

# PHYSICIANS FOR REPRODUCTIVE HEALTH

**Financial Statements**

**September 30, 2015 and 2014**

**With Independent Auditors' Report**

**Physicians For Reproductive Health  
Table of Contents  
September 30, 2015 and 2014**

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|   |            |
|---|------------|
| <b>Independent Auditors' Report .....</b>               | <b>1-2</b> |
| <b>Financial Statements</b>                             |            |
| Statements of Financial Position.....                   | 3          |
| Statements of Activities and Changes in Net Assets..... | 4          |
| Statements of Cash Flows .....                          | 5          |
| Notes to Financial Statements .....                     | 6-11       |
| <b>Supplementary Information</b>                        |            |
| Schedule of Functional Expenses.....                    | 12         |

## **Independent Auditors' Report**

To The Board of Directors,  
Physicians for Reproductive Health:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Physicians For Reproductive Health, which comprise the statements of financial position as of September 30, 2015 and 2014, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to Physicians For Reproductive Health's preparation and fair presentation of the 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 controls. 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Physicians For Reproductive Health as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

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



February 17, 2016

**Physicians For Reproductive Health  
Statements of Financial Position  
September 30, 2015 and 2014**

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**Assets**

|   | <b>2015</b>         | <b>2014</b>         |
|---|---------------------|---------------------|
| Current assets                                      |                     |                     |
| Cash and cash equivalents                           | \$ 2,843,707        | \$ 2,029,533        |
| Investments   | 2,094,711           | 1,813,724           |
| Unconditional promises to give, current portion     | 1,891,435           | 2,308,265           |
| Other receivables                                   | 69,154              | --                  |
| Prepaid expenses and other current assets           | <u>62,819</u>       | <u>29,471</u>       |
| Total current assets                                | 6,961,826           | 6,180,993           |
| Property and equipment, net                         | 56,455              | 82,940              |
| Other assets  |                     |                     |
| Unconditional promises to give, non-current portion | 24,662              | 35,115              |
| Restricted cash - security deposit                  | 74,100              | 74,100              |
| Other assets  | <u>13,541</u>       | <u>15,947</u>       |
| Total other assets                                  | <u>112,303</u>      | <u>125,162</u>      |
|   | <u>\$ 7,130,584</u> | <u>\$ 6,389,095</u> |

**Liabilities and Net Assets**

|                                       |                     |                     |
|---------------------------------------|---------------------|---------------------|
| Current liabilities                   |                     |                     |
| Accounts payable and accrued expenses | \$ 196,849          | \$ 166,386          |
| Long-term liabilities                 |                     |                     |
| Security deposits payable             | <u>30,160</u>       | <u>20,960</u>       |
| Total liabilities                     | 227,009             | 187,346             |
| Net assets                            |                     |                     |
| Unrestricted                          | 2,028,538           | 2,011,857           |
| Temporarily restricted                | <u>4,875,037</u>    | <u>4,189,892</u>    |
| Total net assets                      | <u>6,903,575</u>    | <u>6,201,749</u>    |
|                                       | <u>\$ 7,130,584</u> | <u>\$ 6,389,095</u> |

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

**Physicians For Reproductive Health**  
**Statements of Activities and Changes in Net Assets**  
**Years Ended September 30, 2015 and 2014**

