



Physicians for Reproductive Health

PHYSICIANS FOR REPRODUCTIVE HEALTH AND SUBSIDIARY
Consolidated Financial Statements
June 30, 2024 and 2023
With Independent Auditor's Report

Physicians for Reproductive Health and Subsidiary
Table of Contents
June 30, 2024 and 2023

Independent Auditor's Report	1-2
Consolidated Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities and Changes in Net Assets	4
Consolidated Statements of Functional Expenses	5-6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8-15
Supplementary Information	
Statements of Financial Position - Global Doctors for Choice, LLC	16
Statements of Activities and Changes in Net Assets - Global Doctors for Choice, LLC	17

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Physicians for Reproductive Health:

Opinion

We have audited the consolidated financial statements of Physicians for Reproductive Health and Subsidiary (the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, 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 consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The statements of financial position - Global Doctors for Choice, LLC as of June 30, 2024 and 2023 and statements of activities and changes in net assets - Global Doctors for Choice, LLC for the years then ended 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.

A handwritten signature in blue ink that reads "Withum Smith & Brown, PC".

January 8, 2025

Physicians for Reproductive Health and Subsidiary
Consolidated Statements of Financial Position
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 809,317	\$ 1,336,279
Investments	7,009,623	5,376,697
Unconditional promises to give, current portion, net	1,194,352	1,095,058
Prepaid expenses and other current assets	<u>102,942</u>	<u>45,950</u>
Total current assets	9,116,234	7,853,984
Noncurrent assets		
Unconditional promises to give, noncurrent portion, net	<u>-</u>	<u>196,869</u>
Total assets	<u>\$ 9,116,234</u>	<u>\$ 8,050,853</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	<u>\$ 222,896</u>	<u>\$ 243,449</u>
Net assets		
Without donor restrictions		
Board designated fund - GDC action fund	-	10,000
Board designated fund - GDC reserve fund	-	69,000
Board designated fund - PRH reserve fund	800,000	800,000
Available for general use	<u>5,606,650</u>	<u>4,598,804</u>
Total without donor restrictions	6,406,650	5,477,804
With donor restrictions	<u>2,486,688</u>	<u>2,329,600</u>
Total net assets	<u>8,893,338</u>	<u>7,807,404</u>
Total liabilities and net assets	<u>\$ 9,116,234</u>	<u>\$ 8,050,853</u>

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

Physicians for Reproductive Health and Subsidiary
Consolidated Statements of Activities and Changes in Net Assets
Years Ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues						
Contributions						
Foundations	\$ 34,343	\$ 3,578,142	\$ 3,612,485	\$ 89,800	\$ 2,861,647	\$ 2,951,447
Individuals	853,949	2,105	856,054	1,148,141	-	1,148,141
Bequest	-	-	-	1,916,424	-	1,916,424
Contributions of nonfinancial assets	153,871	-	153,871	788,426	-	788,426
Special event income	387,879	-	387,879	359,980	-	359,980
Less: Direct donor benefit costs	(76,847)	-	(76,847)	(74,091)	-	(74,091)
Investment return, net	590,406	-	590,406	268,727	-	268,727
Gain on forgiveness of PPP Loan	-	-	-	390,000	-	390,000
Employee retention tax credit income	-	-	-	179,100	-	179,100
Miscellaneous income	43,421	-	43,421	31,768	-	31,768
	1,987,022	3,580,247	5,567,269	5,098,275	2,861,647	7,959,922
Net assets released from restrictions due to satisfaction of time and purpose restrictions	3,423,159	(3,423,159)	-	2,067,275	(2,067,275)	-
	5,410,181	157,088	5,567,269	7,165,550	794,372	7,959,922
Expenses						
Program activities	3,772,705	-	3,772,705	3,940,921	-	3,940,921
Supporting services	708,630	-	708,630	638,263	-	638,263
	4,481,335	-	4,481,335	4,579,184	-	4,579,184
Changes in net assets	928,846	157,088	1,085,934	2,586,366	794,372	3,380,738
Net assets						
Beginning of year	5,477,804	2,329,600	7,807,404	2,891,438	1,535,228	4,426,666
End of year	\$ 6,406,650	\$ 2,486,688	\$ 8,893,338	\$ 5,477,804	\$ 2,329,600	\$ 7,807,404

