The Center for Reproductive Rights, Inc.

Financial Statements
Year Ended June 30, 2018

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Contents

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Independent Auditor's Report

Board of Directors
The Center for Reproductive Rights, Inc.
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of The Center for Reproductive Rights, Inc., which comprise the statement of financial position as of June 30, 2018, and the related statement 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 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 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 Center for Reproductive Rights, Inc. as of June 30, 2018, and the changes in net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The 2017 financial statements of The Center for Reproductive Rights, Inc. were audited by other auditors, whose report dated October 31, 2017 expressed an unmodified opinion on those statements.

BDO USA, LLP

October 31, 2018

The Center for Reproductive Rights, Inc.

Statement of Financial Position
(with comparative totals for 2017)

June 30,	**2018**	2017
Assets		
Current		
Cash and cash equivalents (Note 2)	**$ 22,412,152**	$ 19,801,271
Investments at fair value (Notes 2 and 3)	**11,938,097**	11,360,742
Grants and contributions receivable, current portion (Notes 2 and 4)	**6,480,851**	5,441,677
Prepaid expenses and other assets	**789,266**	836,009
Total Current Assets	**41,620,366**	37,439,699
Grants Receivable, net of current portion and discount (Notes 2 and 5)	**5,767,146**	3,526,925
Fixed Assets, Net (Notes 2 and 4)	**1,197,849**	1,382,041
Total Assets	**$ 48,585,361**	$ 42,348,665
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	**$ 1,088,931**	$ 1,150,065
Accrued salaries and related benefits	**617,826**	537,405
Deferred rent payable (Note 2)	**506,895**	382,212
Deferred revenue (Note 2)	**1,222,350**	418,077
Total Liabilities	**3,436,002**	2,487,759
Commitments and Contingencies (Notes 2, 6, 7, 8, 9, and 11)		
Net Assets		
Unrestricted (Note 2)		
Operating	**21,761,184**	18,688,823
Board-designated endowment fund (Notes 2 and 11)	**441,692**	436,205
Total Unrestricted	**22,202,876**	19,125,028
Temporarily restricted (Note 7)	**21,942,363**	19,731,758
Permanently restricted (Note 11)	**1,004,120**	1,004,120
Total Net Assets	**45,149,359**	39,860,906
Total Liabilities and Net Assets	**$ 48,585,361**	$ 42,348,665

See accompanying notes to financial statements.

The Center for Reproductive Rights, Inc.

Statement of Activities
(with comparative totals for 2017)

Year ended June 30,	Unrestricted	Temporarily Restricted	Permanently Restricted	**2018**	2017
Public Support, Revenues, Other Support and Losses					
Foundation Grants	$ 3,688,080	$ 12,258,909	$ -	**$ 15,946,989**	$ 14,359,345
Contributions	4,408,931	9,252,108	-	**13,661,039**	14,594,005
Foreign governments and international organization grants (Note 10)	1,440,068	-	-	**1,440,068**	748,821
Awards (Note 2)	856,566	-	-	**856,566**	218,933
Donated services (Note 2)	17,257,450	-	-	**17,257,450**	11,054,456
Special events net of direct costs of $298,600	1,630,431	-	-	**1,630,431**	1,468,982
Other income	40,930	-	-	**40,930**	40,671
Loss on disposal of fixed assets	-	-	-	**-**	(3,844)
Net assets released from restriction (Note 7)	19,300,412	(19,300,412)	-	**-**	-
Total Public Support, Revenues, Other Support and Losses	48,622,868	2,210,605	-	**50,833,473**	42,481,369
Expenses					
Program services:					
U.S. legal program	21,400,207	-	-	**21,400,207**	13,284,928
Global legal program	12,953,301	-	-	**12,953,301**	11,654,459
Communications	4,081,814	-	-	**4,081,814**	4,362,205
Total Program Services	38,435,322	-	-	**38,435,322**	29,301,592
Supporting services:					
Management and general	2,883,538	-	-	**2,883,538**	2,677,180
Fund raising	4,760,738	-	-	**4,760,738**	3,838,000
Total Supporting Services	7,644,276	-	-	**7,644,276**	6,515,180
Total Expenses	46,079,598	-	-	**46,079,598**	35,816,772
Change in Net Assets, before loss on foreign currency exchange and investment income	2,543,270	2,210,605	-	**4,753,875**	6,664,597
Loss on foreign currency exchange (Note 2)	(59,331)	-	-	**(59,331)**	(74,646)
Investment Income (Note 3)	593,909	-	-	**593,909**	1,050,304
Change in Net Assets	3,077,848	2,210,605	-	**5,288,453**	7,640,255
Net Assets, beginning of year	19,125,028	19,731,758	1,004,120	**39,860,906**	32,220,651
Net Assets, end of year	$ 22,202,876	$ 21,942,363	$ 1,004,120	**$ 45,149,359**	$ 39,860,906

