LEGAL MOMENTUM

FINANCIAL STATEMENTS

JUNE 30, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Legal Momentum
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Legal Momentum (the "Organization"), which comprise the statements of financial position as of June 30, 2017 and 2016, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Organization's 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgments, 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 auditors consider internal control relevant to the organization'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 organization'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 Legal Momentum as of June 30, 2017 and 2016, 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.

EisnerAmper LLP

New York, New York
December 15, 2017

LEGAL MOMENTUM

Statements of Financial Position

	June 30, 2017	June 30, 2016
ASSETS		
Cash and cash equivalents	**$ 731,851**	$ 367,284
Investments	**891,689**	972,358
Grants and contributions receivable	**795,976**	1,397,400
Prepaid expenses and other assets	**19,959**	57,173
Deferred rent asset		33,647
Property and equipment, net	**29,702**	52,341
	$ 2,469,177	$ 2,880,203
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and other liabilities	**$ 127,542**	$ 264,444
Loan payable	**26,234**	
	153,776	264,444
Commitments and contingencies (see Note L)		
Net assets:		
Unrestricted	**1,319,425**	1,195,927
Temporarily restricted	**795,976**	1,219,832
Permanently restricted	**200,000**	200,000
	2,315,401	2,615,759
	$ 2,469,177	$ 2,880,203

See notes to financial statements.

LEGAL MOMENTUM

Statements of Activities

	Year Ended June 30,							
	2017				2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support and revenue:								
Contributions:								
Individual	**$ 140,037**	**$ 240,870**		**$ 380,907**	$ 413,975	$ 4,500		$ 418,475
Corporations and foundations	**5,000**	**50,000**		**55,000**		400,000		400,000
Bequests	**58,166**			**58,166**	68,899			68,899
Government grants		**250,090**		**250,090**		450,000		450,000
Special events (net of direct benefits to donors of $168,233 and $152,775 for 2017 and 2016, respectively)	**1,261,415**			**1,261,415**	1,055,593			1,055,593
Net investment gains (loss)	**55,914**	**14,358**		**70,272**	(9,222)			(9,222)
Rental income					185,088			185,088
Program income	**46,234**			**46,234**	143,483			143,483
Donated goods and services	**2,258,875**			**2,258,875**	1,025,191			1,025,191
Other income	**4,944**			**4,944**	19,828			19,828
Total public support and revenue before net assets released from restriction	**3,830,585**	**555,318**		**4,385,903**	2,902,835	854,500		3,757,335
Net assets released from restriction	**979,174**	**(979,174)**		**0**	627,524	(627,524)		0
Total public support and revenue	**4,809,759**	**(423,856)**		**4,385,903**	3,530,359	226,976		3,757,335
Expenses:								
Program services:								
National judicial educational program	**615,476**			**615,476**	642,286			642,286
Legal	**3,098,711**			**3,098,711**	1,977,564			1,977,564
Total program services	**3,714,187**			**3,714,187**	2,619,850			2,619,850
Supporting services:								
Management and general	**236,382**			**236,382**	311,658			311,658
Fund-raising	**472,791**			**472,791**	685,257			685,257
Total supporting services	**709,173**			**709,173**	996,915			996,915
Total expense	**4,423,360**			**4,423,360**	3,616,765			3,616,765
Change in net assets before lease exit activity net losses	**386,399**	**(423,856)**		**(37,457)**	(86,406)	226,976		140,570
Lease exit activity net losses	**(262,901)**			**(262,901)**	0			0
Change in net assets	**123,498**	**(423,856)**		**(300,358)**	(86,406)	226,976		140,570
Net assets, beginning of year	**1,195,927**	**1,219,832**	**$ 200,000**	**2,615,759**	1,282,333	992,856	$ 200,000	2,475,189
Net assets, end of year	**$ 1,319,425**	**$ 795,976**	**$ 200,000**	**$ 2,315,401**	$ 1,195,927	$ 1,219,832	$ 200,000	$ 2,615,759

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Statements of Functional Expenses
Year Ended June 30, 2017
(with summarized financial information for June 30, 2016)