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

Physicians for Reproductive Health and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended June 30, 2024

	Program Activities					Supporting Services			Costs of Direct Donor Benefits	Total
	Education Research & Training	Global Doctors for Choice	Voice & Engagement	Public Policy & Community Support	Program Activities Total	Management & General	Development	Supporting Services Total		
Salaries and benefits	\$ 704,286	\$ 169,396	\$ 791,589	\$ 697,829	\$ 2,363,100	\$ 114,538	\$ 155,074	\$ 269,612	\$ -	\$ 2,632,712
Professional fees	234,875	21,370	205,806	140,794	602,845	149,746	41,108	190,854	-	793,699
Professional fees - in kind	24,674	10,613	26,293	72,010	133,590	13,404	6,878	20,282	-	153,872
Printing and publication	974	-	3,450	114	4,538	2,867	64,654	67,521	-	72,059
Communications	9,029	-	9,622	7,918	26,569	4,727	2,517	7,244	-	33,813
Travel	120,402	132	28,973	34,745	184,252	39,850	3,812	43,662	-	227,914
Conferences and conventions	107,462	-	96,056	11,009	214,527	8,086	1,840	9,926	-	224,453
Dues, subscriptions and seminars	6,918	324	16,506	9,868	33,616	4,296	1,105	5,401	-	39,017
Occupancy	-	-	-	412	412	350	-	350	-	762
Computers and software	14,398	825	48,303	46,246	109,772	12,415	8,159	20,574	-	130,346
Other operating costs	<u>21,607</u>	<u>31,239</u>	<u>30,077</u>	<u>16,561</u>	<u>99,484</u>	<u>13,854</u>	<u>59,350</u>	<u>73,204</u>	<u>76,847</u>	<u>249,535</u>
	1,244,625	233,899	1,256,675	1,037,506	3,772,705	364,133	344,497	708,630	76,847	4,558,182
Less: Expenses included with revenues on the consolidated statement of activities and changes in net assets	-	-	-	-	-	-	-	-	(76,847)	(76,847)
Direct donor benefit costs of special events	-	-	-	-	-	-	-	-	-	-
	<u>\$ 1,244,625</u>	<u>\$ 233,899</u>	<u>\$ 1,256,675</u>	<u>\$ 1,037,506</u>	<u>\$ 3,772,705</u>	<u>\$ 364,133</u>	<u>\$ 344,497</u>	<u>\$ 708,630</u>	<u>\$ -</u>	<u>\$ 4,481,335</u>

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

Physicians for Reproductive Health and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended June 30, 2023

	Program Activities					Supporting Services			Costs of Direct Donor Benefits	Total
	Education Research & Training	Global Doctors for Choice	Voice & Engagement	Public Policy & Community Support	Program Activities Total	Management & General	Development	Supporting Services Total		
Salaries and benefits	\$ 629,378	\$ 164,015	\$ 679,169	\$ 559,712	\$ 2,032,274	\$ 102,779	\$ 162,371	\$ 265,150	\$ -	\$ 2,297,424
Professional fees	203,607	55,209	223,609	106,705	589,130	99,327	31,434	130,761	-	719,891
Professional fees - in kind	19,074	1,082	20,326	685,675	726,157	9,954	5,317	15,271	-	741,428
Grant expense	-	22,000	-	-	22,000	-	-	-	-	22,000
Printing and duplication	55	-	3,548	438	4,041	1,033	44,920	45,953	-	49,994
Communications	8,493	-	9,110	7,448	25,051	4,433	2,368	6,801	-	31,852
Travel	146,832	4,214	46,852	40,983	238,881	23,465	697	24,162	-	263,043
Meetings - inkind	7,120	-	-	-	7,120	-	10,394	10,394	-	17,514
Conferences and conventions	70,258	918	21,263	4,561	97,000	711	230	941	74,091	172,032
Dues, subscriptions, and seminars	4,561	-	4,796	5,241	14,598	109	435	544	-	15,142
Occupancy	2,053	-	2,188	3,036	7,277	1,071	572	1,643	-	8,920
Leased and purchased equipment	9,937	2,762	39,201	28,874	80,774	5,413	9,146	14,559	-	95,333
Other operating costs	24,167	25,714	26,801	19,521	96,203	13,468	108,504	121,972	-	218,175
Depreciation and amortization	141	-	150	124	415	73	39	112	-	527
	1,125,676	275,914	1,077,013	1,462,318	3,940,921	261,836	376,427	638,263	74,091	4,653,275
Less: Expenses included with revenues on the consolidated statement of activities and changes in net assets	-	-	-	-	-	-	-	-	(74,091)	(74,091)
Direct costs of special events	-	-	-	-	-	-	-	-	-	-
	<u>\$ 1,125,676</u>	<u>\$ 275,914</u>	<u>\$ 1,077,013</u>	<u>\$ 1,462,318</u>	<u>\$ 3,940,921</u>	<u>\$ 261,836</u>	<u>\$ 376,427</u>	<u>\$ 638,263</u>	<u>\$ -</u>	<u>\$ 4,579,184</u>