|  | 2015                |                        |                     | 2014                |                        |                     |
|--|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|
|  | Unrestricted        | Temporarily Restricted | Total               | Unrestricted        | Temporarily Restricted | Total               |
| Public support and revenues  |                     |                        |                     |                     |                        |                     |
| Contributions  |                     |                        |                     |                     |                        |                     |
| Foundations  | \$ 105,602          | \$ 4,516,392           | \$ 4,621,994        | \$ 35,373           | \$ 1,138,365           | \$ 1,173,738        |
| Individuals  | 538,359             | 80,000                 | 618,359             | 431,631             | 296,630                | 728,261             |
| In-kind  | 237,068             | --                     | 237,068             | 522,971             | --                     | 522,971             |
| Bequests   | 25,000              | --                     | 25,000              | --                  | --                     | --                  |
| Service fees   | 93,348              | --                     | 93,348              | 106,397             | --                     | 106,397             |
| Rental income  | 150,587             | --                     | 150,587             | 107,277             | --                     | 107,277             |
| Interest and dividend income   | 30,654              | --                     | 30,654              | 42,446              | --                     | 42,446              |
| Investment income  | (47,022)            | --                     | (47,022)            | 112,149             | --                     | 112,149             |
| Miscellaneous income   | 52,535              | --                     | 52,535              | 23,060              | --                     | 23,060              |
|  | <u>1,186,131</u>    | <u>4,596,392</u>       | <u>5,782,523</u>    | <u>1,381,304</u>    | <u>1,434,995</u>       | <u>2,816,299</u>    |
| Net assets released from restrictions due to satisfaction of time and purpose restrictions | <u>3,911,247</u>    | <u>(3,911,247)</u>     | <u>--</u>           | <u>3,721,940</u>    | <u>(3,721,940)</u>     | <u>--</u>           |
|  | 5,097,378           | 685,145                | 5,782,523           | 5,103,244           | (2,286,945)            | 2,816,299           |
| Expenses   |                     |                        |                     |                     |                        |                     |
| Program services   | 4,412,031           | --                     | 4,412,031           | 4,447,195           | --                     | 4,447,195           |
| Supporting services  | 668,666             | --                     | 668,666             | 588,596             | --                     | 588,596             |
|  | <u>5,080,697</u>    | <u>--</u>              | <u>5,080,697</u>    | <u>5,035,791</u>    | <u>--</u>              | <u>5,035,791</u>    |
| Changes in net assets  | 16,681              | 685,145                | 701,826             | 67,453              | (2,286,945)            | (2,219,492)         |
| Net assets, beginning of year  | <u>2,011,857</u>    | <u>4,189,892</u>       | <u>6,201,749</u>    | <u>1,944,404</u>    | <u>6,476,837</u>       | <u>8,421,241</u>    |
| Net assets, end of year  | <u>\$ 2,028,538</u> | <u>\$ 4,875,037</u>    | <u>\$ 6,903,575</u> | <u>\$ 2,011,857</u> | <u>\$ 4,189,892</u>    | <u>\$ 6,201,749</u> |

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

**Physicians For Reproductive Health**  
**Statements of Cash Flows**  
**Years Ended September 30, 2015 and 2014**

|   | 2015                | 2014                |
|---|---------------------|---------------------|
| <b>Cash flows from operating activities</b>   |                     |                     |
| Changes in net assets   | \$ 701,826          | \$ (2,219,492)      |
| Adjustments to reconcile changes in net assets<br>to net cash provided (used) by operating activities |                     |                     |
| Depreciation and amortization   | 49,819              | 50,707              |
| Realized gain on investments  | (5,563)             | (1,974)             |
| Unrealized loss (gain) on investments   | 40,109              | (119,510)           |
| Changes in assets and liabilities   |                     |                     |
| Unconditional promises to give  | 427,283             | 1,879,145           |
| Other receivables   | (69,154)            | 63,393              |
| Prepaid expenses and other current assets   | (33,348)            | 45,938              |
| Other assets  | 2,406               | 2,406               |
| Accounts payable and accrued expenses   | 30,463              | (78,587)            |
| Restricted cash - security deposit  | --                  | 780                 |
| Security deposits payable   | <u>9,200</u>        | <u>1,410</u>        |
| Net cash provided (used) by operating activities  | 1,153,041           | (375,784)           |
| <b>Cash flows from investing activities</b>   |                     |                     |
| Purchase of property and equipment  | (23,334)            | (16,197)            |
| Net expenditures for purchase of investments  | <u>(315,533)</u>    | <u>(343,690)</u>    |
| Net cash used by investing activities   | <u>(338,867)</u>    | <u>(359,887)</u>    |
| Net change in cash and cash equivalents   | 814,174             | (735,671)           |
| <b>Cash and cash equivalents</b>  |                     |                     |
| Beginning of year   | <u>2,029,533</u>    | <u>2,765,204</u>    |
| End of year   | <u>\$ 2,843,707</u> | <u>\$ 2,029,533</u> |

**Supplemental disclosure of cash flow information**

There were no amounts paid for interest or income taxes during the years ended September 30, 2015 or 2014.

**Physicians For Reproductive Health  
Notes to Financial Statements  
September 30, 2015 and 2014**

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**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.

Additionally, the Organization became the fiscal sponsor for two additional non-profit unincorporated groups: Creating a Clinicians Corp. and Expanding Abortion Services in the South.

