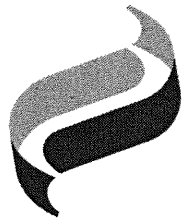


**EQUALITY NOW, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2016
(With Comparative Totals for 2015)**



Equality Now

A just world for women and girls.

FINANCIAL STATEMENTS

DECEMBER 31, 2016

(With Comparative Totals for 2015)

**EQUALITY NOW, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016
(With Comparative Totals for 2015)**

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LEDERER, LEVINE & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

KENNETH J. LEDERER, CPA
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Equality Now, Inc.
New York, NY

We have audited the accompanying financial statements of Equality Now, Inc. (the "Organization") which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 auditor's 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 control relevant to the entity'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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

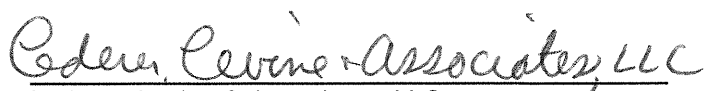
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Equality Now, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Equality Now, Inc.'s 2015 financial statements, and our report dated October 26, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.


Lederer, Levine & Associates, LLC

Lyndhurst, NJ
October 18, 2017

EQUALITY NOW, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016
(With Comparative Totals for 2015)

	2016	2015
ASSETS		
Cash and cash equivalents (Note B)	\$ 2,802,286	\$ 2,836,750
Contributions and grants receivable (Notes B and C)	1,281,040	3,269,084
Investments (Notes B and D)	1,657,898	1,600,691
Prepaid expenses	24,281	49,707
Property and equipment, net (Notes B and E)	47,115	34,475
Other assets	53,822	39,355
Beneficial interest in trust (Notes B and K)	77,828	83,670
TOTAL ASSETS	\$ 5,944,270	\$ 7,913,732
 LIABILITIES		
Accounts payable and accrued expenses	\$ 198,996	\$ 499,259
TOTAL LIABILITIES	198,996	499,259
 Commitments and Contingencies (Note H)		
 NET ASSETS		
Unrestricted	3,268,518	3,102,564
Temporarily restricted (Note F)	2,476,756	4,311,909
TOTAL NET ASSETS	5,745,274	7,414,473
TOTAL LIABILITIES AND NET ASSETS	\$ 5,944,270	\$ 7,913,732

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

EQUALITY NOW, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016
(With Comparative Totals for 2015)

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
SUPPORT AND REVENUE:				
Contributions and grants:				
Foundations	\$ 267,034	\$ 1,056,188	\$ 1,323,222	\$ 2,971,746
Individual donors	724,448	551,385	1,275,833	1,464,277
Corporations	44,552		44,552	24,857
Special events (net of event costs of \$235,983 in 2016)	381,519	100,000	481,519	
Donated goods and services (Note G)	115,870		115,870	1,728,333
Investment income (Note D)	77,368		77,368	14,357
Net currency losses	(5,642)		(5,642)	(11,837)
Other income	4,665		4,665	1,707
	1,609,814	1,707,573	3,317,387	6,193,440
Support and revenue before release of restrictions				
Net assets released from restrictions	3,542,726	(3,542,726)		
TOTAL SUPPORT AND REVENUE	5,152,540	(1,835,153)	3,317,387	6,193,440
EXPENSES:				
Program services	3,931,945		3,931,945	5,366,077
Management and general	477,237		477,237	671,514
Fund-raising	577,404		577,404	523,464
	4,986,586		4,986,586	6,561,055
TOTAL EXPENSES	4,986,586		4,986,586	6,561,055
Change in Net Assets	165,954	(1,835,153)	(1,669,199)	(367,615)
Net Assets - Beginning of Year	3,102,564	4,311,909	7,414,473	7,782,088
NET ASSETS - END OF YEAR	\$ 3,268,518	\$ 2,476,756	\$ 5,745,274	\$ 7,414,473

