreciation and amortization	4,113	2,057
Overhead allocation	-	11,577
	320,825	295,991
Changes in net assets	(131,679)	(51,800)
Net assets, beginning of year	224,284	276,084
Net assets, end of year	$ 92,605	$ 224,284

See Independent Auditor's Report.