

**International Gay and Lesbian
Human Rights Commission, Inc.**

Financial Report

June 30, 2014

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Independent Auditors' Report

To the Board of Directors of
International Gay and Lesbian Human Rights Commission, Inc.

We have audited the accompanying financial statements of the International Gay and Lesbian Human Rights Commission, Inc. ("IGLHRC"), a not-for-profit organization, which comprise the statements of financial position as of June 30, 2014 and 2013 and related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 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 International Gay and Lesbian Human Rights, Inc. as of June 30, 2014 and 2013, and the changes in its net assets, its cash flows, and its functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Manger & Associate CPAs P.C.

February 10, 2015

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**
Statements of Financial Position
As of June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 1,244,384	\$ 1,245,717
Accounts receivable	16,028	19,094
Grants and contributions receivable	1,279,189	379,405
Contracts receivable	66,259	203,101
Advances to subgrantees	48,772	-
Prepaid expenses	20,048	11,287
Total current assets	<u>2,674,680</u>	<u>1,858,604</u>
Grants and contributions receivable, net	101,799	304,654
Property and equipment, net	14,677	16,178
Security deposit	31,993	31,704
Total assets	<u>\$ 2,823,149</u>	<u>\$ 2,211,140</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 90,751	\$ 90,689
Contract advances and deferred revenue	141,508	6,369
Total liabilities	<u>232,259</u>	<u>97,058</u>
NET ASSETS		
Unrestricted:		
Board designated - general program	550,000	550,000
Undesignated	266,265	18,911
Total unrestricted net assets	816,265	568,911
Temporarily restricted	1,756,271	1,526,817
Permanently restricted	18,354	18,354
Total net assets	<u>2,590,890</u>	<u>2,114,082</u>
Total liabilities and net assets	<u>\$ 2,823,149</u>	<u>\$ 2,211,140</u>

See independent auditors' report.

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

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**
Statements of Activities
For the Years Ended June 30, 2014 and 2013

	2014			2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Total
REVENUES AND SUPPORT							
Grants and contributions	\$ 534,138	\$ 1,472,611	\$ -	\$ 441,111	\$ 1,284,807	\$ -	\$ 1,725,918
Contract services	904,837	-	-	692,268	-	-	692,268
Special events:							
Special event revenue	52,339	-	-	152,454	-	-	152,454
Less: direct event costs	(42,676)	-	-	(75,007)	-	-	(75,007)
Investment income gains and (losses)	456	-	-	(967)	-	-	(967)
Other income	5,697	-	-	5,668	-	-	5,668
	<u>1,454,791</u>	<u>1,472,611</u>	<u>-</u>	<u>1,215,527</u>	<u>1,284,807</u>	<u>-</u>	<u>2,500,334</u>
Net assets released from restrictions:							
Satisfaction of program restrictions	414,829	(414,829)	-	86,934	(86,934)	-	-
Satisfaction of time restrictions	828,328	(828,328)	-	895,719	(895,719)	-	-
Total revenues and support	<u>2,697,948</u>	<u>229,454</u>	<u>-</u>	<u>2,198,180</u>	<u>302,154</u>	<u>-</u>	<u>2,500,334</u>
EXPENSES							
Program services	1,888,943	-	-	1,588,991	-	-	1,588,991
Supporting services:							
Management and general	311,775	-	-	293,343	-	-	293,343
Fundraising	249,876	-	-	262,091	-	-	262,091
Total expenses	<u>2,450,594</u>	<u>-</u>	<u>-</u>	<u>2,144,425</u>	<u>-</u>	<u>-</u>	<u>2,144,425</u>
Change in net assets	247,354	229,454	-	53,755	302,154	-	355,909
Net assets, beginning of the year	588,911	1,526,817	18,354	515,156	1,224,663	18,354	1,758,173
Net assets, end of year	<u>\$ 816,265</u>	<u>\$ 1,756,271</u>	<u>\$ 18,354</u>	<u>\$ 568,911</u>	<u>\$ 1,526,817</u>	<u>\$ 18,354</u>	<u>\$ 2,114,082</u>