	Program Services			Supporting Services			Total	
	National Judicial Educational Program	Legal	Total	Management and General	Fund-raising	Total	2017	2016
Expenses:								
Personnel:								
Salaries	$ 307,935	$ 482,112	$ 790,047	$ 66,766	$ 202,447	$ 269,213	$ 1,059,260	$ 1,213,556
Payroll taxes	20,014	31,335	51,349	4,339	13,158	17,497	68,846	82,186
Employee benefits	81,974	128,340	210,314	17,774	53,892	71,666	281,980	313,096
	409,923	641,787	1,051,710	88,879	269,497	358,376	1,410,086	1,608,838
Donated goods and services	9,067	2,178,906	2,187,973	19,275	25,097	44,372	2,232,345	1,025,192
Occupancy	60,078	94,059	154,137	13,026	39,497	52,523	206,660	488,745
Conferences, meetings and travel	26,544	18,669	45,213	4,104	5,525	9,629	54,842	50,712
Insurance	5,364	8,399	13,763	1,163	3,527	4,690	18,453	14,824
Consultants and subcontractors	44,842	62,125	106,967	30,283	13,036	43,319	150,286	144,446
Accountants and professional fees	9,322	13,987	23,309	60,229	9,491	69,720	93,029	32,466
Publications, subscriptions, and Memberships	1,904	1,845	3,749	143	4,804	4,947	8,696	11,009
Office supplies and equipment	25,719	42,784	68,503	4,452	21,146	25,598	94,101	102,638
Telephone and mail	3,163	4,938	8,101	1,011	6,070	7,081	15,182	18,036
Bank charges and interest				9,543	11,268	20,811	20,811	13,251
Miscellaneous	2,233	4,099	6,332	519	1,458	1,977	8,309	22,123
Depreciation and amortization	3,042	4,763	7,805	660	2,000	2,660	10,465	25,914
Moving expenses	14,275	22,350	36,625	3,095	9,385	12,480	49,105	
Special events					50,990	50,990	50,990	58,571
	205,553	2,456,924	2,662,477	147,503	203,294	350,797	3,013,274	2,007,927
Total expenses	$ 615,476	$ 3,098,711	$ 3,714,187	$ 236,382	$ 472,791	$ 709,173	$ 4,423,360	$ 3,616,765

See notes to financial statements.

LEGAL MOMENTUM

Statement of Functional Expenses
Year Ended June 30, 2016

	Program Services			Supporting Services			
	National Judicial Educational Program	Legal	Total	Management and General	Fund-raising	Total	Total Expense
Expenses:							
Personnel:							
Salaries	$ 243,073	$ 549,695	$ 792,768	$ 129,815	$ 290,973	$ 420,788	$ 1,213,556
Payroll taxes	16,462	37,227	53,689	8,791	19,706	28,497	82,186
Employee benefits	62,712	141,820	204,532	33,494	75,070	108,564	313,096
	322,247	728,742	1,050,989	172,100	385,749	557,849	1,608,838
Donated goods and services	17,174	930,235	947,409	26,687	51,096	77,783	1,025,192
Occupancy	97,895	221,383	319,278	52,281	117,186	169,467	488,745
Conferences, meetings and travel	31,376	11,706	43,082	1,315	6,315	7,630	50,712
Insurance	2,926	6,584	9,510	1,864	3,450	5,314	14,824
Consultants and subcontractors	133,358	3,084	136,442	5,175	2,829	8,004	144,446
Accountants and professional fees	3,220	4,845	8,065	24,010	391	24,401	32,466
Publications, subscriptions, and memberships	2,363	603	2,966	99	7,944	8,043	11,009
Office supplies and equipment	20,341	46,298	66,639	8,644	27,355	35,999	102,638
Telephone and mail	2,840	5,162	8,002	1,773	8,261	10,034	18,036
Bank charges and interest				6,238	7,013	13,251	13,251
Miscellaneous	3,354	7,183	10,537	8,703	2,883	11,586	22,123
Depreciation and amortization	5,192	11,739	16,931	2,769	6,214	8,983	25,914
Special events					58,571	58,571	58,571
	320,039	1,248,822	1,568,861	139,558	299,508	439,066	2,007,927
Total expenses	$ 642,286	$ 1,977,564	$ 2,619,850	$ 311,658	$ 685,257	$ 996,915	$ 3,616,765

See notes to financial statements.

