

**FUND FOR GLOBAL HUMAN RIGHTS, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2019**

FUND FOR GLOBAL HUMAN RIGHTS, INC.

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

EXHIBIT A	-	STATEMENT OF FINANCIAL POSITION – JUNE 30, 2019
EXHIBIT B	-	STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019
EXHIBIT C	-	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019
EXHIBIT D	-	STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2019
	-	NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2019

Board of Directors  
Fund for Global Human Rights, Inc.  
1301 Connecticut Avenue, NW  
Suite 400  
Washington, D.C. 20036

Independent Auditors' Report

Dear Board Members:

We have audited the accompanying financial statements of the Fund for Global Human Rights, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses 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**

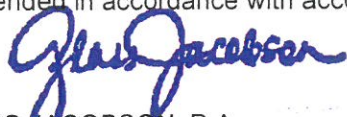
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 the Fund for Global Human Rights, Inc. as of June 30, 2019, 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.



GLASS JACOBSON, P.A.

Rockville, MD  
February 11, 2020

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2019

ASSETS

Cash and Cash Equivalents	\$ 14,036,449
Grants & Contributions Receivable	4,081,491
Receivables - Other	9,125
Prepaid Expenses	131,678
Assets restricted to investment in furniture equipment and website, net	81,817
Deposits	<u>87,303</u>

TOTAL ASSETS \$ 18,427,863

LIABILITIES AND NET ASSETSLIABILITIES

Accounts Payable & Accrued Expenses	\$ 79,216
Accrued Vacation & Sick Compensation	196,479
Payroll Liabilities Payable	23,003
Lease Obligation Liability	<u>174,048</u>

TOTAL LIABILITIES \$ 472,746

NET ASSETS

Without donor restrictions	\$ 2,219,501
With donor restrictions	<u>15,735,616</u>
Total Net Assets	<u>\$ 17,955,117</u>

TOTAL LIABILITIES AND NET ASSETS \$ 18,427,863

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

	<u>NET ASSETS WITHOUT DONOR RESTRICTIONS</u>	<u>NET ASSETS WITH DONOR RESTRICTIONS</u>	<u>NET ASSETS TOTAL</u>
<u>SUPPORT AND REVENUE</u>			
Grants Income	\$ 9,000	\$ 14,586,241	\$ 14,595,241
Contribution Income	1,050,300	32,000	1,082,300
Investment Income	56,642	-	56,642
Net Assets Released from Restrictions: Restrictions Satisfied by Payments	<u>13,617,755</u>	( <u>13,617,755</u> )	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<b>\$ 14,733,697</b>	<b>\$ 1,000,486</b>	<b>\$ 15,734,183</b>
<u>EXPENSES (Exhibit D)</u>			
Program	\$ 12,838,430	\$ -	\$ 12,838,430
Management and General	964,896	-	964,896
Fundraising	<u>1,008,280</u>	<u>-</u>	<u>1,008,280</u>
<b>TOTAL EXPENSES</b>	<b>\$ 14,811,606</b>	<b>\$ -</b>	<b>\$ 14,811,606</b>
<u>CHANGE IN NET ASSETS</u>	( \$ 77,909 )	\$ 1,000,486	\$ 922,577
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>\$ 2,297,410</u>	<u>\$ 14,735,130</u>	<u>\$ 17,032,540</u>
<u>NET ASSETS AT END OF YEAR</u>	<u><u>\$ 2,219,501</u></u>	<u><u>\$ 15,735,616</u></u>	<u><u>\$ 17,955,117</u></u>

The accompanying notes are an integral part of this financial statement.

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATION ACTIVITIES

Increase (Decrease) in Net Assets \$ 922,577

Adjustments to Reconcile Increase in Net  
 Assts to Net Cash Provided by Operating  
 Activities:

Depreciation \$ 9,619

Changes in Assets and Liabilities:

(Increase) Decrease in Grants Receivable	5,410,808
(Increase) Decrease in Other Receivables	( 552 )
(Increase) Decrease in Prepaid Expenses	( 53,948 )
(Increase) Decrease in Other Assets	( 10,000 )
Increase (Decrease) in Accounts Payable	( 25,202 )
Increase (Decrease) in Accrued Vacation & Sick	( 40,089 )
Increase (Decrease) in Payroll Liabilities	16,239
Increase (Decrease) in Lease Obligation Liability	( 17,914 )