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

Physicians for Reproductive Health and Subsidiary
Consolidated Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating activities		
Changes in net assets	\$ 1,085,934	\$ 3,380,738
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	-	527
PPP Loan forgiveness	-	(390,000)
Realized gain on investments	(61,164)	(285)
Unrealized gain on investments	(289,484)	(183,570)
Donated investments	(1,296,219)	(26,751)
Change in unamortized discount on unconditional promises to give	(8,131)	6,089
Changes in assets and liabilities		
Unconditional promises to give	105,706	(773,097)
Prepaid expenses and other current assets	(56,992)	(8,468)
Other assets	-	18,523
Accounts payable and accrued expenses	<u>(20,553)</u>	<u>19,707</u>
Net cash provided by (used in) operating activities	<u>(540,903)</u>	<u>2,043,413</u>
Investing activities		
Purchase of investments	(1,532,278)	(2,752,761)
Proceeds from sale of investments	250,000	-
Proceeds from sale of donated investments	<u>1,296,219</u>	<u>27,036</u>
Net cash provided by (used in) investing activities	<u>13,941</u>	<u>(2,725,725)</u>
Net change in cash and cash equivalents	(526,962)	(682,312)
Cash and cash equivalents		
Beginning of year	<u>1,336,279</u>	<u>2,018,591</u>
End of year	<u>\$ 809,317</u>	<u>\$ 1,336,279</u>

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

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Physicians for Reproductive Health unites the medical community and concerned supporters. Together, Physicians for Reproductive Health 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. Physicians for Reproductive Health 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 Physicians for Reproductive Health.

Principles of Consolidation

The consolidated financial statements include the accounts and balances of Physicians for Reproductive Health and GDC, a wholly owned subsidiary (collectively, the "Organization"). 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 in accordance with accounting principles generally accepted in the United States of America, 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 and include amounts designated by the Board of Directors of the Organization. These net assets may be used at the discretion of the Organization's management.

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 those resources must be maintained in perpetuity.

Cash and Cash Equivalents

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 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. Gains and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments are reflected in the consolidated statements of activities and changes in net assets as increases or decreases in net assets without donor restrictions unless the use was restricted by explicit donor stipulations or by law.

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Revenue and Support Recognition

Contributions and Unconditional Promises to Give

Grants and contributions are recognized when cash is received or when the donor makes a promise to give to the Organization that is, in substance, unconditional. Grants and contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, donor restricted net assets are reclassified to net assets without donor restrictions. The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. In 2024 and 2023, this allowance was \$0 and \$14,613, respectively.

Conditional promises to give and grants, that is, those with a barrier and a right of return or release, are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are reflected at the present value of estimated future cash flows using a risk-free rate of return for contributions made in the fiscal year. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Special Event Income

Special event income in the consolidated statements of activities and changes in net assets comprises an exchange element which is based on the benefits received and a contribution element for the difference between the amount paid and the benefit received. The contribution is treated as revenue without donor restrictions. The contribution revenue is recognized as revenue when received. For the exchange portion, funds received in advance of the event date are recorded as contract liabilities in the consolidated statements of financial position. Revenue from the exchange portion is recognized at a point in time, which is at the date the event is held. There are no significant financing components, as payment is received at or shortly after the point of sale. For the years ended June 30, 2024 and 2023, there were no receivables from special events or deferred revenues for special events.