**Cash and Cash Equivalents**

For purposes of the 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 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 unrestricted net assets 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 unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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:

| <b>Description</b>                         | <b>Estimated Life (Years)</b> |
|--|-------------------------------|
| Office furniture and equipment             | 5                             |
| Computer equipment and website development | 3                             |
| Leasehold improvements                     | Life of lease                 |

**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, 2015 and 2014. In addition, there was no interest or penalties related to income taxes included in the financial statements presented.



**Physicians For Reproductive Health**  
**Notes to Financial Statements**  
**September 30, 2015 and 2014**

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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 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Financial Statement Presentation**

The financial statements are presented in accordance with FASB ASC Topic 958 "Not-for-Profit Entities." The Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization had activity in the unrestricted net asset and temporarily restricted net asset categories.

**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 cost of providing the various program and supporting services has been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and support services in ratios determined by management.

**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 2015 and are recorded at their net present value, using a discount rate of approximately 1 percent per annum. These pledges are offset by an allowance for uncollectible amounts of \$5,998 and \$8,983 as of each of the years ended September 30, 2015 and 2014, respectively. Maturity of pledges receivable are as follows at September 30:

|   | <b>2015</b>      | <b>2014</b>      |
|---|------------------|------------------|
| Less than one year                                      | \$ 1,897,433     | \$ 2,317,248     |
| Two to five years                                       | 25,000           | 37,500           |
| Thereafter  | --               | --               |
| Total unconditional promises to give                    | <u>1,922,433</u> | <u>2,354,748</u> |
| Less: Unamortized discount                              | (338)            | (2,385)          |
| Less: Allowance for uncollectible pledges               | <u>(5,998)</u>   | <u>(8,983)</u>   |
| Net unconditional promises to give                      | 1,916,097        | 2,343,380        |
| Less: Current portion of unconditional promises to give | <u>1,891,435</u> | <u>2,308,265</u> |
| Non-current portion of unconditional promises to give   | <u>\$ 24,662</u> | <u>\$ 35,115</u> |

**Physicians For Reproductive Health**  
**Notes to Financial Statements**  
**September 30, 2015 and 2014**

**3. Investments**

At September 30, investments consist of:

|                   | <b>2015</b>                |                            |                                     |
|-------------------|----------------------------|----------------------------|-------------------------------------|
|                   | <b>Fair Value</b>          | <b>Cost</b>                | <b>Fair Value in Excess of Cost</b> |
| Equity securities | \$ 1,315,115               | \$ 1,177,741               | \$ 137,374                          |
| Debt securities   | <u>779,596</u>             | <u>787,289</u>             | <u>(7,693)</u>                      |
|                   | <u><u>\$ 2,094,711</u></u> | <u><u>\$ 1,965,030</u></u> | <u><u>\$ 129,681</u></u>            |
|                   | <b>2014</b>                |                            |                                     |
|                   | <b>Fair Value</b>          | <b>Cost</b>                | <b>Fair Value in Excess of Cost</b> |
| Equity securities | \$ 1,100,447               | \$ 905,159                 | \$ 195,288                          |
| Debt securities   | <u>713,277</u>             | <u>721,131</u>             | <u>(7,854)</u>                      |
|                   | <u><u>\$ 1,813,724</u></u> | <u><u>\$ 1,626,290</u></u> | <u><u>\$ 187,434</u></u>            |

Investment income (loss) for the years ended September 30, 2015 and 2014 is summarized as follows:

|                                     | <b>2015</b>               | <b>2014</b>              |
|-------------------------------------|---------------------------|--------------------------|
| Interest and dividend income        | \$ 30,654                 | \$ 42,446                |
| Realized gain on sale of securities | 5,563                     | 1,974                    |
| Unrealized (loss) gain              | (40,109)                  | 119,510                  |
| Investment expenses                 | <u>(8,502)</u>            | <u>(10,414)</u>          |
|                                     | <u><u>\$ (12,394)</u></u> | <u><u>\$ 153,516</u></u> |