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

EQUALITY NOW, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016
 (With Comparative Totals for 2015)

	2016										2015		
	Program Services					Supporting Services					Total	Total	Total
	End Sexual Violence	End Harmful Practices	End Sex Trafficking	Legal Equality	Other Programs	Total Program Services	Management and General	Fund- Raising	Total Supporting Services	Total Expenses	Total Expenses	Total Expenses	
Salaries	\$ 170,244	\$ 291,581	\$ 228,600	\$ 809,868	\$ 99,434	\$ 1,593,727	\$ 208,122	\$ 296,379	\$ 504,501	\$ 2,098,228	\$ 1,990,991		
Payroll taxes and employee benefits (Note I)	26,576	51,486	26,576	149,284	24,910	278,832	31,300	45,728	77,028	355,860	321,399		
Professional services and consultants (Note G)	62,836	162,691	61,444	335,109	105,263	727,343	113,221	72,147	185,368	912,711	2,747,292		
Grants	8,855	232,459	8,928	47,078	60,066	357,386	37,544	25,029	62,573	357,386	439,283		
Rent and utilities	14,567	23,949	14,567	62,819	9,382	125,284	36,919	55,988	92,907	187,857	195,479		
Travel and accommodations	37,826	186,546	42,068	71,695	188,446	526,581	1,225	9,334	9,334	619,488	475,872		
Translations	4,391	19,973	2,838	17,226	7,996	52,424	1,840	1,840	3,065	61,758	69,561		
Telephone	1,410	2,283	1,419	5,811	856	11,779	10,372	15,558	25,930	14,844	14,439		
Banking fees	2,449	5,156	2,449	13,490	2,142	25,686	883		883	51,616	33,399		
Computer network fees	278	521	278	1,512	241	2,830				3,713	54,427		
Conferences	3,799	13,686	3,039	16,712	10,861	48,097	6,857		6,857	54,954	42,427		
Dues and subscriptions	1,424	2,669	1,424	7,829	1,245	14,591	3,429		3,429	18,020	4,413		
Insurance	1,689	3,082	1,863	8,853	1,393	16,900	2,604	1,736	4,340	21,240	16,557		
Office expense	5,634	11,436	5,778	26,638	7,079	56,565	13,407	9,419	22,826	79,391	28,802		
Postage and delivery	452	687	452	1,630	296	3,517	456	678	1,134	4,651	5,679		
Printing and duplication	1,783	4,206	1,372	6,821	10,542	24,724		3,981	3,981	28,705	61,620		
Fund-raising								38,174	38,174	38,174			
Repairs and maintenance							270		270	270	2,019		
Supplies	461	4,734	953		5,819	11,967	651		651	12,618	11,398		
Audiovisual											5,297		
Board expenses	1,813	3,399	1,813	9,971	1,587	18,583	6,681		6,681	25,264	32,985		
Bad debt expense				24,372		24,372				24,372			
Depreciation and amortization	1,049	1,968	1,049	5,772	919	10,757	3,296	1,413	4,709	15,466	7,716		
TOTAL EXPENSES	\$ 347,536	\$ 1,022,512	\$ 406,930	\$ 1,622,490	\$ 532,477	\$ 3,931,945	\$ 477,237	\$ 577,404	\$ 1,054,641	\$ 4,986,586	\$ 6,561,055		

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

EQUALITY NOW, INC.
STATEMENT OF CASH FLOWS
AS OF DECEMBER 31, 2016
(With Comparative Totals for 2015)