Other revenues are obtained from investment income and other miscellaneous income items. These revenues are not restricted in their use and are used to offset management and general expenses and program expenses. Revenues from these sources are recognized at the time the income is received or earned.

Contributed Nonfinancial Assets

The Organization receives donated professional services that typically would be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value with a corresponding expense allocated to the programs benefitted when the services are provided. There are no contributed nonfinancial assets with donor restrictions. The valuation of these professional services is provided by the service provider, who estimates the fair value based upon the date, time, and market in which each service is rendered.

Valuation 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 carrying amount of the assets may not be fully recoverable. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. During the years ended June 30, 2024 and 2023, there were no impairment losses recognized for long-lived assets.

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Property and Equipment

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

<u>Description</u>	<u>Estimated Life (Years)</u>
Computer and website development	3
Leasehold improvements	Life of lease

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

Fair Value Accounting

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Inputs are inputs other than quoted or published prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 - Inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

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 activities and supporting services based on the benefit received. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Professional fees	Direct salaries
Printing and publications	Direct salaries
Communications	Direct salaries
Dues, subscriptions, and seminars	Direct salaries
Other operating costs	Direct salaries
Occupancy	Direct salaries
Computers and software	Direct salaries
Depreciation and amortization	Direct salaries

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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 June 30, 2024 or 2023. 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 accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates include the valuation of contributed nonfinancial assets.

New Accounting Pronouncement Adopted in the Current Year

In June 2016, the FASB issued an Accounting Standards Update amending the accounting for credit losses on financial instruments. This methodology replaces the incurred loss methodology with the expected credit losses using a wide range of reasonable and supportable information. The amendment affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposure, and other financial instruments recorded at amortized cost. The Organization adopted the new standard effective July 1, 2024, using the modified retrospective approach. Comparative prior periods were not adjusted upon adoption. The adoption of this standard did not have a material impact on the consolidated financial statements.

2. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of funds pledged for various programs and general operating support. These unconditional promises to give are recorded at their net present value using a risk-free rate of return of 4.14% (the 5-year Treasury bill rate) as of June 30, 2023. There was no present value discount at June 30, 2024. Unconditional promises to give include the following at June 30, 2024 and 2023:

	2024	2023
Less than one year	\$ 1,194,352	\$ 1,101,540
One to five years	-	205,000
Total unconditional promises to give	1,194,352	1,306,540
Less: Unamortized discount	-	(8,131)
Less: Allowance for uncollectible pledges	-	(6,482)
Net unconditional promises to give	1,194,352	1,291,927
Less: Current portion of unconditional promises to give	(1,194,352)	(1,095,058)
Noncurrent portion of unconditional promises to give	\$ -	\$ 196,869

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

3. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

At June 30, 2024 and 2023, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 809,317	\$ 1,336,279
Investments	7,009,623	5,376,697
Unconditional promises to give	1,200,129	1,291,927
Other receivables	<u>5,777</u>	<u>2,718</u>
Prepaid expenses and other current assets	9,024,846	8,004,903
Less: Financial assets unavailable for general use		
Board designated funds	(800,000)	(879,000)
Net assets with donor restrictions	<u>(2,486,688)</u>	<u>(2,329,600)</u>
	(3,286,688)	(3,208,600)
 Total financial assets available within one year	 <u>\$ 5,738,158</u>	 <u>\$ 4,796,303</u>

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.

The Organization looks to maintain financial assets to meet at least 270 days of operating expenses. In addition, the Organization has a goal of maintaining investments to meet at least 180 days of operating expenses. Significant contributions are received annually to fund annual operating expenses.

