

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.

**FINANCIAL STATEMENTS
AND
AUDITOR'S REPORT**

MARCH 31, 2016

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.

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Skody Scot & Company, CPAs, P.C.

520 Eighth Avenue, Suite 2200, New York, NY 10018 • (T) 212-967-1100 • (F) 212-967-2002

www.skodyscot.com

INDEPENDENT AUDITOR'S REPORT

To: The Board of Directors of
Reproductive Health Access Project, Inc.

We have audited the accompanying financial statements of Reproductive Health Access Project, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2016, and the related statements of activities 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 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 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 Reproductive Health Access Project, Inc. as of March 31, 2016, 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.

Skody Scot & Company, CPAs, P.C.

New York, NY
September 6, 2016

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2016

ASSETS

Cash	\$ 196,017
Contributions & other receivables	103,344
	<hr/>
Total assets	\$ 299,361
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LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 75,091
	<hr/>
Total liabilities	75,091
	<hr/>
Commitments and contingencies (see notes)	
Net Assets:	
Unrestricted	97,092
Temporarily restricted	127,178
Permanently restricted	-
	<hr/>
Total net assets	224,270
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Total liabilities and net assets	\$ 299,361
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See accompanying notes to financial statements.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2016**

Support and Revenues:

Unrestricted:

Contributions	\$ 406,019
Contributions in-kind	94,940
Program service revenue	102,075

Special events:

Event income	72,213
Less: related direct costs	<u>(45,127)</u>

Net special event income 27,086

Interest income 148

Release of prior year's restricted contributions 75,642

Temporarily restricted:

Contributions	127,178
Release of prior year's restricted contributions	<u>(75,642)</u>

Total support and revenues 757,446

Expenses:

Program services	507,922
Management and general	96,507
Fundraising	<u>132,333</u>
Total expenses	<u>736,762</u>

Increase/(Decrease) In Net Assets:

Unrestricted	(30,852)
Temporarily restricted	51,536
Permanently restricted	-
Increase/(decrease) in net assets	<u>20,684</u>

Net assets, beginning of year 203,586

Net assets, end of year \$ 224,270

See accompanying notes to financial statements.

REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2016

Cash flows from operating activities:	
Increase/(decrease) in net assets	\$ (20,684)
Adjustments for non-cash items included in operating activities	-
Changes in assets and liabilities:	
Contributions & other receivables	101,904
Accounts payable and accrued expenses	(55,479)
Net cash provided/(used) by operating activities	<u>25,741</u>
Cash flows from investing activities	<u>-</u>
Cash flows from financing activities	<u>-</u>
Net increase/(decrease) in cash	25,741
Cash at beginning of year	<u>221,758</u>
Cash at end of year	<u><u>\$ 247,499</u></u>

See accompanying notes to financial statements.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2016**

	Program Services	Management and General	Fundraising	Total Expenses
Personnel costs:				
Salaries	\$ 224,548	\$ 37,472	\$ 98,549	\$ 360,569
Payroll taxes and benefits	31,624	5,278	13,879	50,781
Pension	6,857	1,145	3,009	11,011
Outside contractors	24,536	-	357	24,893
Total personnel costs	<u>287,565</u>	<u>43,895</u>	<u>115,794</u>	<u>447,254</u>
Direct expenses:				
Insurance	3,995	1,332	-	5,327
Office supplies and expenses	4,563	15,613	1,827	22,003
Postage & delivery	1,272	598	2,444	4,314
Printing	1,030	171	5,565	6,766
Professional fees	-	13,000	-	13,000
Rent	9,496	18,664	2,674	30,834
Training and workshops	190,221	2,082	804	193,107
Website	9,780	1,152	3,225	14,157
Total direct expenses	<u>220,357</u>	<u>52,612</u>	<u>16,539</u>	<u>289,508</u>
Total expenses	<u>\$ 507,922</u>	<u>\$ 96,507</u>	<u>\$ 132,333</u>	<u>\$ 736,762</u>

See accompanying notes to financial statements.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Organization

Reproductive Health Access Project, Inc. (Organization), a not-for-profit organization, was incorporated in the State of Delaware on September 7, 1999 under the name Access Project Foundation. The Organization amended its certificate of incorporation in February 2005 to change to its current name. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements contain any uncertain tax positions. The Organization primarily receives its support from contributions from individuals, foundations and corporations.

The purpose of the Organization is to integrate abortion, contraception and miscarriage care into primary care. The Organization aims to accomplish its mission by training and supporting clinicians, including medical students, residents, and practicing clinicians. Its programs include developing and maintaining a national network of reproductive health care providers and trainers; disseminating information to educate clinicians and the general public; sponsoring fellowships and hands-on clinical training; and promoting understanding about reproductive health options.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

In accordance with GAAP the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash Equivalents

For the purposes of the statement of financial position and the statement of cash flows, the Organization considers as cash equivalents money market funds and all highly liquid resources, such as investments in certificates of deposit, with an original maturity of three months or less. As of March 31, 2016, the Organization did not have any resources that were considered cash equivalents

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization allocates salaries based on estimated time and other expenses based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.

Revenue Recognition

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increases in the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Program service revenue relates to fees received in exchange for program services. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred income

Property and Equipment

The Organization capitalizes certain property and equipment with estimated lives of three years or more. Purchased property and equipment are stated at cost, less accumulated depreciation. Donated property and equipment are stated at fair value on the date of donation, less accumulated depreciation. Depreciation of equipment is computed by the straight-line method over estimated useful lives ranging from three to five years. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectable debt.

**REPRODUCTIVE HEALTH ACCESS PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 2 - Property and Equipment

Property and equipment consisted of the following at March 31, 2016:

Equipment	\$ 16,738
Less: Accumulated depreciation	(16,738)
	<u>\$ -</u>

Note 3 - Contributions In-Kind

Significant services and facilities were donated to the Organization and meet the criteria for being recognized as contributions in accordance with GAAP. Amounts are recorded at their estimated fair market values at the date of donation using published rates and prices.

Total contributions in-kind reported on the accompanying statement of activities for the year ended March 31, 2016 was \$94,940 and consisted of specialized services and free use of facilities.

In addition, the Organization received non-specialized volunteered time which did not meet the criteria for being recognized as contributions in accordance with GAAP.

Note 4 - Restrictions on Net Assets

As of March 31, 2016, temporarily restricted net assets are available in future years for the following purposes:

Miscarriage management	\$ 92,921
Family medicine reproductive health network	9,257
Translation project	25,000

Note 5 - Pension Plan

During 2007, the Organization adopted a Tax Sheltered Annuity Plan (TSA). Any employee is eligible to enroll in the plan. The Organization makes contributions based on a percentage of each employees' salary who has been an employee of the Organization for at least 1 year. During the year ended March 31, 2016, the Organization contributed a total of \$11,011 to this TSA plan.

Note 6 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through September 6, 2016, which is the date the financial statements were available to be issued.