Total Adjustments \$ 5,288,961

Net Cash Provided by / (Used in) Operating  
 Activities \$ 6,211,538

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Fixed Assets ( \$ 51,515 )

Net Cash Provided by / (Used in) Investing  
 Activities ( \$ 51,515 )

NET INCREASE (DECREASE) IN CASH AND  
CASH EQUIVALENTS \$ 6,160,023

CASH AT BEGINNING OF YEAR \$ 7,876,426

CASH AT END OF YEAR \$ 14,036,449

INTEREST EXPENSE \$ 0

**FUND FOR GLOBAL HUMAN RIGHTS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

2019

	GENERAL PROGRAM	THEMATIC PROGRAMS	REGIONAL PROGRAMS	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND- RAISING	TOTAL SUPPORTING SERVICES	TOTAL EXPENSES
Salaries & Employee Benefits	\$ 420,303	\$ 191,054	\$ 980,422	\$ 1,591,779	\$ 784,388	\$ 741,753	\$ 1,526,141	\$ 3,117,920
Communications	13,896	1,426	3,047	18,369	35,580	3,469	39,049	57,418
Conferences & Meetings	12,303	1,248	15,237	28,788	28,914	11,511	40,425	69,213
Consultants & Professional Services	29,081	80,610	278,527	388,218	314,346	72,532	386,878	775,096
Depreciation	-	-	-	-	9,619	-	9,619	9,619
Grants	947,500	1,081,642	7,713,049	9,742,191	-	-	-	9,742,191
General Office Expense	5,841	965	3,546	10,352	47,979	14,672	62,651	73,003
Office Supply and Expense	26,876	1,181	940	28,997	90,742	33,613	124,355	153,352
Rent	180	-	-	180	328,384	-	328,384	328,564
Travel	149,528	57,539	91,788	298,855	97,049	89,326	186,375	485,230
Overhead Applied	64,054	43,555	623,092	730,701	(772,105)	41,404	(730,701)	-
<b>TOTAL EXPENSES</b>	<b>\$ 1,669,562</b>	<b>\$ 1,459,220</b>	<b>\$ 9,709,648</b>	<b>\$ 12,838,430</b>	<b>\$ 964,896</b>	<b>\$ 1,008,280</b>	<b>\$ 1,973,176</b>	<b>\$ 14,811,606</b>

The accompanying notes are an integral part of this financial statement.

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES AND FINANCIAL POLICIES

ORGANIZATION:

The Fund for Global Human Rights, Inc. (the Fund) is a not-for-profit organization as defined under Section 501(c)(3) of the Internal Revenue Code. The Fund was incorporated in the District of Columbia on January 8, 2002 and commenced independent operating activities on September 9, 2002. The Fund's primary purpose is to 1) strengthen the human rights movement globally through direct grant making to local, national and regional human rights organizations; 2) provide technical assistance, services, and tools for human rights workers; and 3) facilitate the exchange of ideas, strategies, and mutual support among otherwise isolated human rights groups.

BASIS OF PRESENTATION:

Financial statement presentation complies with FASB ASC 958-205. Under FASB ASC 958-205, the Fund is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Fund is required to present a statement of cash flows.

METHOD OF ACCOUNTING:

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles for not-for-profit organizations. They are stated on the accrual basis and include all material receivables and payables.

CONTRIBUTIONS AND GRANTS:

Contributions, grants and other revenues are recognized when earned. Contributions and grants without donor restrictions are reported as revenue in the year in which payments are received and/or unconditional promises are made. The Fund reports gifts of cash and other assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the accompanying statement of activities as net assets released from restrictions. Contributions and grants with donor restrictions whose restrictions are met in the same reporting period are reported as contributions or grants without donor restrictions in the accompanying statement of activities.

CLASSIFICATION OF NET ASSETS:

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- With Donor Restrictions: Net assets subject to donor-imposed stipulations that specifically restrict funds for use of various purposes or time periods.
- Without Donor Restrictions: Net assets not subject to donor-imposed stipulations are available for support of the Society's operations.