4. INVESTMENTS

The following table summarizes assets which have been accounted for at fair value on a recurring basis as of June 30, 2024 and 2023:

2024				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 5,012,304	\$ 5,012,304	\$ -	\$ -
Money market fund	<u>1,997,319</u>	<u>1,997,319</u>	<u>-</u>	<u>-</u>
	<u>\$ 7,009,623</u>	<u>\$ 7,009,623</u>	<u>\$ -</u>	<u>\$ -</u>
 2023				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 2,812,181	\$ 2,812,181	\$ -	\$ -
U.S. Treasury bills	<u>2,564,516</u>	<u>2,564,516</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,376,697</u>	<u>\$ 5,376,697</u>	<u>\$ -</u>	<u>\$ -</u>

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Investment return, net related to these investments for the years ended at June 30, 2024 and 2023 was composed of the following:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 239,758	\$ 84,872
Realized gain on sale of securities	61,164	285
Unrealized gain	<u>289,484</u>	<u>183,570</u>
	<u>\$ 590,406</u>	<u>\$ 268,727</u>

5. CONTRIBUTED NONFINANCIAL ASSETS

The Organization received contributed nonfinancial assets composed of services received during the years ended June 30, 2024 and 2023 as follows:

<u>Nonfinancial Contributions Category</u>	<u>Type of Contribution</u>	<u>Valuation</u>	<u>2024</u>	<u>2023</u>
Professional services	Legal services	Standard industry pricing for similar services	\$ 148,522	\$ 741,428
Professional services	Program consulting services	Standard industry pricing for similar services	849	29,484
Meetings	Event space and catering	Standard industry pricing for similar services	<u>4,500</u>	<u>17,514</u>
			<u>\$ 153,871</u>	<u>\$ 788,426</u>

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Computer and website development	\$ 129,476	\$ 129,476
Less: Accumulated depreciation	<u>(129,476)</u>	<u>(129,476)</u>
	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense for the years ended June 30, 2024 and 2023 was \$0 and \$527, respectively.

7. LINE OF CREDIT

The Organization has a revolving bank line of credit with a limit of up to \$250,000 which expires in September 2025 and bears interest at 4.25%. The line of credit was renewed through September of 2025 and bears a 9.5% interest rate. There were no draw-downs from this line of credit as of and for the years ended June 30, 2024 and 2023.

8. RETIREMENT PLAN

During the years ended June 30, 2024 and 2023, 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 4% of each non highly compensated employee participant's compensation for the plan year subject to contributing 2% of their gross salary. For the years ended June 30, 2024 and 2023, there were contributions of \$49,894 and \$47,984, respectively, from the Organization to the plan.

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

9. NET ASSETS

Components of net assets with donor restrictions were as follows at June 30 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Restricted by time	\$ 2,321,516	\$ 1,086,621
Restricted by donor for programmatic use as follows:		
Education, research and training	95,125	514,158
Global Doctors for Choice, LLC	9,274	113,686
Voice and engagement	-	13,000
Public policy and community support	<u>60,773</u>	<u>602,135</u>
	<u>\$ 2,486,688</u>	<u>\$ 2,329,600</u>

Net assets were released from restrictions for the years ended June 30, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Expenses incurred to satisfy time restrictions	\$ 2,739,599	\$ 1,400,329
Expenses incurred to satisfy program restrictions		
Education, research, and training	363,200	168,270
Global Doctors for Choice	135,560	135,839
Public policy and community support	<u>184,800</u>	<u>362,837</u>
	<u>\$ 3,423,159</u>	<u>\$ 2,067,275</u>

10. PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

On March 18, 2021, the Organization issued an unsecured promissory note (the "PPP Loan") for \$390,000 through the U.S. Small Business Administration. On July 26, 2022, the PPP Loan was fully forgiven and recognized as gain on forgiveness on the consolidated statement of activities and changes in net assets for the year ended June 30, 2023.

11. CONCENTRATION OF CREDIT RISK

The Organization has significant cash balances at financial institutions which throughout the year regularly exceed the federally insured limit of \$250,000. Any loss incurred or a lack of access to such funds could have a significant impact on the Organization's consolidated financial condition, results of operations, and cash flows.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of these securities will occur in the near term and that such changes could materially affect the amounts reported on the consolidated statements of financial position. Investments are diversified to avoid overconcentration from a specific issuer or sector. Credit risk is minimized by limiting the types of investments.

The Organization has a long-standing history of collecting its unconditional promises to give, which are from various individuals, foundations, and corporations. An allowance for uncollectible accounts is recorded in the consolidated financial statements for amounts considered uncollectible, which limits the Organization's exposure to credit risk.

Physicians for Reproductive Health and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

For the years ended June 30, 2024 and 2023, the Organization received approximately 30% and 36% of total contributions from one contributor, respectively. As of June 30, 2024 and 2023, five and two contributors accounted for 91% and 36% of the total unconditional promises to give, respectively.