LEGAL MOMENTUM

Statements of Cash Flows

	Year Ended June 30, 2017	Year Ended June 30, 2016
Cash flows from operating activities:		
Change in net assets	**$ (300,358)**	$ 140,570
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**10,465**	25,917
Losses on disposition of equipment	**40,105**	6,288
Donated furniture and fixtures capitalized	**(26,530)**	
Donated marketable securities	**(56,460)**	(53,020)
Proceeds from sales of marketable securities	**56,460**	53,020
Net realized and unrealized (gains) losses on investments	**(49,211)**	29,112
Deferred rent	**33,647**	(33,647)
Changes in:		
Grants and contributions receivable	**601,424**	(223,635)
Other receivables		6,976
Prepaid expenses and other assets	**37,214**	65,936
Accounts payable and other liabilities	**(136,902)**	76,991
Net cash provided by operating activities	**209,854**	94,508
Cash flows from investing activities:		
Proceeds from sales of investments	**696,915**	169,548
Purchases of investments	**(567,035)**	(189,525)
Purchases of property and equipment	**(1,401)**	(2,070)
Net cash provided by (used in) investing activities	**128,479**	(22,047)
Cash flows from financing activities:		
Proceeds from loan received under line of credit	**300,775**	200,000
Proceeds from loan received from Fund for the City of New York	**26,234**	
Repayments on loan received under line of credit	**(300,775)**	(200,000)
Net cash provided by financing activities	**26,234**	0
Change in cash and cash equivalents	**364,567**	72,461
Cash and cash equivalents, beginning of year	**367,284**	294,823
Cash and cash equivalents, end of year	**$ 731,851**	$ 367,284
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	**$ 9,541**	$
Supplemental disclosure of non-cash investing and financing activities:		
Donated goods and services	**$ 2,258,875**	$ 1,025,191

See notes to financial statements.

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] The Organization:

Legal Momentum (the "Organization"), formerly known as the NOW Legal Defense and Education Fund, was established in 1970 under the not-for-profit laws of the District of Columbia. The Organization pursues equality for women and girls in the workplace, the schools, the family, and the courts, using a variety of strategies, including litigation, policy analysis, administrative advocacy, and public education programs.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code") and from state and local taxes under comparable laws. The Organization has filed an election with the Code to make expenditures to influence legislation.

[2] Basis of accounting:

The financial statements of the Organization have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit entities.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingencies. Actual results may differ from those estimates.

[4] Cash and cash equivalents:

For financial-reporting purposes, the Organization considers all highly liquid investments, with maturities of three months or less when purchased, to be cash equivalents. Cash and cash equivalents that are part of the Organization's investment portfolio are reported as investments in the financial statements.

[5] Investments:

The Organization's investments in fixed-income securities are reported at their fair values in the statement of financial position, based on quoted market prices, with a portion of cash and cash equivalents included as part of the investment portfolio.

The Organization's investments, in general, are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the statement of activities as increases or decreases in unrestricted net assets, unless their use is restricted on a temporary or permanent basis through donor stipulation. Realized gains and losses on investments are determined by comparison of the investments' average costs at acquisition to the proceeds received at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investments' costs to their fair values at the end of each fiscal year. The earnings from dividends and interest are recognized when earned.

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments: (continued)

Donated securities are recorded at their estimated fair values, as determined on the dates of gift, with realized gains or losses recorded when the securities are sold. The Organization's general policy is to sell donated securities immediately upon receipt. Accordingly, for purposes of the statement of cash flows, donated securities received and sold within the same year are reported within operating activities.

[6] Property and equipment:

The Organization's property and equipment are reported at their original costs at the dates of acquisition, or, if contributed, at their fair values at their dates of donation. Minor costs of repairs and maintenance are expensed as incurred. The Organization capitalizes, as an asset, each item of property and equipment that has a cost of $1,000 or more and a useful life greater than one year. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the respective assets, ranging from three to ten years. Leasehold improvements are amortized over either the useful lives of the assets or the terms of the leases, whichever are shorter.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2017 and 2016, respectively, and, in the opinion of management, there were no impairments. However, it is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[7] Accrued vacation:

Accrued vacation is a liability that represents the Organization's obligation for the cost of unused employee vacation time that would be payable in the event of all employees' departures; the obligation is recalculated every year. At June 30, 2017 and 2016, the accrued vacation obligation was $66,093 and $69,504, respectively, and was reported as part of accounts payable and other liabilities in the accompanying statements of financial position.

[8] Deferred rent:

The difference between rent expense incurred by the Organization on an accrual basis and the lesser amounts paid in cash is attributable to scheduled rent increases and is reported in the statements of financial position as a deferred rent asset. At June 30, 2016, the Organization had a deferred rent asset of $33,647. The Organization did not have a deferred rent asset or liability at June 30, 2017.