See accompanying notes to financial statements.

The Center for Reproductive Rights, Inc.

Statement of Functional Expenses
(with comparative totals for 2017)

	Program Services				Supporting Services					
Year ended June 30,	U.S. Legal Program	Global Legal Program	Communications	Total	Management and General	Fund Raising	Direct Costs of Special Events	Total	**2018**	2017
Salaries	$ 5,568,572	$ 3,244,647	$ 1,528,098	$ 10,341,317	$ 1,230,443	$ 2,296,225	$ -	$ 3,526,668	**$ 13,867,985**	$ 11,125,610
Payroll taxes and employee benefits	1,440,163	805,139	396,151	2,641,453	331,154	613,335	-	944,489	**3,585,942**	3,057,045
Total Salaries and Related Expenses	7,008,735	4,049,786	1,924,249	12,982,770	1,561,597	2,909,560	-	4,471,157	**17,453,927**	14,182,655
Professional fees	579,741	975,011	1,564,324	3,119,076	569,961	522,893	-	1,092,854	**4,211,930**	4,586,501
Investment fees	-	-	-	-	51,665	-	-	51,665	**51,665**	47,956
Printing and publications	70,323	59,037	32,295	161,655	2,005	54,055	-	56,060	**217,715**	263,011
Dues, fees and subscriptions	268,310	63,394	18,050	349,754	14,484	121,722	-	136,206	**485,960**	359,102
Travel	807,977	834,848	106,154	1,748,979	32,568	157,024	-	189,592	**1,938,571**	1,310,609
Hall, catering and entertainment	-	-	-	-	-	-	298,600	298,600	**298,600**	222,686
Direct mail	-	-	1,135	1,135	-	418,973	-	418,973	**420,108**	466,033
Equipment and maintenance	49,977	61,533	20,973	132,483	24,565	13,353	-	37,918	**170,401**	135,781
Telecommunications	53,947	57,633	11,554	123,134	19,173	19,313	-	38,486	**161,620**	162,916
Office supplies	168,102	161,530	137,172	466,804	98,153	215,741	-	313,894	**780,698**	652,910
Insurance	37,507	28,381	11,582	77,470	24,583	13,651	-	38,234	**115,704**	102,335
Occupancy (Note 8)	764,292	630,124	177,347	1,571,763	376,424	206,071	-	582,495	**2,154,258**	2,031,803
Donated services (Note 2)	11,465,750	5,598,892	45,001	17,109,643	95,517	52,290	-	147,807	**17,257,450**	11,054,456
Grants	-	340,530	-	340,530	-	-	-	-	**340,530**	193,753
Miscellaneous	33,026	12,448	3,408	48,882	3,869	22,895	-	26,763	**75,646**	24,316
Total Expenses before Direct Cost of Special Events, Investment Fees and Depreciation and Amortization	21,307,687	12,873,147	4,053,244	38,234,078	2,874,564	4,727,541	298,600	7,900,705	**46,134,783**	35,796,823
Direct costs of special events	-	-	-	-	-	-	(298,600)	(298,600)	**(298,600)**	(222,686)
Investment fees	-	-	-	-	(51,665)	-	-	(51,665)	**(51,665)**	(47,956)
Depreciation and amortization	92,520	80,154	28,570	201,244	60,639	33,197	-	93,836	**295,080**	290,591
Total Expenses	$ 21,400,207	$ 12,953,301	$ 4,081,814	$ 38,435,322	$ 2,883,538	$ 4,760,738	$ -	$ 7,644,276	**$ 46,079,598**	$ 35,816,772

See accompanying notes to financial statements.

The Center for Reproductive Rights, Inc.