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**
Statements of Cash Flow
For the Year End June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ 476,808	\$ 355,909
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	7,288	12,780
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	3,066	(11,567)
(Increase) decrease in grants and contributions receivable	(696,929)	393,218
Decrease (increase) in contracts receivable	136,842	(154,889)
(Increase) in advances to subgrantees	(48,772)	-
(Increase) decrease in prepaid expenses	(8,761)	22,661
(Increase) in security deposits	(289)	(3,470)
Increase (decrease) in accounts payable and accrued expenses	62	(35,242)
Increase (decrease) in contract advances and deferred revenue	135,139	(390,710)
Net cash provided by operating activities	<u>4,454</u>	<u>188,690</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(5,787)</u>	<u>(10,246)</u>
Net cash (used in) investing activities	<u>(5,787)</u>	<u>(10,246)</u>
Net (decrease) increase in cash and cash equivalents	(1,333)	178,444
Cash and cash equivalents, beginning of year	<u>1,245,717</u>	<u>1,067,273</u>
Cash and cash equivalents, end of year	<u>\$ 1,244,384</u>	<u>\$ 1,245,717</u>

See independent auditors' report.

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

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**
Statements of Functional Expenses
For the Years Ended June 30, 2014 and 2013

	Program Services						Supporting Services			2013 Total
	Latin America			Middle East	United Nations and General		Management and General		Fundraising	
	Africa	Asia	Latin America	Middle East	United Nations and General	Program	General	Fundraising		
Salaries	\$ 201,501	\$ 142,569	\$ 85,483	\$ 187,345	\$ 166,480	\$ 783,378	\$ 69,768	\$ 136,822	\$ 809,814	
Payroll taxes and fringe benefits	40,716	30,896	5,498	26,292	44,196	147,598	11,538	22,537	132,038	
Total salaries and related expenses	242,217	173,465	90,981	213,637	210,676	930,976	81,306	159,359	941,852	
Other expenses:										
Travel	223,118	11,479	33,675	31,778	40,226	340,276	-	1,386	295,287	
Consultants	98,282	17,133	14,420	66,167	32,466	228,468	1,590	46,992	337,867	
Accounting	-	-	-	-	-	-	206,959	-	183,275	
Occupancy	58,209	10,401	8,489	21,389	13,416	111,904	9,966	19,545	130,877	
Direct aid	67,102	125	87	1,003	170	68,487	-	-	11,550	
Printing	12,997	9,372	994	13,622	1,951	38,936	3,468	6,800	29,006	
Meetings	16,665	1,594	7,203	1,769	6,765	33,996	-	-	32,659	
Telecommunications	13,065	2,403	1,786	4,894	2,495	24,643	2,195	4,304	31,142	
Office and mailing	7,956	2,019	1,547	4,254	2,751	18,527	1,484	2,911	22,922	
Dues, subscriptions, licenses and permits	9,255	2,201	1,588	3,647	3,613	20,304	561	1,100	21,965	
Supplies	7,213	998	1,304	3,695	1,597	14,807	1,010	1,981	15,354	
Equipment rental and purchase	5,732	853	598	5,333	1,165	13,681	587	1,152	13,305	
Banking charges and processing fees	5,413	1,357	1,023	2,721	1,595	12,109	1,042	2,043	16,632	
Advertising and promotion	2,268	93	65	5,346	127	7,899	439	439	8,777	
Insurance	2,722	697	489	1,134	952	5,994	534	1,047	6,914	
Cleaning and maintenance	571	171	120	1,061	234	2,157	192	377	2,726	
Miscellaneous	8,361	73	51	3	3	8,491	442	440	1,872	
Depreciation and amortization	3,026	908	637	1,477	1,240	7,288	-	-	12,760	
Total other expenses	541,955	61,877	74,076	169,293	110,766	957,967	230,469	90,517	1,202,573	
Total expenses	\$ 784,172	\$ 235,342	\$ 165,057	\$ 382,930	\$ 321,442	\$ 1,888,943	\$ 311,775	\$ 249,876	\$ 2,450,594	
									\$ 2,144,425	

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**
Statements of Functional Expenses
For the Years Ended June 30, 2013 and 2012