[9] Net assets:

(i) Unrestricted:

Unrestricted net assets represent those resources that are not subject to donor restrictions and are available for current operations.

(ii) Temporarily restricted:

Temporarily restricted net assets represent those resources that are subject to the requirements of Washington D.C.'s Uniform Prudent Management of Institutional Funds Act ("UPMIFA") and the use of which has been restricted by donors or local law for specific purposes and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends, a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Directors, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as "net assets released from restrictions."

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Net assets: (continued)

(iii) Permanently restricted:

Permanently restricted net assets represent those resources the principal of which is originally restricted into perpetuity by its donor. The purposes for which the income and net capital appreciation arising from the underlying assets may be used depend on the wishes of that donor. Under the terms of UPMIFA, those earnings are classified as temporarily restricted in the statement of activities, pending action by the Board of Directors.

[10] Revenue recognition:

(i) Contributions and bequests:

Contributions to the Organization are recognized as revenue upon the receipt of cash or other assets, or of unconditional pledges. Contributions are recorded as either temporarily or permanently restricted if they are received with donor stipulations or time considerations as to their use. Conditional contributions are recorded when the specified conditions have been met. The Organization records bequest income at the time it has an established right to a bequest and the proceeds are measurable. Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved.

(ii) Governmental grants:

Government grants and contracts are recognized as temporarily restricted support when received and are released from restrictions when related expenditures are incurred.

(iii) Rental income:

The Organization subleases a portion of its District of Columbia's office space to unrelated tenants under month-to-month operating lease agreements, which are cancellable by either the Organization or the tenants with appropriate notification.

(iv) Program income:

The Organization's program income consists of sales of instructional materials, honoraria paid to Legal Momentum staff by other organizations and attorneys' fees. Income is recognized when the related services are provided.

(v) Donated goods and services:

For recognition of donated goods and services in the Organization's financial statements, such goods or services must (i) create or enhance non-financial assets and (ii) typically need to be acquired if not provided by donation. Additionally, recognition of donated services must (i) require a specialized skill, and (ii) be provided by individuals possessing these skills. Donated goods and services are recorded as support at their estimated fair values at the dates of donation and are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Donated services, and those donated goods that do not meet the Organization’s capitalization requirements, are reported as both contributions and offsetting expenses in the statements of activities. Donated goods meeting the Organization’s capitalization requirements are recorded within the related asset class in the statements of financial position.

During fiscal-years 2017 and 2016, the Organization received $2,232,345 and $1,025,191 of probono legal services and office supplies, and probono legal services, respectively. In addition, during fiscal-year 2017, the Organization received $26,530 of office equipment.

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[11] 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 statement of activities and of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services using reasonable and consistent ratios determined by management.

[12] Interns:

A substantial number of unpaid interns (approximately 10 to 20 per year) have made significant contributions of their time to the Organization. The value of this contributed time does not meet the criteria for recognition of contributed services required under U.S. GAAP and, accordingly, is not included in the financial statements.

[13] Income taxes:

The Organization is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, relating to accounting and reporting for uncertainty in income taxes. Because of the Organization's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the Organization's financial statements.

[14] New accounting pronouncement:

In August 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends financial-statement presentations and disclosures, with the goal of assisting not-for-profit organizations in providing more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: (i) net asset classifications, (ii) investment returns, (iii) expense categorizations, (iv) liquidity and the availability of resources, and (v) the presentation of operating cash flows. The new standard will be effective for annual reporting periods beginning after December 15, 2017. Management is currently evaluating the effect that this new guidance will have on the Organization's financial statements and related disclosures.

[15] Subsequent events:

The Organization has considered the accounting treatments, and the related disclosures in the current fiscal-year's financial statements, that would be required as the result of all events or transactions that have occurred after June 30, 2017 through December 15, 2017, the date on which the financial statements were available to be issued.

NOTE B - INVESTMENTS

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

	June 30,			
	2017		2016	
	Fair Value	Cost	Fair Value	Cost
Cash and cash equivalents	**$ 121,184**	**$ 121,184**	$ 264,172	$ 264,172
Mutual funds:				
Fixed-income funds	**361,651**	**356,970**	312,086	312,748
Equity funds	**406,512**	**303,843**	391,360	310,320
U.S. government obligations	**2,342**	**463**	4,740	920
	$ 891,689	**$ 782,460**	$ 972,358	$ 888,160

During each fiscal year, net investment (losses) income consisted of the following:

	Year Ended June 30,	
	2017	2016
Interest and dividends	**$ 21,061**	$ 19,890
Net realized gains (losses)	**24,180**	(24,396)
Net unrealized gains (losses)	**25,031**	(4,716)
	$ 70,272	$ (9,222)

The FASB's ASC Topic 820, *Fair Value Measurements,* establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for the same or identical assets and liabilities at the reporting date.