FIXED ASSETS:

Property and equipment are recorded at cost. Items costing less than \$3,000 are charged to expense when acquired. Depreciation of furniture and equipment is calculated using the straight-line basis over the estimated useful lives of the related assets, generally three to five years. The costs of maintenance and repairs are recorded as expenses are incurred.

STATEMENT OF CASH FLOWS

The Fund maintains money market accounts at two financial institutions. The Fund considers all highly liquid investments, including these money market accounts, with a maturity of three months or less when purchased to be cash equivalents. Account balances, at times, may exceed federally insured limits.



FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES AND FINANCIAL POLICIES  
(CONTINUED)

ACTIVITIES AND SUPPORTING SERVICES

Grants are made primarily to facilitate the support of human rights organizations in places where there is a great need and access to funding is minimal. Grants are made to qualifying organizations based on approved eligibility requirements.

General and administrative expenses include those that are not directly identifiable to any one activity or donor stipulation, but provide overall support and direction of the Fund as a whole. These include functions necessary to maintain an equitable employment program and manage financial and budgetary responsibilities of the Fund.

INCOME TAXES

The Fund is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code as a publicly supported organization. However, the Fund is subject to tax on net income derived from any such unrelated business activities as provided for under the current tax law. To date, the Fund has not engaged in any such activities.

USE OF ESTIMATES

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America require management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and supporting services have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated between program and supporting services based on actual expenditures and time spent by management.

GRANTS AND CONTRIBUTIONS RECEIVABLE

The Fund's grants and contributions receivable represent amounts received from established funders that historically always satisfy the obligations. Therefore, no allowance for collectability has been established.

NOTE 2 – INVESTMENT INCOME

Investment income for the year ended June 30, 2019 is comprised of the following:

	Interest and Dividends	Fees	Total
Money Funds/Cash	\$ <u>57,449</u>	(\$ <u>807</u> )	\$ <u>56,642</u>

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 3 – FIXED ASSETS

Property and equipment at June 30, 2019 consisted of:

Computer and Software	\$ 42,310
Leasehold Improvements	44,850
Office Equipment	13,145
Website	<u>51,515</u>
 Total Fixed Assets	 \$ 151,820
Less: Accumulated Depreciation	( <u>70,003</u> )
 Net Fixed Assets	 \$ <u>81,817</u>

Depreciation expense was \$9,619 for the year ended June 30, 2019.

NOTE 4 – RELATED PARTIES

For the year ended June 30, 2019 the Fund received grants for \$750,000 from the Moriah Fund, Inc. The president of the Moriah Fund, Inc. is also on the board of directors of the Fund.

NOTE 5 – RETIREMENT PLANS

The Fund sponsors a tax-deferred annuity retirement plan (the "plan"), established under the Internal Revenue Code Section 403(b). The Plan, which was adopted in January 2003, provides for two types of contributions. After one month of employment, employees may elect to contribute a percentage of their salary on a pre-tax basis to the Plan. After one year of employment, employees are eligible for employer contributions of up to 5% of compensation. For the year ended June 30, 2019, the Fund made contributions of \$94,817 to the Plan.

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

The Fund's net assets with donor restrictions for the year ended at June 30, 2019 are as follows:

Grant - Restricted	
Ford Foundation	\$ 1,400,000
Other – Time Restricted	
Periods after June 30, 2019	
General Support	\$ 8,632,807
West Africa	348,696
South Asia	569,000
Egypt Project	933,325
LGBT in Southeast Asia	319,000
Latin America	859,601
Great Lakes	1,773,187
Enabling Environment	250,000
Children & Conflict	<u>650,000</u>
 Total Net Assets with Donor and/or Time Restrictions	 \$ <u>15,735,616</u>

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 7 – COMMITMENTS

The Fund is contingently committed to disburse certain grants awarded during the course of the year as approved by the Board of Directors. Disbursement of these grant funds are conditional requiring the recipients of grant funds to adhere to stringent reporting requirements prior to disbursement. In accordance with FASB ASC 958, the Fund does not accrue any liability associated with these grants until the grantee meets all the requirements specified in each grant award letter.

At July 1, 2018 the Fund was contingently committed to disburse \$4,818,378 relating to grants approved by the Board of Directors prior to the fiscal year 2018. Between July 1, 2018 and June 30, 2019, the Board approved additional grants totaling \$9,910,086 while the Fund disbursed \$9,846,897 during this period. At the end of fiscal year 2019, there remains \$4,881,567 in approved grants to be disbursed subject to compliance with individual grant conditions and terms.