	Program Services					Supporting Services			2012 Total	
	Africa	Asia	Latin America	Middle East and General		United Nations and General	Total Program	Management and General		Fundraising
				East	General					
Salaries	\$ 211,303	\$ 146,986	\$ 29,073	\$ 195,358	\$ 43,713	\$ 626,433	\$ 71,134	\$ 112,247	\$ 809,814	\$ 900,553
Payroll taxes and fringe benefits	25,031	24,650	2,888	19,745	32,150	104,464	10,696	16,878	132,038	160,851
Total salaries and related expenses	236,334	171,636	31,961	215,103	75,863	730,897	81,830	129,125	941,852	1,061,404
Other expenses:										
Consultants	88,405	40,832	26,465	71,775	17,795	245,272	2,088	90,527	337,887	375,691
Travel	154,556	35,352	31,897	49,119	23,205	294,131	-	1,156	295,287	241,292
Accounting	46,067	14,678	5,105	26,571	9,142	101,563	183,275	-	183,275	158,016
Occupancy	15,808	5,517	1,950	7,688	3,785	34,748	2,975	4,703	42,426	116,493
Office and mailing	14,680	3,766	1,063	4,010	3,539	27,058	3,029	4,780	34,867	13,081
Telecommunications	13,194	4,801	1,698	6,401	2,972	29,066	1,405	2,188	32,659	26,376
Meetings	12,851	4,794	1,582	6,806	3,073	29,106	1,343	2,120	32,569	26,435
Dues, subscriptions, licenses and permits	10,526	2,736	927	6,614	1,707	22,510	2,519	3,977	29,006	21,365
Printing	6,719	2,445	865	3,260	1,514	14,803	715	1,114	16,632	20,108
Banking charges and processing fees	8,090	1,088	376	1,863	774	12,191	1,227	1,936	15,354	19,111
Supplies	6,666	277	238	3,671	181	11,033	881	1,391	13,305	34,059
Equipment rental and purchase	-	8,050	-	3,500	-	11,550	-	-	11,550	26,574
Direct aid	2,793	1,016	359	1,355	629	6,152	299	463	6,914	6,383
Insurance	1,428	520	184	693	322	3,147	151	237	3,535	4,955
Advertising and promotion	601	230	81	318	150	1,380	154	244	1,778	3,467
Cleaning and maintenance	733	288	68	359	156	1,604	81	187	1,872	16,058
Miscellaneous	4,935	2,314	820	3,201	1,510	12,780	-	-	12,780	12,468
Depreciation and amortization	388,054	128,704	73,678	197,204	70,454	858,094	211,513	132,966	1,202,573	780,902
Total other expenses	\$ 624,368	\$ 300,340	\$ 105,639	\$ 412,307	\$ 146,317	\$ 1,588,991	\$ 293,343	\$ 262,091	\$ 2,144,425	\$ 1,842,306

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

INTERNATIONAL GAY AND LESBIAN HUMAN RIGHTS COMMISSION, INC.

Notes to Financial Statements

June 30, 2014 and 2013

1. ORGANIZATION

The International Gay and Lesbian Human Rights Commission, Inc. ("IGLHRC") was incorporated in 1991 as a U.S.-based not-for-profit organization headquartered in New York City with an office in Johannesburg, South Africa. The mission of IGLHRC is to secure the full enjoyment of the human rights of all people and communities subject to discrimination or abuse on the basis of sexual orientation or expression, and/or HIV/AIDS status. IGLHRC actively fosters partnerships with local, national and international activists and organizations to further this mission through advocacy, documentation, coalition building, public education, training and technical assistance.

For Federal income tax purposes, IGLHRC is classified as a 501(c)(3) organization and is exempt under Section 509(a)(1) of the Internal Revenue Code and a similar provision of the New York State income tax laws.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of IGLHRC have been prepared on the accrual basis of accounting in accordance with accounting standards generally accepted in the United States of America. The significant accounting policies are described below.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in Accounting Standards Codification ("ASC") 958, Financial Statements of Not-for-Profit Organizations. Under ASC 958, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets.

Unrestricted

Unrestricted net assets are net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations and are available for the general operations of the IGLHRC.

The Board-designated quasi-endowment net assets include resources that have been designated by the Board of Directors to function as endowments and consist of amounts held in a reserve for operating contingences. Any portion of the quasi-endowment may be expended upon approval of the Board of Directors. Investment income from these net assets supports the current operations of IGLHRC. The balance in Board designated net assets was \$550,000 as of June 30, 2014 and 2013.

INTERNATIONAL GAY AND LESBIAN HUMAN RIGHTS COMMISSION, INC.

Notes to Financial Statements

June 30, 2014 and 2013

Temporarily Restricted

Temporarily restricted net assets include gifts of cash and other assets received with donor-imposed stipulations that will be met either by actions of IGLHRC and/or the passage of time.

Contributions with donor-imposed restrictions are reported as increases in temporarily restricted net assets and are reclassified to unrestricted net assets when purpose or time restrictions are met, and recorded in the accompanying financial statements as net assets released from restrictions.

Permanently Restricted

Permanently restricted net assets include funds that have been restricted by donors to be held in perpetuity. IGLHRC had permanently restricted net assets of \$18,354 as of June 30, 2014 and 2013.