Level 2: Valuations are based on (i) quoted prices for similar investments in active markets, or (ii) quoted prices for those investments, or similar investments in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where there is little, if any, market activity for the investments, or the investments cannot be independently valued.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfers of financial instruments from one level to another. However, all of the Organization's investments are in Level 1 of the fair-value hierarchy, and there were no transfers between the fair-value hierarchy levels during fiscal-years 2017 and 2016.

NOTE C - RECEIVABLES

Grants and pledges of future contributions made to the Organization as of each fiscal year-end, but not yet collected as of that date, were reported as grants and contributions receivable of $795,976 and $1,397,400 at June 2017 and 2016, respectively, and were estimated to be collected within one year. Based on prior experience, management expects to collect the receivables in full, and, accordingly, has not established an allowance for uncollectible accounts.

NOTE D - PROPERTY AND EQUIPMENT

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

	June 30, 2017	June 30, 2016
Furniture and fixtures	**$ 26,530**	$ 87,851
Telephone system	**2,742**	2,742
Computers	**11,821**	10,420
Leasehold improvements		89,890
	41,093	190,903
Less: accumulated depreciation and amortization	**(11,391)**	(138,562)
	$ 29,702	$ 52,341

During fiscal-year 2016, the Organization wrote off property and equipment of $87,965, with accumulated depreciation of $81,677, resulting in a loss on the disposition of $6,288 and was included in miscellaneous expense, on the accompanying statement of activities. During fiscal-year 2017, the Organization relocated its office space in New York City and wrote off property and equipment of $177,741, with accumulated depreciation of $137,636, resulting in a loss on the disposition of $40,105, which is included in lease exit activity net losses on the accompanying statement of activities.

NOTE E - NOTE PAYABLE

[1] Bridge loan:

In June 2017, the Organization entered into a bridge loan agreement with the Fund for the City of New York (the "Fund") for $26,234 to cover operating expenses pending receipt of funds from New York City Council-Young Women Initiative-Prevent Sexual Assault Program ("NYCC"). The loan is non-interest bearing and due in 90 days from the date the Organization signed the loan agreement. Subsequent to fiscal year-end, NYCC repaid this loan in full to the Fund, in lieu of direct payment to the Organization, fully satisfying the loan terms.

[2] Revolving line-of-credit agreement:

The Organization has an available line-of-credit with a bank in the amount of $500,000. Amounts drawn down under the line-of-credit are subject to interest at 2.5% plus the prime rate of 3.5%. During fiscal-year 2017, the Organization drew down $300,775 and repaid the full amount by June 30, 2017. During fiscal-year 2016, the Organization drew down $200,000 and repaid the full amount by June 30, 2016. The line of credit automatically renews unless written notice is provided by the Organization and or the lender. Subsequent to June 30, 2017 the line of credit has automatically renewed.

NOTE F - EMPLOYEE-BENEFIT PLANS

The Organization has a defined-contribution retirement plan, established under Section 403(b) of the Internal Revenue Code. The plan covers all employees who meet the Organization's length-of-service requirements. Contributions by the Organization are discretionary and can be made only with the Board of Directors' approval. The Organization's contribution for fiscal-years 2017 and 2016 was approximately $46,000 and $55,000, respectively.

In addition, the Organization has a section 403(b) tax-sheltered annuity retirement plan, which is available to all employees. Contributions are made by employees and are not matched by the Organization.

NOTE G - SIGNIFICANT SOURCES OF REVENUE

During fiscal-year 2017 the Organization received contributions from two donors totaling $280,400, which represented approximately 35% of total public support for 2017. The Organization received grants from the U.S. Department of Justice Office on Violence Against Women and one individual donor totaling $850,000 for fiscal-year 2016, which represented approximately 61% of total public support for 2016.

NOTE H - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash-equivalent accounts deposited in financial institutions, the balances of which, from time to time, may exceed federal insurance limits. However, management believes that the Organization does not face a significant risk of loss on these accounts due to failures of those institutions.