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (1,669,199)	\$ (367,615)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	15,466	7,716
Bad debt expense	24,372	
Net realized gains on investments	(7,103)	(26,575)
Net unrealized (gains) losses on investments	(36,911)	40,192
Changes in:		
Contributions and grants receivable	1,963,672	225,071
Prepaid expenses	25,426	(8,664)
Other assets	(14,467)	4,839
Beneficial interest in trust	5,842	4,953
Accounts payable and accrued expenses	<u>(300,263)</u>	<u>378,726</u>
Net cash provided by operating activities	<u>6,835</u>	<u>258,643</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of investments	376,357	663,054
Purchases of investments	(389,851)	(1,166,261)
Purchases of property and equipment	<u>(27,805)</u>	<u>(25,256)</u>
Net cash used by investing activities	<u>(41,299)</u>	<u>(528,463)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(34,464)	(269,820)
Cash and cash equivalents - Beginning of Year	<u>2,836,750</u>	<u>3,106,570</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,802,286</u>	<u>\$ 2,836,750</u>
Supplementary Disclosure of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

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

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note A - Organization and Nature of Activities

Organization

Equality Now, Inc. (the "Organization") is an international human rights organization, with offices in New York, London, and Nairobi, dedicated to achieving legal and systemic change that addresses violence and discrimination against women and girls around the world. The Organization advocates for the human rights of women and girls through: international advocacy; awareness-raising in the media; partnerships and coalition building; strengthening international and regional human rights law, standards and mechanisms and conducting strategic litigation. The Organization is exempt from federal income taxes under Section 501 (c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws. The London Office is registered as a charity in England and Wales. The Nairobi Office is registered as a non-profit organization in Kenya. The Organization receives its major sources of revenue from foundation grants and individual donors.

Description of Program Activities:

End Sexual Violence

Sexual violence is perpetrated around the world on girls and women of all ages and all backgrounds. The Organization works to ensure that systems and laws are in place to effectively address sexual violence through proper investigation, prosecution and punishment of perpetrators. The Organization's Adolescent Girls' Legal Defense Fund ("AGLDF") supports and publicizes strategically selected legal cases representing human rights abuses of adolescent girls in order to increase legal protections for girls.

End Harmful Practices

The Organization works to eradicate harmful traditional practices, such as female genital mutation and child marriage, through supporting grassroots activists and organizations in establishing and implementing appropriate strategies to eradicate these practices globally, including through advocating for enactment and enforcement of laws.

End Sex Trafficking

The Organization works to end the sex trafficking of women and girls by ensuring that the experiences of survivors inform policies and legislation to end sex trafficking. The Organization works closely with organizations and survivors of the commercial sex trade, as well as with government officials and United Nations representatives, to achieve these goals in accordance with national and international laws.

Legal Equality

Believing that equal treatment of women and men under the law is necessary for women and girls to realize their full potential and enjoy equal rights and opportunities with men, the Organization works for the repeal of all laws that discriminate against women in accordance with international and regional human rights standards, and for women's access to justice at all levels.

Other Programs

The Organization works to advocate for the rights of women and girls at high level fora such as the United Nations, The World Bank, The Organization of American States, The African Union, The European Union and The League of Arab Nations. It is also the Secretariat for the Solidarity of African Women's Coalition, that works for the ratification and domestication of the Protocol on the Rights of Women in Africa Women across Africa.

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note B – Summary of Significant Accounting Policies

Basis of Accounting

The Organization prepares its financial statements using the accrual basis of accounting. The Organization follows accounting principles generally accepted in the United States of America (“US GAAP”) which include certain specialized requirements set forth in publications of the Financial Accounting Standards Board.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less at the date of purchase to be cash equivalents, except for cash equivalents maintained in the Organization’s investment accounts (see Note D).

Contributions Receivable

Contributions receivable, which consist of unconditional promises to give, are recognized as revenue in the year the promise is received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Grants are accounted for in the period when confirmation of the commitment to pay is received from the donor.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives. The Organization capitalizes property and equipment with a useful life of three years or more and a cost of \$1,000 or more.

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 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.

Accrued Vacation

Employees accrue vacation on an annual basis. Unused vacation must be used within three months of year-end. Accrued vacation is included as an expense and liability in the accompanying financial statements and represents the liability for the cost of unused employee vacation time payable in the event of employee terminations. At December 31, 2016, the accrued vacation obligation was \$47,810.

