

**GLOBAL JUSTICE CENTER**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)**



**LUTZ AND CARR**  
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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Global Justice Center

We have audited the accompanying financial statements of Global Justice Center (a nonprofit corporation), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' 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 of 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 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 Global Justice Center as of September 30, 2020, 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.

## **Prior Period Financial Statements**

The 2019 financial statements were reviewed by us, and our report thereon, dated February 7, 2020, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements.

## **Emphasis of Matter**

As discussed in Note 12 to the financial statements, in March 2020, the United States declared the global pandemic novel coronavirus COVID-19 outbreak a national emergency. As a result, Global Justice Center has suspended or adapted some of its program activities at the direction of state and local government authorities. Our opinion is not modified with respect to this matter.

*Lotz + Carr, LLP*

New York, New York  
December 21, 2020

**GLOBAL JUSTICE CENTER**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2020 AND 2019**

	<u>2020</u> <u>(Audited)</u>	<u>2019</u> <u>(Unaudited)</u>
<b>Assets</b>		
Cash and cash equivalents (Notes 1b and 5a)	\$ 527,605	\$ 342,830
Unconditional promises to give (Notes 1d, 5b and 6)		
Without donor restrictions	164,682	93,182
With donor restrictions	651,972	252,082
Prepaid expenses and other assets	39,248	8,758
Security deposits	21,366	21,366
Investments (Notes 1c, 3 and 4a)	299,810	452,464
Property and equipment, at cost, net of accumulated depreciation (Notes 1e and 7)	<u>13,750</u>	<u>2,993</u>
<b>Total Assets</b>	<u><u>\$1,718,433</u></u>	<u><u>\$1,173,675</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 51,282	\$ 17,037
Loan payable (Note 8)	<u>161,187</u>	<u>-</u>
Total Liabilities	<u>212,469</u>	<u>17,037</u>
Commitments and Contingencies (Notes 10, 11 and 12)		
Net Assets		
Without Donor Restrictions		
Operating	102,746	160,608
Board designated (Notes 4a and 9)	<u>750,203</u>	<u>743,948</u>
Total Without Donor Restrictions	<u>852,949</u>	<u>904,556</u>
With Donor Restrictions (Note 4b)	<u>653,015</u>	<u>252,082</u>
Total Net Assets	<u>1,505,964</u>	<u>1,156,638</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$1,718,433</u></u>	<u><u>\$1,173,675</u></u>

See notes to financial statements.

## GLOBAL JUSTICE CENTER

## STATEMENTS OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2020  
AND NINE MONTHS ENDED SEPTEMBER 30, 2019

	<u>2020</u> <u>(Audited)</u>	<u>2019</u> <u>(Unaudited)</u>
<b>Changes in Net Assets Without Donor Restrictions</b>		
Revenue and Other Support		
Grants and contributions (Note 5c)	\$ 814,478	\$ 441,916
Special event revenue	70,313	260,993
Less: Costs of direct benefits to donors	-	(75,569)
Net investment income (loss) (Note 3)	(2,433)	49,511
Program income	5,000	2,500
Gain on foreign exchange	1,777	-
	<u>889,135</u>	<u>679,351</u>
Net assets released from restrictions		
Satisfaction of time and program restrictions	<u>252,082</u>	<u>149,146</u>
	<u>1,141,217</u>	<u>828,497</u>
<b>Expenses</b>		
Program Services	816,547	582,808
Supporting Services		
Management and general	142,866	85,856
Fundraising	233,411	161,663
	<u>1,192,824</u>	<u>830,327</u>
	<u>(51,607)</u>	<u>(1,830)</u>
<b>Changes in Net Assets With Donor Restrictions</b>		
Contributions (Note 5c)	653,015	-
Net assets released from restrictions	(252,082)	(149,146)
Loss on foreign exchange	-	(2,936)
	<u>400,933</u>	<u>(152,082)</u>
Increase (Decrease) in Net Assets With Donor Restrictions	<u>400,933</u>	<u>(152,082)</u>
Increase (decrease) in net assets	349,326	(153,912)
Net assets, beginning of year	<u>1,156,638</u>	<u>1,310,550</u>
	<u>\$1,505,964</u>	<u>\$1,156,638</u>
<b>Net Assets, End of Year</b>	<u>\$1,505,964</u>	<u>\$1,156,638</u>

See notes to financial statements.