NOTE I - TEMPORARILY RESTRICTED NET ASSETS

At each fiscal year-end, temporarily restricted net assets consisted of the following:

	June 30,	
	2017	**2016**
National judicial educational program	**$ 364,210**	$ 798,999
Gender justice fellowship program	**146,895**	
Time-restricted	**284,871**	420,833
	$ 795,976	$ 1,219,832

During each fiscal year, net assets released from restrictions consisted of the following:

	Year Ended June 30,	
	2017	**2016**
National judicial educational program	**$ 440,788**	$ 377,524
Gender justice fellowship program	**117,553**	
Time-restricted	**420,833**	250,000
	$ 979,174	$ 627,524

NOTE J - PERMANENTLY RESTRICTED NET ASSETS

At June 30, 2017 and 2016, net assets of $200,000 were permanently restricted, with investment earnings during each fiscal year to be used for legal support.

NOTE K - ACCOUNTING AND REPORTING FOR ENDOWMENTS

[1] The endowment:

The Organization's endowment consists of a single donor-restricted fund, which is reported as permanently restricted.

[2] Interpretation of relevant law:

UPMIFA is applicable to all of the Organization's institutional funds, including its donor-restricted endowment fund. The Board of Directors adheres to UPMIFA's requirements.

[3] Endowment objectives:

The Organization is in the process of adopting investment and spending policies for its endowment assets that are intended to provide a predictable stream of funding to the programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets.

[4] Funds with deficiencies:

Due to unfavorable market fluctuations, from time to time the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original, permanently restricted contribution. Under the terms of NYPMIFA, the Organization has no responsibility to restore such decrease in value. There were no such deficiencies in fiscal years 2017 and 2016.

[5] Spending policy and how the investment objectives relate to the spending policy:

The Organization has a policy to appropriate allowable funding from the earnings of the endowment.

NOTE L - COMMITMENTS AND CONTINGENCIES

[1] Operating leases:

The Organization leases space in New York City and Washington, D.C. which were set to expire through February 2019 and May 2017, respectively.

During fiscal-year 2016, the Organization terminated the Washington, D.C. office lease. The Organization incurred $223,791 of related costs, which is included as part of lease exit activity net losses on the statements of activities for fiscal the year-ended 2017.

NOTE L - COMMITMENTS AND CONTINGENCIES (CONTINUED)

[1] Operating leases: (continued)

Also during fiscal-year 2016, the Organization was notified that the New York office leaseholder ceased operations, filed bankruptcy protection, and stopped remitting cash payments of the rent paid by the Organization and due to the primary leaseholder. The Organization continued to accrue for the monthly rental expense, which is included in accounts payable and other liabilities at June 30, 2016 and was remitted to the primary leaseholder during fiscal-year 2017.

In addition, during fiscal-year 2016, the Organization terminated the New York City office lease. The Organization incurred expenses in conjunction with the lease termination, as well as, disposed of certain property and equipment resulting in a loss to the Organization of $39,110, which is included in lease exit activity net losses on the statements of activities for fiscal year-ended 2017.

During fiscal-year 2017, the Organization entered into a new lease agreement, in a new location in New York City that commenced on September 1, 2016 and expires on December 31, 2018. The new lease requires a fixed rent of $10,000 per month through the end of the lease.

Rent expense was approximately $207,000 and $489,000 for fiscal-years 2017 and 2016, respectively.

The Organization is also obligated under certain office equipment lease agreements. The obligations are payable in annual installments of approximately $48,000 expiring through June 2021.

The minimum annual future rental commitments under the office and equipment lease agreements are approximately as follows:

Year Ending June 30,	
2018	$ 131,000
2019	75,000
2020	15,000
2021	7,000
	$ 228,000

[2] Sublease:

During fiscal-year 2015, the Organization entered into a sublease agreement for a portion of its Washington D.C.'s office space. Pursuant to a provision within the Washington, D.C. lease agreement, the tenant exercised the option to terminate the lease, effective January 31, 2015. During fiscal-year 2016, rental income generated from the sublease agreement amounted to approximately $185,000. The Organization did not have any rental income in 2017.

[3] Government contracts:

The Organization's government-funded activities are subject to audit by the applicable granting agencies. At June 30, 2017, there were no material obligations outstanding as a result of such audits, and the Organization's management believes that unaudited projects will not result in any material obligations.

[4] Employment agreement:

The Organization has an employment agreement with its President, expiring on April 21, 2018.