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note B – Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue is recognized when earned. Advances on grants subject to conditions, are reported as deferred revenue until such time that the conditions are met.

In addition, sponsorships received in advance for future events are recorded as deferred revenue. These sponsorships are recognized as revenue when the event takes place.

Functional Allocation of Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.

Accounting for Uncertainty in Income Taxes

The Organization's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is _____, 2017.

Fair Value Measurements

The Organization under US GAAP established a fair value hierarchy organized into three levels based upon the "input" assumptions used in pricing assets. Level 1 inputs relate to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices that are observable either directly or indirectly with fair value being determined through the use of models or other valuation methodologies. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The values by input level of the Organization's investments as of December 31, 2016 and 2015 are as follows:

	2016			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Cash	\$ 44,525	\$	\$	\$ 44,525
Equity securities	705,081			705,081
Fixed income – US Government debt	<u>908,292</u>			<u>908,292</u>
	<u>\$1,657,898</u>	<u>\$</u>	<u>\$</u>	<u>\$1,657,898</u>
	2015			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Cash	\$ 33,109	\$	\$	\$ 33,109
Equity securities	644,993			644,993
Fixed income – US Government debt	<u>922,589</u>			<u>922,589</u>
	<u>\$1,600,691</u>	<u>\$</u>	<u>\$</u>	<u>\$1,600,691</u>

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note B – Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue is recognized when earned. Advances on grants subject to conditions, are reported as deferred revenue until such time that the conditions are met.

In addition, sponsorships received in advance for future events are recorded as deferred revenue. These sponsorships are recognized as revenue when the event takes place.

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The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.

Accounting for Uncertainty in Income Taxes

The Organization's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 18, 2017.

Fair Value Measurements

The Organization under US GAAP established a fair value hierarchy organized into three levels based upon the "input" assumptions used in pricing assets. Level 1 inputs relate to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices that are observable either directly or indirectly with fair value being determined through the use of models or other valuation methodologies. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The values by input level of the Organization's investments as of December 31, 2016 and 2015 are as follows:

	2016			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Cash	\$ 44,525	\$	\$	\$ 44,525
Equity securities	705,081			705,081
Fixed income – US Government debt	<u>908,292</u>			<u>908,292</u>
	<u>\$1,657,898</u>	<u>\$</u>	<u>\$</u>	<u>\$1,657,898</u>
	2015			
	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Cash	\$ 33,109	\$	\$	\$ 33,109
Equity securities	644,993			644,993
Fixed income – US Government debt	<u>922,589</u>			<u>922,589</u>
	<u>\$1,600,691</u>	<u>\$</u>	<u>\$</u>	<u>\$1,600,691</u>

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note C – Contributions and Grants Receivable

At each year-end, contributions and grants receivable were estimated to be due as follows:

	December 31,	
	<u>2016</u>	<u>2015</u>
Less than one year	\$ 1,068,960	\$ 2,414,484
One to five years	<u>219,959</u>	<u>863,381</u>
	1,288,919	3,277,865
Less: present value discount	<u>(7,879)</u>	<u>(8,781)</u>
	<u>\$ 1,281,040</u>	<u>\$ 3,269,084</u>

The Organization estimates that, based on a history of satisfactory collections, contributions and grants receivable will be collected in full. Therefore, no allowance for uncollectible amounts has been provided.