NOTE 8 – CONCENTRATION OF CREDIT RISK

The Fund maintains several bank accounts. Amounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Account balances, at times, may exceed federally insured limits. The Fund has not experienced any losses related to these accounts and believes it is not exposed to significant credit risk on cash and cash equivalents.

NOTE 9 - CONCENTRATIONS

For the year ended June 30, 2019, the Fund received 99.64% of its income from grants and contributions.

NOTE 10 – LEASE COMMITMENTS

At June 30, 2019, the Fund was obligated under one lease agreement for office space, commencing March 31, 2017 and ending on October 31, 2023. Base rent is \$306,478.80 per year, increasing by a factor of 2.5% per year. The lease includes eight months of abated rent in the first year of the lease, therefore, during the year ended June 30, 2019, the total rent commitment also will be recognized on a straight-line basis over the term of the lease, and the difference between the actual monthly payments and the rent expense to be recognized for financial statement purposes will be recorded as a deferred rent liability.

The minimum rental payments over the life of the leases are as follows:

Period ended June 30, 2020	332,511
Period ended June 30, 2021	340,820
Period ended June 30, 2022	349,370
Period ended June 30, 2023	355,134
Period ended October 31, 2023	<u>121,332</u>
Total	<u>\$ 1,499,167</u>

Total rent charged to operations for the year ended June 30, 2019 was \$328,564.

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 11 – FAIR VALUE MEASUREMENTS

The Fund complies with FASB ASC 820-10 as amended. FASB ASC 820-10 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under FASB ASC 820-10 as the exchange price that would be received for an asset or paid to transfer a liability ("an exit price") in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under FASB ASC 820-10 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

The Fund has time deposit financial instruments that must be measured under the new fair value standard. The Fund currently does not have notes receivable, nonfinancial assets, or nonfinancial liabilities that are required to be measured at fair value on a recurring basis. The Fund's financial assets are measured using inputs from the Level 1 fair value hierarchy as described as follows:

Level 1:

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

As of June 30, 2019, the Fund does not have any assets that are required to be measured on a recurring basis under the fair value measurements described in FASB ASC 8220-10 as amended.

NOTE 12 – STATEMENT OF FUNCTIONAL EXPENSES

The Statement of Functional Expenses shows similar programs grouped into three categories as follows:

General Program	
Human Rights Issues	
Throughout the World	\$ <u>1,669,562</u>
Thematic Programs	
Corporate Accountability	\$ 146,363
Children in Conflict	493,414
Migrant Rights	274,998
Enabling Environment	<u>544,445</u>
Total Thematic Programs	\$ <u>1,459,220</u>
Regional Programs	
West Africa	\$ 696,032
South Asia	1,197,742
Egypt Project	1,383,764
LGBT in Southeast Asia	1,090,699
Latin America	2,230,615
Great Lakes	<u>3,110,796</u>
Total Regional Programs	\$ <u>9,709,648</u>
Total Program Services	\$ <u>12,838,430</u>

FUND FOR GLOBAL HUMAN RIGHTS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events are defined as events or transactions that occur after the statement of financial position date through the date that the financial statements are available to be issued. Management has performed an evaluation as of February 11, 2020, the date the financial statements were available to be issued, that there are no subsequent events requiring disclosure.

NOTE 14 – INCOME TAXES

The Fund complies with FASB ASC 740-10, Income Taxes, that provides guidance for reporting uncertainty in income taxes. For the year ended June 30, 2019, the Fund has documented its consideration of FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Organization's federal Exempt Organization Tax Returns (Form 990) for 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after they are filed.

NOTE 15 – LIQUIDITY

The following reflects the Fund's financial assets as of the statement of financial position sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position sheet date.

Cash and cash equivalents	\$ 14,036,449
Grants & Contributions Receivable	4,081,491
Accounts Receivable	<u>9,125</u>
Financial assets, at year-end	18,127,065
Less: Donor restricted funds	( <u>15,735,616</u> )
Financial assets available to meet cash needs for general expenditure within one year	\$ <u>2,391,449</u>

The Fund is supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Fund must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year.