**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 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.

**Physicians For Reproductive Health**  
**Notes to Financial Statements**  
**September 30, 2015 and 2014**

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:

|                   | <b>2015</b>         |  |  |  |
|-------------------|---------------------|--|--|--|
|                   | <b>Total</b>        | <b>Quoted<br/>Prices in<br/>Active<br/>Markets<br/>(Level 1)</b> | <b>Observable<br/>Measurement<br/>Criteria<br/>(Level 2)</b> | <b>Unobservable<br/>Measurement<br/>Criteria<br/>(Level 3)</b> |
| Equity securities | \$ 1,315,115        | \$ 1,315,115   | \$ --  | \$ --  |
| Debt securities   | <u>779,596</u>      | <u>779,596</u>   | <u>--</u>  | <u>--</u>  |
|                   | <u>\$ 2,094,711</u> | <u>\$ 2,094,711</u>  | <u>\$ --</u>   | <u>\$ --</u>   |
|                   | <b>2014</b>         |  |  |  |
|                   | <b>Total</b>        | <b>Quoted<br/>Prices in<br/>Active<br/>Markets<br/>(Level 1)</b> | <b>Observable<br/>Measurement<br/>Criteria<br/>(Level 2)</b> | <b>Unobservable<br/>Measurement<br/>Criteria<br/>(Level 3)</b> |
| Equity securities | \$ 1,100,447        | \$ 1,100,447   | \$ --  | \$ --  |
| Debt securities   | <u>713,277</u>      | <u>713,277</u>   | <u>--</u>  | <u>--</u>  |
|                   | <u>\$ 1,813,724</u> | <u>\$ 1,813,724</u>  | <u>\$ --</u>   | <u>\$ --</u>   |

**4. Property and Equipment**

Property and equipment consists of the following:

|  | <b>2015</b>      | <b>2014</b>      |
|--|------------------|------------------|
| Office furniture and equipment             | \$ 33,069        | \$ 33,069        |
| Computer equipment and website development | 183,474          | 176,666          |
| Leasehold improvements                     | <u>126,110</u>   | <u>126,110</u>   |
|  | 342,653          | 335,845          |
| Less: Accumulated depreciation             | <u>(286,198)</u> | <u>(252,905)</u> |
|  | <u>\$ 56,455</u> | <u>\$ 82,940</u> |

Depreciation expense for the years ended September 30, 2015 and 2014 was \$49,819 and \$50,707, respectively.

**Physicians For Reproductive Health**  
**Notes to Financial Statements**  
**September 30, 2015 and 2014**

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**5. Lines of Credit**

In 2001, the Organization opened an irrevocable standby letter of credit up to \$74,100 as part of the lease agreement for the office in New York City, which expires July 31, 2017. In addition, 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, 2015 and 2014.

**6. Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for future periods and programs as follows:

|                               | <b>2015</b>         | <b>2014</b>         |
|-------------------------------|---------------------|---------------------|
| Restricted by program         | \$ 3,563,231        | \$ 1,601,003        |
| Designated for future periods | <u>1,311,806</u>    | <u>2,588,889</u>    |
|                               | <u>\$ 4,875,037</u> | <u>\$ 4,189,892</u> |

Temporarily restricted net assets designated for future periods at September 30, 2015 are expected to be released from restrictions as follows:

|                                | <b>Amount</b>       |
|--------------------------------|---------------------|
| Year ending September 30, 2016 | \$ 1,279,306        |
| Year ending September 30, 2017 | 32,500              |
| Thereafter                     | --                  |
|                                | <u>\$ 1,311,806</u> |

**7. Retirement Plan**

During the years ended September 30, 2015 and 2014, 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 percent 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 percent of each non-Highly Compensated Employee Participant's compensation for the plan year. For the years ended September 30, 2015 and 2014, contributions from the Organization to the plan amounted to approximately \$117,000 and \$115,000, respectively.

**8. Commitments**

**Lease Commitments as Lessee**

The Organization occupies office space in New York City under two lease agreements which provide for minimum annual payments for the years ended September 30 as follows:

| <b>Year</b> | <b>Amount</b>     |
|-------------|-------------------|
| 2016        | \$ 249,566        |
| 2017        | 224,678           |
| Thereafter  | --                |
|             | <u>\$ 474,244</u> |

The leases also require the Organization to provide a security deposit to the landlord. For one office lease, a certificate of deposit has been acquired to satisfy the security deposit requirement.

**Physicians For Reproductive Health**  
**Notes to Financial Statements**  
**September 30, 2015 and 2014**

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Rent expense for the years ended September 30, 2015 and 2014 was approximately \$255,000 per year. The NY landlord provided the Organization with an 18 percent rent concession throughout the fiscal year with written concession agreements effective March 2012 through September 2016.