Statement of Cash Flows
(with comparative totals of 2017)

Year ended June 30,	**2018**	2017
Cash Flows from Operating Activities		
Change in net assets	**$ 5,288,453**	$ 7,640,255
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Donated securities	**5,633,268**	5,721,555
Proceeds from donated securities	**(5,604,523)**	(5,721,500)
Depreciation and amortization	**295,080**	290,591
Net realized and unrealized gain on investments	**(364,237)**	(800,963)
Loss on disposal of fixed assets	**-**	3,844
(Increase) decrease in assets:		
Grants and contributions receivable, net	**(3,279,395)**	158,412
Prepaid expenses and other assets	**46,743**	223,107
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	**(61,134)**	877,146
Accrued salaries and related benefits	**80,421**	(80,223)
Deferred rent payment	**124,683**	36,579
Deferred revenue	**804,273**	339,177
Net Cash Provided by Operating Activities	**2,963,632**	8,241,766
Cash Flows from Investing Activities		
Purchases of fixed assets	**(110,888)**	(89,703)
Purchases of investments	**(376,863)**	(580,276)
Proceeds from sales of investments	**135,000**	332,008
Net Cash Used in Investing Activities	**(352,751)**	(337,971)
Net Change in Cash and Cash Equivalents	**2,610,881**	7,903,795
Cash and Cash Equivalents, beginning of year	**19,801,271**	11,897,476
Cash and Cash Equivalents, end of year	**$ 22,412,152**	$ 19,801,271

See accompanying notes to financial statements.

1. Nature of Organization

The Center for Reproductive Rights, Inc. (the Center) is a nonprofit legal advocacy organization dedicated to promoting and defending women's reproductive rights worldwide.

The Center is a not-for-profit tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Center is primarily supported by grants, contributions and donated services.

The Center for Reproductive Rights uses the power of law to advance reproductive rights as fundamental human rights around the world.

The Center envisions a world where every person participates with dignity as an equal member of society, regardless of gender. Where every woman is free to decide whether or when to have children and whether to get married; where access to quality reproductive health care is guaranteed; and where every woman can make these decisions free from coercion or discrimination.

Since 1992, our attorneys have boldly used legal and human rights tools to create this world. We are the only global legal adocacy organization dedicated to reproductive rights, with expertise in both U.S. constitutional and international human rights law. Our groundbreaking cases before national courts, United Nations committees, and regional human rights bodies have expanded access to reproductive healthcare, including birth control, safe abortion, prenatal and obstetric care, and unbiased information. We influence the law outside the courtroom as well, documenting abuses, working with policymakers to promote progressive measures, and fostering legal scholarship and teaching on reproductive health and human rights.

We are legal innovators seeking to fundamentally transform the landscape of reproductive health and rights worldwide, and have already strengthened laws and policies in more than 50 countries.

U.S. Legal Program

The U.S. Legal Program strives to protect and advance reproductive liberty and access to reproductive health care in the United States by employing diverse strategies grounded in the Center's legal expertise.

The strategies used by the U.S. Legal Program consist of: impact litigation; legislative and governmental advocacy on Capitol Hill and in the states; human rights fact-finding; engagement with the U.N. and regional human rights bodies; public education; and convenings, presentations and scholarship.

The Center's litigation work in the United States seeks to broadly promote reproductive rights. Our goals include:

- Securing recognition that reproductive freedom is both a fundamental constitutional right and a human right that the government is obligated to respect, protect and fulfill
- Ensuring that all women have access to safe and affordable contraception
- Protecting women's access to safe, legal and affordable abortion services

- Ensuring that adolescents have access to reproductive health services; that adolescents' confidentiality is protected in their pursuit of those services; and that adolescents have access to age-appropriate, comprehensive sexuality education
- Defending abortion providers against unreasonable government actions

The Center's policy and advocacy team works with Congress and the executive branch to protect and promote reproductive rights and health. We advocate for domestic and foreign policy that advances reproductive health and freedom and allows women and families to prosper.