## GLOBAL JUSTICE CENTER

## STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED SEPTEMBER 30, 2020  
AND NINE MONTHS ENDED SEPTEMBER 30, 2019

	2020			2019			Total Expenses (Unaudited)	
	Program Services	Supporting Services Management and General	Fundraising	Program Services	Supporting Services Management and General	Fundraising		
Salaries	\$514,113	\$ 78,990	\$ 121,737	\$ 714,840	\$348,800	\$ 50,261	\$ 81,909	\$ 480,970
Payroll taxes and employee benefits	118,516	18,209	28,063	164,788	76,535	11,028	17,973	105,536
Memberships and registration	5,278	-	-	5,278	4,794	-	-	4,794
Intern and staff support	6,771	-	-	6,771	27,616	-	-	27,616
Professional fees	13,309	23,200	42,045	78,554	14,485	10,017	27,649	52,151
Indirect special event expenses	-	-	6,600	6,600	5,711	-	5,603	11,314
Meetings, travel and related expenses	26,935	97	127	27,159	14,495	52	2,706	17,253
Insurance	2,317	356	549	3,222	2,333	336	548	3,217
Occupancy	103,853	15,956	24,592	144,401	72,202	10,404	16,956	99,562
Office expenses	25,455	4,317	9,698	39,470	15,837	2,426	8,319	26,582
Total expenses before depreciation	816,547	141,125	233,411	1,191,083	582,808	84,524	161,663	828,995
Depreciation	-	1,741	-	1,741	-	1,332	-	1,332
Total Expenses	<u>\$816,547</u>	<u>\$ 142,866</u>	<u>\$ 233,411</u>	<u>\$1,192,824</u>	<u>\$582,808</u>	<u>\$ 85,856</u>	<u>\$ 161,663</u>	<u>\$830,327</u>

See notes to financial statements.

**GLOBAL JUSTICE CENTER**  
**STATEMENTS OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2020**  
**AND NINE MONTHS ENDED SEPTEMBER 30, 2019**

	<u>2020</u> <b>(Audited)</b>	<u>2019</u> <b>(Unaudited)</b>
<b>Cash Flows From Operating Activities</b>		
Increase (decrease) in net assets	\$349,326	\$ (153,912)
Adjustments to reconcile increase (decrease) in net assets to net cash used by operating activities:		
Depreciation	1,741	1,332
(Gain) loss on foreign exchange	(1,777)	2,936
Realized loss on investments	7,272	-
Unrealized (gain) loss on investments	20,757	(39,643)
(Increase) decrease in:		
Unconditional promises to give	(469,613)	66,484
Prepaid expenses and other assets	(30,490)	31,605
Security deposits	-	(561)
Increase (decrease) in accounts payable and accrued expenses	34,245	(6,342)
Net Cash Used By Operating Activities	<u>(88,539)</u>	<u>(98,101)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	(25,375)	(9,612)
Purchase of fixed assets	(12,498)	-
Proceeds from sale of investments	150,000	-
Net Cash Provided (Used) By Investing Activities	<u>112,127</u>	<u>(9,612)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from loan payable	161,187	-
Net increase (decrease) in cash and cash equivalents	184,775	(107,713)
Cash and cash equivalents, beginning of year	<u>342,830</u>	<u>450,543</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$527,605</u></u>	<u><u>\$ 342,830</u></u>

See notes to financial statements.

**GLOBAL JUSTICE CENTER****NOTES TO FINANCIAL STATEMENTS****SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

Global Justice Center (the "Organization") is a legal human rights organization that works for peace, justice, and security by enforcing international laws that protect human rights and promote gender equality.

The Organization was formed and incorporated in March 2007 in the State of New York.

In 2019, the Organization changed its year end from calendar year December 31 to September 30. The revenue earned during the nine months ended September 30, 2019 was such that the financial statements did not necessitate an audit, but a review.

**b - Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments, including money market funds, to be cash equivalents.

**c - Fair Value Measurements**

The Organization reflects investments at fair value in the statement of financial position. Interest, dividends and gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions.

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-based measurement. Generally accepted accounting principles establish a framework for measuring fair value which 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 those the market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset based on the best information available in the circumstances.

Fair value measurements are categorized into three levels as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 Inputs that are unobservable.



## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**c - Investments (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

d - Contributions and Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are received. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been met.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

e - Property and Equipment

Property and equipment acquired are recorded at cost and are depreciated using the straight-line method over estimated useful lives of the related asset. Donations of property and equipment are recorded as support at their estimated fair value.

f - Revenue Recognition

Program revenue is recognized as revenue in the period that the related goods or services are provided.

g - Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**g - Financial Statement Presentation (continued)Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

h - Estimates

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

i - Prior Year Information

Certain 2019 amounts have been reclassified for comparative purposes.

j - Subsequent Events

The Organization has evaluated subsequent events through December 21, 2020, the date that the financial statements are considered available to be issued.

k - Tax Status

Global Justice Center is a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as a corporation which is not a private foundation.

l - Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. A substantial portion of the Organization's expenses are directly related to program activities. The expenses that are allocated include payroll and benefits, insurance, occupancy costs, and general office and technology expenses, which are allocated on the basis of staff time and effort.

m - New Accounting Pronouncements

For 2020, the Organization adopted Accounting Standards Update (ASU) No 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)*. Analysis of the various provisions of these standards resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)****m - New Accounting Pronouncements (continued)**

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)". The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and related liabilities on the statements of financial position for all leases with terms longer than twelve months and disclosing key information about leasing arrangements. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of ASU 2016-02 on its financial statements.

**Note 2 - Information Regarding Liquidity and Availability**

The Organization operates with a balanced budget for each fiscal year based on expected revenue and expenses. A substantial portion of annual revenue is comprised of contribution revenue. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, as well as any general, administrative, and fundraising activities undertaken to support its programmatic work.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations, and under the direction of the Board of Directors, invests in a reserve fund and a fund functioning as an endowment. Management prepares regular cash flow projections to determine liquidity needs and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover ninety days of general expenditures. Financial assets in excess of daily cash requirements are held in related savings or reserve accounts.

## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 2 - Information Regarding Liquidity and Availability (continued)**

The Organization's financial assets as of September 30, 2020 and 2019, and those available within one year to meet cash needs for general expenditures are summarized as follows:

	<u>2020</u>	<u>2019</u>
Financial Assets at Year End:		
Cash and cash equivalents	\$ 527,605	\$ 342,830
Unconditional promises to give	816,654	345,264
Investments	<u>299,810</u>	<u>452,464</u>
Total Financial Assets	1,644,069	1,140,558
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to passage of time	(653,015)	(252,082)
Net assets without donor restrictions, subject to spending policy and appropriation	(750,203)	(743,948)
Plus: Net assets with donor restrictions expected to be met in less than one year	<u>329,360</u>	<u>252,082</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$ 570,211</u>	<u>\$ 396,610</u>

In addition to these financial assets available with one year, the Organization maintains board designated funds of \$750,203, which could be made available at any time to meet cash needs for general expenditures at the discretion of the Board of Directors.

**Note 3 - Investments**

Investments at September 30, 2020 and 2019 consist of the following:

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Mutual funds	<u>\$333,605</u>	<u>\$299,810</u>	<u>\$465,502</u>	<u>\$452,464</u>

Investments are all classified as Level 1 in the fair value hierarchy.

## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 3 - Investments (continued)**

The following summarizes net investment income (loss) for the year ended September 30, 2020 and the nine months ended September 30, 2019:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 6,468	\$ 4,715
Capital gain distributions	19,128	5,153
Realized loss on investments	(7,272)	-
Unrealized gain (loss) on investments	<u>(20,757)</u>	<u>39,643</u>
	<u>\$ (2,433)</u>	<u>\$49,511</u>

**Note 4 - Net Assets**a - Net Assets Without Donor Restrictions

At September 30, 2020 and 2019, net assets without donor restrictions include board designated amounts as follows:

	<u>2020</u>	<u>2019</u>
Board designated reserve	\$450,393	\$452,464
Board designated endowment (Janet Benshoof Memorial Fund) (Note 9)	<u>299,810</u>	<u>291,484</u>
	<u>\$750,203</u>	<u>\$743,948</u>

(i) Board Designated Reserve

The Organization established a board designated reserve fund, the Action Fund Account, to promote its long-term financial stability. The Action Fund Account is comprised of the Organization's savings, with a balance of \$450,393 as of September 30, 2020, and was comprised of the Organizations investments, with a balance of \$452,464 as of September 30, 2019, respectively. During the year ended September 30, 2020, there were withdrawals to the fund of approximately \$2,000. During the nine months ended September 30, 2019, there were no additions or withdrawals to the fund.

## GLOBAL JUSTICE CENTER

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)

**Note 4 - Net Assets (continued)**a - Net Assets Without Donor Restrictions (continued)(ii) Board Designated Endowment (Janet Benshoof Memorial Fund)

In 2020, the Janet Benshoof Memorial Fund, a board designated fund functioning as an endowment, was established. The Janet Benshoof Memorial Fund is comprised of the Organization's investments, with a balance of \$299,810 as of September 30, 2020, and was comprised of cash and cash equivalents of \$291,484 as of September 30, 2019, respectively. The Organization intends to invest the funds for three years before making appropriations and is in the process of adopting an endowment spending policy.

b - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted subject to passage of time.