12. EMPLOYEE RETENTION TAX CREDIT

The Organization applied for employee retention tax credits totaling \$179,100 for the year ended June 30, 2023. The credits were claimed against the Organization's payroll tax obligations for each eligible calendar quarter based on qualified wages, subject to certain limitations. Revenue from these employee retention tax credits have been reflected on the consolidated statement of activities and changes in net assets. The credits were received in full for the year ended June 30, 2023.

13. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events occurring after the consolidated statement of financial position date through the date of January 8, 2025, which is the date the consolidated financial statements were available to be issued. As of July 1, 2024, Global Doctors for Choice, LLC transitioned to a voluntary organization. The Organization has determined that no other subsequent events have occurred that require disclosure in or adjustment to the consolidated financial statements.

SUPPLEMENTARY INFORMATION

Physicians for Reproductive Health and Subsidiary
Statements of Financial Position - Global Doctors for Choice, LLC
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 128,363	\$ 126,565
Accounts receivable	<u>3,329</u>	<u>-</u>
Total assets	<u>\$ 131,692</u>	<u>\$ 126,565</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ -	\$ 6,514
Due to Physicians for Reproductive Health	<u>56,944</u>	<u>5,778</u>
Total current liabilities	<u>56,944</u>	<u>12,292</u>
Net assets		
Without donor restrictions		
Board designated funds		
GDC action fund	-	10,000
Reserve fund	-	69,000
Available for general use	<u>-</u>	<u>25,284</u>
Total without donor restrictions	104,284	104,284
With donor restrictions	<u>(29,536)</u>	<u>9,989</u>
Total net assets	<u>74,748</u>	<u>114,273</u>
Total liabilities and net assets	<u>\$ 131,692</u>	<u>\$ 126,565</u>

See Independent Auditor's Report.

Physicians for Reproductive Health
Statements of Activities and Changes in Net Assets - Global Doctors for Choice, LLC
Years Ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues						
Individual contributions	\$ 3,750	\$ 180,011	\$ 183,761	\$ 49,522	\$ -	\$ 49,522
Foundations	-	-	-	2,363	103,675	106,038
Contributions of nonfinancial assets	-	-	-	61,472	-	61,472
	<u>3,750</u>	<u>180,011</u>	<u>183,761</u>	<u>113,357</u>	<u>103,675</u>	<u>217,032</u>
Net assets released from restrictions due to satisfaction of time and purpose restrictions	<u>219,536</u>	<u>(219,536)</u>	<u>-</u>	<u>136,425</u>	<u>(136,425)</u>	<u>-</u>
	<u>223,286</u>	<u>(39,525)</u>	<u>183,761</u>	<u>249,782</u>	<u>(32,750)</u>	<u>217,032</u>
Expenses						
Salaries and benefits	169,396	-	169,396	164,015	-	164,015
Professional fees	21,370	-	21,370	56,291	-	56,291
Grant expense	-	-	-	22,000	-	22,000
Travel	132	-	132	4,214	-	4,214
Conferences and conventions	-	-	-	918	-	918
Dues and subscriptions	324	-	324	-	-	-
Insurance	1,241	-	1,241	-	-	-
Leased and purchased equipment	825	-	825	2,762	-	2,762
Network outreach and promotion	328	-	328	-	-	-
Bank charges	142	-	142	-	-	-
Other operating costs	<u>29,528</u>	<u>-</u>	<u>29,528</u>	<u>25,714</u>	<u>-</u>	<u>25,714</u>
	<u>223,286</u>	<u>-</u>	<u>223,286</u>	<u>275,914</u>	<u>-</u>	<u>275,914</u>
Changes in net assets	-	(39,525)	(39,525)	(26,132)	(32,750)	(58,882)
Net assets						
Beginning of year	<u>104,284</u>	<u>9,989</u>	<u>114,273</u>	<u>130,416</u>	<u>42,739</u>	<u>173,155</u>
End of year	<u>\$ 104,284</u>	<u>\$ (29,536)</u>	<u>\$ 74,748</u>	<u>\$ 104,284</u>	<u>\$ 9,989</u>	<u>\$ 114,273</u>

See Independent Auditor's Report.