Our advocacy efforts support the following important goals:

- Promote unbiased information about reproductive and sexual health
- Improve access to contraception
- Secure women's right to choose and obtain abortion
- Improve healthcare for pregnant women
- Support reproductive rights in foreign assistance programs
- Promote recognition of and protection for reproductive rights as human rights at the United Nations
- To assist policymakers, we supply critical facts and legal analyses that support these objectives

Global Legal Program

The Center is the world's only global legal advocacy organization dedicated to advancing women's reproductive health, self-determination, and dignity as basic human rights. We have strengthened reproductive health laws and policies in more than 50 countries in Asia, Africa, Europe, and Latin America and the Caribbean, as well as the United States. More than twenty years after its founding, the Center remains the only reproductive rights organization that combines U.S. and international legal advocacy. Its mission remains straightforward and ambitious: to advance reproductive freedom as a fundamental right that all governments are legally obligated to protect, respect and fulfill. For more than six years, the Center has spearheaded the use of international litigation and complementary legal advocacy with great success, winning landmark victories in human rights fora, including two decisions that hold governments accountable for ensuring access to abortion services where they are legal. Among its accomplishments, the Center has filed groundbreaking cases in the European Court of Human Rights, the Inter-American human rights system, and before U.N. human rights bodies, and provided international and comparative legal analysis and support in precedent-setting cases in national courts in Latin America, Asia, Eastern Europe, and Africa.

Communications

The Communications Program informs a wide range of external audiences on the Center's activities and impact, developing and implementing messages that promote the organization's overall mission and goals. It works with the U.S. and Global Legal Programs to publicize new cases and reports, legal victories, and advocacy efforts through the media, as well as the Center's own website and newsletters. It is also responsible for designing and laying out reports produced by the legal programs.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Center have been prepared on the accrual basis and conform to accounting principles generally accepted in the United States of America (GAAP). In the statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by the Center is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Center.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by the Center is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Center pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities.

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations and/or the net assets that the Board of Directors has to use in carrying on the operations of the Center.

Unrestricted Board Designated Endowment Fund - Net assets consisting of all assets contributed to the Center, which are designated by the Board of Directors to fund Blackmun fellowship attorneys' general support expenses of the U.S. Legal Program.

Cash and Cash Equivalents

The Center considers all highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents, except for cash and money market funds contained in the Center’s investment portfolio.

Foreign Currency Translation

Based on several factors, including the dominant role of the U.S. currency in the funding of the Organization's programs, management considers the U.S. dollar to be the Organization's functional currency. As such, the Organization's monetary assets held in foreign currencies are translated using the current rate at the balance sheet date. Revenues and expenses that occur during a period are translated for practical purposes using a weighted average exchange rate for the period.

The foreign currency translation gains and losses are recorded on the Organization's statement of activities as a foreign currency exchange gain or loss. For the year ended June 30, 2018 the Organization recognized a foreign currency exchange loss of $59,331.

Investments at Fair Value

The Center follows Accounting Standards Codification (ASC) 820, “Fair Value Measurement,” which establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Center. Unobservable inputs are inputs that reflect the Center's assumptions about the factors market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs, as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Level 2 inputs include: (i) quoted prices for similar assets or liabilities in active markets, (ii) quoted prices for identical assets or liabilities traded in non-active markets (i.e., dealer or broker markets), and (iii) inputs other than quoted prices that are observable or inputs derived from or corroborated by market data.

Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Grants and Contributions Receivable

Unconditional promises to give (pledges) are recorded as income when the Center is formally notified of the grants or contributions by the respective donors. 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. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Allowance for Doubtful Accounts

The Center determines whether an allowance for uncollectibles should be provided for grants and contributions receivable. Such estimates are based on management’s assessment of the aged basis of its receivables, current economic conditions, subsequent collections and historical information. Grants and contributions receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. As of June 30, 2018, the Center had no allowance for doubtful accounts.

Fixed Assets, Net

Fixed assets are recorded at cost. These amounts do not purport to represent replacement or realizable values. The Center capitalizes all property and equipment having a cost of $5,000 or more and a useful life of greater than one year.

Depreciation and Amortization

Depreciation is provided on the straight-line basis over the estimated useful lives of assets. Leasehold improvements are amortized on the straight-line basis over the lesser of their useful lives or the term of the lease.

Impairment of Fixed Assets

ASC 360, "Property, Plant and Equipment," provides a single accounting model for long-lived assets to be disposed of. ASC 360 also changes the criteria for classifying an asset as held for sale, broadens the scope of businesses to be disposed of that qualify for reporting as discontinued operations, and changes the timing of recognizing losses on such operations.