**Note 5 - Concentrations**

a - The Organization maintains its cash balances in a financial institution located in New York.

b - As of September 30, 2020 and 2019, approximately 84% of unconditional promises to give were from two donors, and 87% of unconditional promises to give were from four donors, respectively.

c - For the year ended September 30, 2020 and the nine months ended September 30, 2019, approximately 57% of new contribution revenue was from one donor, and 57% of new contribution revenue was from three donors, respectively.

**Note 6 - Unconditional Promises to Give**

Unconditional promises to give are due as follows:

	<u>2020</u>	<u>2019</u>
Due in one year	\$494,042	\$345,264
Due in two to three years	<u>342,677</u>	<u>-</u>
	836,719	345,264
Less: Discount to present value	<u>(20,065)</u>	<u>-</u>
	<u>\$816,654</u>	<u>\$345,264</u>

**GLOBAL JUSTICE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)**

**Note 6 - Unconditional Promises to Give (continued)**

Unconditional promises to give due in two to three years are discounted to present value using a discount rate of 3%. Uncollectible promises to give are expected to be insignificant.

**Note 7 - Property and Equipment**

Property and equipment consist of the following at September 30, 2020 and 2019:

	<u>Life</u>	<u>2020</u>	<u>2019</u>
Computer equipment	3-5 years	\$21,725	\$ 9,227
Office equipment	5 years	2,566	2,566
Website	3 years	<u>7,500</u>	<u>7,500</u>
		31,791	19,293
Less: Accumulated depreciation		<u>(18,041)</u>	<u>(16,300)</u>
		<u>\$13,750</u>	<u>\$ 2,993</u>

**Note 8 - Loan Payable**

In May 2020, the Organization received a \$161,187 Paycheck Protection Program loan having an interest rate of 1% and a maturity of 2 years. The loan and any accrued interest can be forgiven in its entirety if the loan proceeds are applied towards applicable payroll and occupancy costs, as defined by the Coronavirus Aid, Relief and Economic Security Act.

**Note 9 - Endowment**

The Organization's endowment consists of the board designated endowment fund described in Note 4. Consistent with the New York State Not-for-Profit Corporation Law and the New York State Prudent Management of Institutional Funds Act ("NYPMIFA"), the Organization classifies as net assets with donor restrictions, perpetual in nature (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 any 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 as perpetual in nature is classified as net assets with donor restrictions, subject to spending policy and appropriation, until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standards of prudence prescribed by NYPMIFA.

**GLOBAL JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)**

**Note 9 - Endowment (continued)**

Changes in the Organization's endowment fund for the year ended September 30, 2020 are as follows:

	<b><u>Without Donor Restrictions</u></b>
Endowment, beginning of year	\$291,484
Net investment income	4,618
Contributions	<u>3,708</u>
Endowment, End of Year	<u>\$299,810</u>

**Note 10 - Commitment**

The Organization occupies office space pursuant to a lease through May 31, 2024, the expiration date. Minimum obligations for rent under this agreement are as follows:

<b><u>Year Ending September 30,</u></b>	
2021	\$131,552
2022	135,499
2023	139,564
2024	94,885

Rent expense for the year ended September 30, 2020 and nine months ended September 30, 2019 was \$133,824 and \$88,977, respectively.

**Note 11 - Retirement Plan**

The Organization maintains a SEP-IRA retirement plan for all eligible employees. For the year ended September 30, 2020, the Organization made contributions to the plan of \$18,886. No contributions to the plan were made during the nine months ended September 30, 2019.



**GLOBAL JUSTICE CENTER****NOTES TO FINANCIAL STATEMENTS****SEPTEMBER 30, 2020 (Audited) AND 2019 (Unaudited)****Note 12 - Risks and Uncertainties**

In March 2020, The United States declared the global pandemic novel coronavirus COVID-19 outbreak a national emergency. As a result, the Organization has suspended or adapted some of its program activities at the direction of state and local governmental authorities. The suspension and adaptation of activities has limited the Organization's program expenditures as staff continue to work remotely, while having only a minor impact on general, administrative, and fundraising expenditures. As a result, the Organization's program expenditures as a proportion of total expenditures have been negatively impacted.

The Organization has increased fundraising efforts in obtaining multi-year commitments, and has adjusted its budget to account for potential revenue shortfalls compared to previous years. Management and the Board of Directors are conducting regular reviews of the Organization's financial position and will make adjustments to expenses, as necessary. Global Justice Center believes that its current financial assets are sufficient to support its operations on an ongoing basis.