Note D – Investments

At each year-end, investments consisted of the following:

	December 31,			
	<u>2016</u>		<u>2015</u>	
	Market Value	Cost	Market Value	Cost
Cash	\$ 44,525	\$ 44,525	\$ 33,109	\$ 33,109
Equity securities	705,081	613,419	644,993	595,519
Fixed income -- US Government debt	<u>908,292</u>	<u>909,410</u>	<u>922,589</u>	<u>922,158</u>
	<u>\$1,657,898</u>	<u>\$1,567,354</u>	<u>\$1,600,691</u>	<u>\$1,550,786</u>

During each year, the Organization's investment income consisted of the following:

	December 31,	
	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 33,354	\$ 27,974
Net realized gains	7,103	26,575
Net unrealized gains (losses)	<u>36,911</u>	<u>(40,192)</u>
	<u>\$ 77,368</u>	<u>\$ 14,357</u>

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note E – Property and Equipment

At each year-end, property and equipment consisted of the following:

	December 31,	
	2016	2015
Office furniture and fixtures	\$ 15,806	\$ 24,039
Office equipment	69,578	78,854
Leasehold improvements	2,445	1,145
Software	2,830	36,149
Website	17,400	45,764
	108,059	185,951
Less: accumulated depreciation and amortization	(60,944)	(151,476)
	\$ 47,115	\$ 34,475

During the year ended December 31, 2016, certain items of property and equipment were disposed of or written off.

Note F - Temporarily Restricted Net Assets

At each year-end, temporarily restricted net assets were restricted as follows:

	December 31,	
	2016	2015
End Harmful Practices*	\$ 969,060	\$ 2,695,813
Legal Equality*	573,514	642,426
End Sexual Violence	468,800	240,000
End Sex Trafficking*	387,554	650,000
Time restrictions	77,828	83,670
	\$ 2,476,756	\$ 4,311,909

*Includes \$1,616,067 also subject to time restrictions as of December 31, 2016.

Note G - Donated Goods and Services

Contributions of services are recognized by the Organization as both revenue and expense in the accompanying statements of activities, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The fair value of contributed services, which included consulting, legal services and goods were \$115,870 for 2016 and \$1,728,333 for 2015.

EQUALITY NOW, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016
(continued)

Note H – Commitments and Contingencies

The Organization is obligated for office space for its New York headquarters and its Nairobi and London offices, under operating leases that expire through 2023. The Organization also rents office equipment under leases which expire in 2017. The related future minimum rentals, exclusive of real estate tax escalation charges, are approximately as follows:

<u>Year</u>	<u>Office Rent</u>	<u>Office Equipment</u>	<u>Totals</u>
2017	\$ 194,798	\$ 2,160	\$ 196,958
2018	198,584		198,584
2019	108,317		108,317
2020	64,744		64,744
2021	66,823		66,823
Thereafter	50,737		50,737

Rental expense under the above lease obligations including utilities was approximately \$187,900 for 2016 and \$195,500 for 2015.

Note I - Employee Benefit Plan

The Organization has a savings incentive plan in which it contributes up to 3% of all participants' salaries. Employer contributions were approximately \$25,996 for 2016 and \$23,500 for 2015.

Note J - Concentration of Credit Risk

1. The Organization maintains several bank accounts at banks which are institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. At December 31, 2016 and 2015, there were uninsured cash balances of approximately \$1,746,000 and \$1,310,700, respectively. Management believes that credit risk related to these accounts is minimal.
2. The Organization maintains various bank accounts in Europe and Africa that are not insured. At December 31, 2016 and 2015, the uninsured cash balances were approximately \$542,000 and \$998,000, respectively. Management believes that credit risk related to these accounts is minimal.

Note K - Beneficial Interest in Trust

In January, 2011, the Organization was notified that it was designated as beneficiary of a Charitable Lead Annuity Trust (the "Trust") that provides for nineteen (19) annual gift payments of \$7,142 on or around each year end. The present value of the Organization's Beneficial Interest in the Trust was calculated as follows (net of the sixth gift payment of \$7,142, which is included in contributions and grants receivables).

Approximate fair value of Beneficial Interest in Trust	\$ <u>77,828</u>
Discount rate	<u>2.47%</u>

Note L - Comparative Totals

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2015, from which the summarized information was derived.