In accordance with ASC 360, long-lived assets, such as property, plant and equipment, and purchased intangibles subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the statement of financial position. For the year ended June 30, 2018, there were no impairments recorded in the financial statements.

Deferred Rent Payable

The Center leases real property under operating leases expiring at various dates in the future. Since the rentals increase over time, the Center records an adjustment to rent expense each year to reflect its straight-lining policy. The annual adjustment recorded for the year ended June 30, 2018 was an increase in the liability in the amount of $124,683. Straight-lining of rent gives rise to a timing difference that is reflected as deferred rent in the accompanying balance sheet.

Deferred Revenue

Deferred revenue represents revenues collected but not earned as of end of the fiscal year and is recorded as a liability. The Center's deferred revenue consists of advances received for bilateral and multilateral grants for services to be delivered in a future period. The Center also generates deferred revenue from prepayment for tickets for the annual Gala event to be held in the next fiscal year.

Revenue is recognized in the future period when the services are provided or the event takes place. All deferred revenue is expected to be earned in the next fiscal year.

Revenue Recognition

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period promised. The Center considers all contributions available for unrestricted use, unless specifically restricted by the donor or due in future periods, in which case they are recorded as temporarily restricted revenue. Contributions with donor-imposed restrictions that are met in the same year as received are reported as unrestricted net assets. Allowances are provided for amounts estimated to be uncollectible.

The Center receives monetary awards related to successful litigations. The awards are reimbursements for legal and other costs associated with the litigation process. The Center recognizes the revenue when the court issues the award letter.

Expense-based grants are recognized as allowable expenses are incurred. Such revenues are subject to audit by the granting agencies. No provision for any disallowances is reflected in the financial statements, since management does not anticipate any material adjustments.

Timing differences, which occur between the recognition of temporarily restricted contributions and the incurring of expenses meeting those donor-imposed restrictions, will result in increases or decreases in temporarily restricted net assets and total net assets, that are unrelated to operations.

Donated Services

Donated services are recognized as revenue if the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. The Center received donated services consisting primarily of legal and volunteer services. These donated services have been valued at the standard market rates that would have been incurred by the Center to obtain them and are reported as both revenue and expense in the accompanying financial statements because they meet the criteria as prescribed by accounting principles generally accepted in the United States of America. The donated legal and volunteer services for the year ended June 30, 2018 amounted to $17,257,450.

Performance Indicator

The statements of activities include change in net assets before loss on foreign currency exchange and investment income as the performance indicator. Changes in unrestricted net assets which are excluded from the performance indicator include net assets released from restrictions.

Use of 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 the reported amounts of assets and liabilities, and the 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.

Functional Allocation of Expenses

The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Center is a charitable organization that is exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). The Center therefore has made no provision for income taxes in the accompanying financial statements. In addition, the Center has been determined by the Internal Revenue Service (IRS) not to be a "private foundation" within the meaning of Section 509(a) of the Code. There was no unrelated business income for the year ended June 30, 2018.

ASC 740, "Income Taxes," requires that organizations must recognize the tax impact of a tax position taken on a tax return when it is more likely than not that the position will not be sustained on audit, based on the technical merits of the position. The Center does not believe there are any material uncertain tax positions and, accordingly, has not recognized any liability for unrecognized tax benefits. The Center has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Center has filed IRS Form 990 tax returns, as required, and all other applicable returns in jurisdictions when it is required. For the year ended June 30, 2018, there was no interest or penalties recorded or included in the statements of activities. The Center believes it is no longer subject to income tax examinations for years prior to June 30, 2016, which is the statute of limitations look-back period.