Cash and Cash Equivalents

IGLHRC considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Grants and Contributions

IGLHRC records contributions and grants, both cash and in-kind, when an unconditional promise to give such assets is received from a donor. Contributions and grants are recorded at the fair market value of the assets received and are classified as either unrestricted, temporarily restricted, or permanently restricted, depending on whether the donor has imposed a restriction on the use of such assets.

Contributions and grants receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using a risk-free interest rate determined in the year in which the contribution originates. Amortization of the discount is included in contribution revenue.

IGLHRC uses the allowance method to determine uncollectible grants and contributions receivable. The allowance is based on prior years' experience and management's analysis of specific grants and contributions made.

INTERNATIONAL GAY AND LESBIAN HUMAN RIGHTS COMMISSION, INC.

Notes to Financial Statements

June 30, 2014 and 2013

Contract Revenue

Revenue from government and other contracts is recognized when reimbursable expenses are incurred under the terms of the respective contracts. Contract payments in excess of qualified expenses are accounted for as contract advances.

Deferred revenue

Income for special events that will occur in the subsequent fiscal year is deferred and recognized when the event takes place.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization.

Property and Equipment

International Gay and Lesbian Human Rights Commission, Inc. capitalizes property and equipment with a cost or fair value exceeding \$2,000 and a useful life of more than one year. Depreciation of property and equipment is provided on the straight-line method over the expected useful lives of the assets as follows:

Property and equipment	3-5 years
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Functional Expense Allocations

The costs of providing the various programs and other activities of IGLHRC have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting service benefited. Such allocations are determined by management in accordance with grant provisions and/or other equitable bases.

Income Taxes

IGLHRC has adopted Accounting Standards Codification ("ASC") 740 "Income Taxes." ASC 740 requires that a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to positions taken or expected to be taken in a tax return. The adoption of this guidance did not have an impact on IGLHRC's financial statements, as management believes that there are no uncertain tax positions within its financial statements. IGLHRC has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and

INTERNATIONAL GAY AND LESBIAN HUMAN RIGHTS COMMISSION, INC.

Notes to Financial Statements

June 30, 2014 and 2013

report unrelated income; determine its filing and tax obligations in jurisdictions for which it has nexus; and to review other matters that may be considered tax positions.

IGLHRC's Forms 990, *Return of Organization Exempt for Income Tax*, for the years ending June 30, 2011, 2012, and 2013 are subject to examination by the IRS, generally for three years after they were filed.

Concentrations of Credit Risk

Financial instruments that potentially subject IGLHRC to concentrations of credit risk consist primarily of cash and cash equivalents. IGLHRC maintains cash and cash equivalent balances in various bank accounts that, at times, may exceed federally insured limits. As of June 30, 2014 and 2013, IGLHRC's cash balances exceeded federally insured limits by \$919,722, respectively. IGLHRC's cash accounts are placed with high credit quality financial institutions. IGLHRC has not experienced, nor does it anticipate, any losses in such accounts.

Concentration of Grants and Contributions and Receivable

Approximately 69% of IGLHRC's revenues for the year ended June 30, 2014 was provided by two private foundations and one international governmental agency. Approximately 56% of IGLHRC's revenues for the year ended June 30, 2013 was provided by one private foundation and one international governmental agency.

Grants from two private foundations and a multiyear grant from a private foundation made up approximately 91% of IGLHRC's grants and contributions receivable as of June 30, 2014. As of June 30, 2013, only one multiyear grant from a private foundation made up approximately 75% of IGLHRC's grants and contributions receivable.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

For comparative purposes, certain amounts previously reported have been reclassified to conform to current year presentations.

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**

Notes to Financial Statements

June 30, 2014 and 2013

3. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable at June 30, 2014 and 2013 consisted of current promises to give which are collectible as follows:

	<u>2014</u>	<u>2013</u>
One year or less	\$ 1,279,189	\$ 379,405
One to seven years, net of present value discount of \$1,669 and \$5,718, respectively (1.64% and 1.4% risk-free rate of return)	<u>101,799</u>	<u>304,654</u>
	<u>\$ 1,380,988</u>	<u>\$ 684,059</u>

4. PROPERTY AND EQUIPMENT

The components of property and equipment are as follows at June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Furniture and equipment	\$ 98,717	\$ 92,930
Leasehold improvements	<u>10,918</u>	<u>10,918</u>
	109,635	103,848
Less: Accumulated depreciation	<u>(94,958)</u>	<u>(87,670)</u>
	<u>\$ 14,677</u>	<u>\$ 16,178</u>

Depreciation expense amount to \$7,288 and \$12,780 for the years ended June 30, 2014 and 2013, respectively.