**Licensing Agreements**

The Organization licenses office space on an annual basis. The minimum future rentals for existing non-cancelable licensing arrangements at September 30, 2015 are approximately \$225,000.

**9. Significant Grants and Concentration Risk**

During the years ended September 30, 2015 and 2014, the Organization received approximately 60 and 14 percent, respectively, of total support and revenue from one contributor.

**10. Subsequent Events**

The Organization has evaluated subsequent events occurring after the statement of financial position date through the date of February 17, 2016 which is the date the 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 financial statements.

**SUPPLEMENTARY INFORMATION**

**Physicians For Reproductive Health  
Schedule of Functional Expenses  
Year Ended September 30, 2015  
(With Summarized Financial Information for 2014)**

|                               | 2015                      |                   |                     |                      |                     |                   |                   | 2014                |                        |
|-------------------------------|---------------------------|-------------------|---------------------|----------------------|---------------------|-------------------|-------------------|---------------------|------------------------|
|                               | Program Services          |                   |                     |                      | Supporting Services |                   |                   | Total               | Summarized Information |
| Education Research & Training | Global Doctors for Choice | External Affairs  | Program Total       | Management & General | Development         | Support Total     |                   |                     |                        |
| Salaries and benefits         | \$ 829,666                | \$ 161,255        | \$ 1,307,706        | \$ 2,298,627         | \$ 152,162          | \$ 166,921        | \$ 319,083        | \$ 2,617,710        | \$ 2,469,100           |
| Professional fees             | 181,118                   | 311,530           | 235,803             | 728,451              | 363,172             | 49,200            | 412,372           | 1,140,823           | 1,301,774              |
| Printing and publications     | 7,446                     | 459               | 7,304               | 15,209               | 955                 | 39,356            | 40,311            | 55,520              | 84,246                 |
| Communication                 | 3,694                     | 335               | 78                  | 4,107                | 90,633              | 144               | 90,777            | 94,884              | 84,997                 |
| Postage and delivery          | 2,675                     | 69                | 1,676               | 4,420                | 2,586               | 13,508            | 16,094            | 20,514              | 13,229                 |
| Travel                        | 236,086                   | 31,493            | 52,581              | 320,160              | 18,345              | 8,131             | 26,476            | 346,636             | 360,633                |
| Conferences and conventions   | 160,330                   | 2,144             | 51,435              | 213,909              | 2,716               | 808               | 3,524             | 217,433             | 191,269                |
| Office supplies               | 619                       | 193               | 181                 | 993                  | 10,125              | 108               | 10,233            | 11,226              | 13,187                 |
| Dues and subscriptions        | 19,190                    | 1,286             | 21,272              | 41,748               | 1,135               | 1,839             | 2,974             | 44,722              | 38,521                 |
| Outreach and public education | --                        | 106               | 1,610               | 1,716                | --                  | 14,849            | 14,849            | 16,565              | 9,429                  |
| Bank charges                  | --                        | 573               | --                  | 573                  | 9,298               | --                | 9,298             | 9,871               | 10,330                 |
| Other operating costs         | 15,828                    | 34,406            | 1,497               | 51,731               | 12,819              | 989               | 13,808            | 65,539              | 75,158                 |
| Occupancy                     | --                        | --                | 5,205               | 5,205                | 311,327             | --                | 311,327           | 316,532             | 320,435                |
| Insurance                     | --                        | --                | --                  | --                   | 8,614               | --                | 8,614             | 8,614               | 7,140                  |
| Equipment                     | --                        | --                | --                  | --                   | 64,289              | --                | 64,289            | 64,289              | 5,636                  |
| Depreciation expense          | --                        | --                | --                  | --                   | 49,819              | --                | 49,819            | 49,819              | 50,707                 |
| Overhead allocation           | 267,442                   | 36,376            | 421,364             | 725,182              | (778,314)           | 53,132            | (725,182)         | --                  | --                     |
|                               | <u>\$ 1,724,094</u>       | <u>\$ 580,225</u> | <u>\$ 2,107,712</u> | <u>\$ 4,412,031</u>  | <u>\$ 319,681</u>   | <u>\$ 348,985</u> | <u>\$ 668,666</u> | <u>\$ 5,080,697</u> | <u>\$ 5,035,791</u>    |

See Independent Auditors' Report.