Summarized Financial Information

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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

New Accounting Pronouncements Issued but Not Yet Adopted

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers," which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FASB also issued ASU 2015-14, which deferred the effective date for the Institute until annual periods beginning after December 15, 2018. Earlier adoption is permitted, subject to certain limitations. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. Management is currently evaluating the impact of this ASU on its financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)," to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and

lessors. The new standard applies a right-of-use (ROU) model that requires, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The ASU is effective for the Institute's fiscal years beginning after December 15, 2019, with early adoption permitted. Management is currently evaluating the impact of this ASU on its financial statements.
In August 2016, the FASB issued ASU 2016-14, "Not-for-Profit Entities (Topic 958) and Health Care Entities (Topic 954) – "Presentation of Financial Statements of Not-for-Profit Entities." The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions"; (b) modifying the presentation of underwater endowment funds and related disclosures; (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise; (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs; (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources; (f) presenting investment return net of external and direct expenses; and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The ASU is effective for the Institute's financial statements for fiscal years beginning after December 15, 2017. Early adoption is permitted. The provisions of the ASU must be applied on a retrospective basis for all years presented, although certain optional practical expedients are available for periods prior to adoption. Management is currently evaluating the impact of this ASU on its financial statements.

Reclassifications

Certain prior year balances have been reclassified to be consistent with the current year's financial statement presentation. The reclassifications have no effect on net assets or operating results of the prior year.

3. Investments, at Fair Value

The fair value of investments at June 30, 2018 is summarized below:

June 30, 2018

	Fair Market Value (Level 1)	
	2018	2017
Cash and money market accounts	**$ 81,234**	$ 81,045
Exchange-traded funds (ETF)	**4,473,385**	4,045,161
Mutual funds	**7,372,347**	7,234,536
Stocks	**11,131**	-
Total	**$ 11,938,097**	$ 11,360,742

The following is a description of the valuation methodologies used for assets measured at fair value hierarchy in accordance with ASC 820. There have been no changes in the methodologies used at June 30, 2018, as compared to those used at June 30, 2017.

Cash and money market accounts – Valued at cost plus interest, which approximates fair value.

Exchange-traded funds (ETF) - Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds - Valued at the net asset value (NAV) of shares as estimates of fair value as a practical expedient. Investments in mutual funds are classified as Level 1 investments, as valuations are obtained from real time quotes for transactions in active markets involving identical assets.

Stocks – Valued using nationally recognized pricing services based on observable market date and are classified as Level 1.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment income (loss) consists of the following:

June 30, 2018		
Interest and dividends	$	378,829
Net unrealized gain on investments		150,090
Net realized loss on investments		116,655
Investment fees		(51,665)
Investment Income	$	593,909

4. Grants and Contributions Receivable, Net

Grants and contributions receivable consist of the following:

June 30, 2018		
Amount due in less than one year	$	6,480,851
Amount due from one to five years		5,850,000
		12,330,851
Less: unamortized discount to present value		(82,854)
Net Present Value	$	12,247,997

The contributions received after one year are discounted to fair value using rates ranging from 1.41% and 2.30% for the year ended June 30, 2018. The rate is equal to the risk-free interest rate, which is the U.S. Treasury note interest in effect at the time the contributions are made and equal in duration to the length of time that contributions are to be paid over.

5. Fixed Assets, Net

June 30, 2018		Useful Lives
Furniture and fixtures	$ 1,183,303	7 years
Office equipment	426,314	5 years
Leasehold improvements	607,061	10 years
	2,216,678	
Less: accumulated depreciation and amortization	(1,018,829)	
Net Fixed Assets	$ 1,197,849	

Depreciation expense for the year ended June 30, 2018 amounted to $295,080.

6. Employee Benefit Pension Plan

The Center has a defined-contribution plan for all eligible employees. Contributions by the Center are discretionary for employees who meet certain length-of-service requirements. The employer contributions on behalf of the participants are fully vested on the date they become eligible and amounted to $624,716 for the year ended June 30, 2018. During the year ended June 30, 2018, the Center updated its policy of funding pension costs on a quarterly basis to funding it semi-monthly to conform to its payroll periods.

7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

June 30, 2018	
U.S. Legal Program	$ 11,599,761
Global Legal Program	7,890,272
Communications	430,000
Time restricted – general operating support	2,022,330
	$ 21,942,363

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors:

June 30, 2018	
U.S. Legal Program	$ 6,059,741
Global Legal Program	6,101,099
Communications	1,121,468
Time restricted – general operating support	6,018,104
	$ 19,300,412

8. Operating Leases

The Center has various noncancelable operating leases for office space and equipment expiring through 2025.

Future minimum lease payments as of June 30, 2018 are as follows:

2019	$	1,897,335
2020		1,897,461
2021		1,964,577
2022		1,942,969
2023		1,913,908
Thereafter		2,975,780
	$	12,592,030

Rent expense for the year ended June 30, 2018 was $1,973,879.