5. CONTRACT SERVICES REVENUE

Contract services revenue consisted of \$640,130 and \$445,720 for the years ended June 30, 2014 and 2013, respectively, from the Swedish International Development Cooperation Agency (SIDA) for the "Africa LGBT Health and Human Rights Initiative" project. During 2014 and 2013, IGLHRC also received funding from another government agency in the amount of \$268,136 and \$246,548 and for its program work in the Middle East.

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Notes to Financial Statements

June 30, 2014 and 2013

6. CONTRACT ADVANCES

Advances in the amount of \$141,508 as of June 30, 2014 consisted of amounts received from SIDA. These advances will be recognized as contract revenue as reimbursable expenses under the contract are incurred during the year ending June 30, 2015.

7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available to satisfy the following program restrictions for the year ending June 30, 2014:

	<u>June 30, 2013</u>	<u>Contributions</u>	<u>Net assets relased from restrictions</u>	<u>June 30, 2014</u>
Time restricted:				
General support	\$ 1,301,558	\$ 834,000	\$ (848,328)	\$ 1,287,230
Purpose restricted	225,259	638,611	(394,829)	469,041
	<u>\$ 1,526,817</u>	<u>\$ 1,472,611</u>	<u>\$ (1,243,157)</u>	<u>\$ 1,756,271</u>

Temporarily restricted net assets are available to satisfy the following program restrictions for the year ending June 30, 2013:

	<u>June 30, 2012</u>	<u>Contributions</u>	<u>Net assets relased from restrictions</u>	<u>June 30, 2013</u>
Time restricted:				
General support	\$ 1,137,277	\$ 1,060,000	\$ (895,719)	\$ 1,301,558
Purpose restricted	87,386	224,807	(86,934)	225,259
	<u>\$ 1,224,663</u>	<u>\$ 1,284,807</u>	<u>\$ (982,653)</u>	<u>\$ 1,526,817</u>

8. COMMITMENTS

During the year ended June 30, 2013, IGLHRC renewed the operating lease for its New York City premises that was set to expire on July 31, 2013. The renewed lease runs from August 1, 2013 through July 31, 2020. In addition to the base annual rent, IGLHRC is liable for a prorated portion of the real estate tax.

On October 23, 2012, IGLHRC signed a lease for office space located in Johannesburg, South Africa for a term of one year beginning November 1, 2012. The lease automatically renews for successive periods equal to the current term until brought to an end by IGLHRC or the lessor by

**INTERNATIONAL GAY AND LESBIAN
HUMAN RIGHTS COMMISSION, INC.**

Notes to Financial Statements

June 30, 2014 and 2013

submitting written notice within three months of the end of the term. As of the date of this report, neither party has elected to cancel this lease.

Future minimum rental payments to be made under the existing leases are as follows:

Year ending June 30,	
2015	\$ 110,844
2016	101,311
2017	104,350
2018	107,481
Thereafter	<u>234,256</u>
Total	<u>\$ 658,242</u>

The amount of rent expense under the leases for the years ended June 30, 2014 and 2013 amounted to \$125,148 and \$102,119, respectively.

9. PENSION PLAN

IGLHRC provides a 403(b) retirement plan for all eligible employees through Metropolitan Life. After one year of service, employees can participate and make voluntary contributions to the plan. IGLHRC matches the employee contribution up to three (3) percent of the employee's gross salary. For the years ended June 30, 2014 and 2013, the amount of pension expense amounted to \$20,348 and \$10,883, respectively.

10. ENDOWMENTS

IGLHRC's endowments consist of the following:

An unrestricted fund established for Board-approved expenditures as described in Note 2. This endowment includes funds designated by the Board of Directors to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The permanent endowment, in the amount of \$18,354, started in the early years of the organization when a group of concerned individuals raised funds to sustain the future of IGLHRC.

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The balances of the board-restricted and permanently restricted endowments as of June 30, 2014 are \$550,000 and \$18,354, respectively. The Board-restricted endowment was increased by \$50,000 during the year ended June 30, 2013.

11. SUBSEQUENT EVENTS

IGLHRC evaluated its June 30, 2014 financial statements for subsequent events through February 10, 2015, the date the financial statements were available to be issued. IGLHRC is not aware of any subsequent events which would require recognition or disclosure in the financial statements.