9. Concentrations

Financial instruments that potentially subject the Center to a concentration of credit risk are cash accounts with financial institutions in excess of FDIC insurance limits.

10. Foreign Governments and International Organization Grants

On September 1, 2016, The Center for Reproductive Rights, Inc. was awarded a grant from the Mannion Daniels Limited Incorporated (Mannion Daniels). The grant is a reimbursement-based grant, (AmplifyChange), totaling 1,999,959 Euros over a period of two years. On July 25, 2017, the award amount was increased by 299,336 Euros, bringing the total amount awarded to 2,299,295 Euros. AmplifyChange is a fund that aims to empower young people, men and women to realize their sexual and reproductive rights. AmplifyChange consists of pooled funds supported by several foundations as well as U.S. and International government agencies. Mannion Daniels works in a consortium with the Global Fund for Women (GFW) and African Women Development Fund (AWDF) to manage AmplifyChange. AmplifyChange supports civil society and grassroots organizations (CSOs) to advocate for and promote better sexual and reproductive health and rights, working in countries where the needs are greatest—in particular, Sub-Saharan Africa and South Asia. For the year ended June 30, 2018, the Center recognized $1,153,448 of grant revenue related to this grant.

On March 1, 2017, the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), a subsidiary organization of the United Nations, awarded the Center a reimbursement-based grant amounting to $499,789 over a period of three years. The project aims to improve the health and well-being of Honduran survivors of sexual violence by increasing access to essential, safe and adequate reproductive health services through the creation of the political conditions necessary for advancing legal protections and full recognition of women's sexual and reproductive rights. For the year ended June 30, 2018, the Center recognized $286,620 of grant revenue related to this grant.

11. Endowment Funds

General

The Center's endowment consists of one donor-restricted endowment fund established for the Blackmun fellowship attorneys' general support expenses of the U.S. Legal Program, an $80,000 annual commitment that will rise with inflation. The legal fellowship is primarily supported by a distribution from the endowment fund, which the Center takes annually. The Center also draws upon additional sources, including the board-designated endowment, as the annual distribution from the endowment fund is not sufficient to support the $80,000 legal fellowship. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Center has adopted the New York Prudent Management of Institutional Funds Act (NYPMIFA). NYPMIFA moves away from the "historic dollar value" standard, and permits charities to apply a spending policy to endowments based on certain specified standards of prudence. The Center is governed by the NYPMIFA spending policy, which establishes a standard maximum prudent spending limit of 7% of the average of its previous five years' balance. As a result of this interpretation, the Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standards of prudence prescribed by NYPMIFA.

Return Objectives, Strategies Employed and Spending Policy

The Center seeks to earn a 5% annualized real rate of return, and to protect the $1,004,120 original endowment. Given that its assets are currently $1,622,705, the Blackmun Fund has a substantial cushion to protect the original endowment from capital losses in unfavorable markets. The Center expects to take an annual withdrawal from the Blackmun Fund of up to 5% of the average balance over the previous three years. The Board appropriated a distribution in June 2018.

Funds with Deficiencies

The Center's fund is not deficient.

Endowment Net Asset Composition by Type of Fund

The endowment net asset composition consists of permanently donor-restricted funds of $1,004,120, temporarily restricted endowment funds of $176,893 and board-designated endowment funds of $441,692.

Changes in Endowment Net Assets

June 30, 2018		Board Designated Endowment Fund		Temporarily Restricted		Permanently Restricted		Total
Endowment net assets, beginning of year	$	436,205	$	162,215	$	1,004,120	$	1,602,540
Appropriation for expenditure		(21,739)		(58,155)		-		(79,894)
Interest and dividends		13,642		36,494		-		50,136
Unrealized gain		11,276		30,164		-		41,440
Realized gain		4,308		11,525		-		15,833
Investment fees		(2,000)		(5,350)		-		(7,350)
Endowment Net Assets, end of year	$	441,692	$	176,893	$	1,004,120	$	1,622,705

12. Subsequent Events

The Center has performed subsequent event procedures through October 31, 2018, which is the date the financial statements were available for issuance. There were no other subsequent events requiring adjustments or disclosures to the financial statements.