

INSTITUTE FOR GLOBAL ENGAGEMENT AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016



Certified Public Accountants

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Certified Public Accountants

Independent Auditor's Report

To the Board of Directors of
Institute for Global Engagement and Subsidiary

We have audited the accompanying consolidated financial statements of **Institute for Global Engagement and Subsidiary** (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of **Institute for Global Engagement and Subsidiary** as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedules of financial position and consolidating schedules of activities are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kositzka, Wicks and Company

Alexandria, Virginia
June 15, 2018

Institute for Global Engagement and Subsidiary

Consolidated Statements of Financial Position December 31,

	2017	2016
Assets		
Current assets		
Cash and cash equivalents	\$ 197,661	\$ 200,833
Grants and contributions receivable	62,894	53,818
Advance to grant partners	131	117,276
	<u>260,686</u>	<u>371,927</u>
Security deposit	<u>-</u>	<u>6,170</u>
Property		
Property and equipment, net of accumulated depreciation	5,421	12,904
Website, net of accumulated amortization	1,125	3,825
	<u>6,546</u>	<u>16,729</u>
Total assets	<u><u>\$ 267,232</u></u>	<u><u>\$ 394,826</u></u>
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 6,017	\$ 82,298
Due to grant partners	36,526	51,299
Due to grantor	-	172,522
Total liabilities	<u>42,543</u>	<u>306,119</u>
Net assets		
Unrestricted	44,849	(371,736)
Temporarily restricted	179,840	460,443
Total net assets	<u>224,689</u>	<u>88,707</u>
Total liabilities and net assets	<u><u>\$ 267,232</u></u>	<u><u>\$ 394,826</u></u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Consolidated Statement of Activities for the year ended December 31, 2017

	Unrestricted	Temporarily restricted	Total
Support and revenue			
Contributions	\$ 211,965	\$ 290,381	\$ 502,346
Grants - U.S. Government	342,288	-	342,288
Grants - Other	211,204	376,611	587,815
Publications	12,619	-	12,619
Net assets released from restrictions	947,595	(947,595)	-
Total support and revenue	<u>1,725,671</u>	<u>(280,603)</u>	<u>1,445,068</u>
Expenses			
Program services	1,194,199	-	1,194,199
Management and general	173,113	-	173,113
Fundraising	110,024	-	110,024
Total expenses	<u>1,477,336</u>	<u>-</u>	<u>1,477,336</u>
Net operating loss	248,335	(280,603)	(32,268)
Other income and (expenses)			
Gain on release from liability to grantor	172,522	-	172,522
Interest income	86	-	86
Loss on disposal of assets	(2,129)	-	(2,129)
Loss on foreign currency translation	(2,470)	-	(2,470)
Other income	241	-	241
Total other income	<u>168,250</u>	<u>-</u>	<u>168,250</u>
Change in net assets	416,585	(280,603)	135,982
Net assets, beginning of year	<u>(371,736)</u>	<u>460,443</u>	<u>88,707</u>
Net assets, end of year	<u>\$ 44,849</u>	<u>\$ 179,840</u>	<u>\$ 224,689</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Consolidated Statement of Activities for the year ended December 31, 2016

	Unrestricted	Temporarily restricted	Total
Support and revenue			
Contributions	\$ 397,341	\$ 111,948	\$ 509,289
Grants - U.S. Government	404,560	-	404,560
Grants - Other	-	942,598	942,598
Publications	12,862	-	12,862
Conference registrations	8,982	-	8,982
Net assets released from restrictions	2,798,640	(2,798,640)	-
Total support and revenue	3,622,385	(1,744,094)	1,878,291
Expenses			
Program services	2,645,149	-	2,645,149
Management and general	495,983	-	495,983
Fundraising	93,590	-	93,590
Total expenses	3,234,722	-	3,234,722
Net operating loss	387,663	(1,744,094)	(1,356,431)
Other income and (expenses)			
Funding due to grantor	(172,522)	-	(172,522)
Interest income	19	381	400
Gain on foreign currency translation	3,543	-	3,543
Other income	2,535	-	2,535
Total other expenses	(166,425)	381	(166,044)
Change in net assets	221,238	(1,743,713)	(1,522,475)
Net assets, beginning of year	(592,974)	2,204,156	1,611,182
Net assets, end of year	\$ (371,736)	\$ 460,443	\$ 88,707

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Consolidated Statement of Functional Expenses for the year ended December 31, 2017

	Program services	Management and general	Fundraising	Total
Personnel expenses	\$ 310,097	\$ 83,725	\$ 53,878	\$ 447,700
Depreciation and amortization	-	7,352	-	7,352
Dues and subscriptions	1,061	99	104	1,264
Equipment rental and expenses	-	35	1,680	1,715
Event fees and expenses	178,045	909	-	178,954
Gifts and entertainment	215	893	63	1,171
Insurance	240	6,782	-	7,022
Indirect cost allocation	49,835	(49,835)	-	-
Miscellaneous	720	5,891	1,038	7,649
Office supplies	499	407	3	909
Printing and design	4,310	1,386	8,156	13,852
Professional services	87,683	75,598	37,250	200,531
Postage and delivery	404	495	3,898	4,797
Rent and utilities	-	21,765	-	21,765
Special projects-Beijing	197,557	-	-	197,557
Special projects-Laos	57,267	-	-	57,267
Special projects-Vietnam	3,900	-	-	3,900
Special projects-MENA	107,556	-	-	107,556
Special projects-SEA	91,804	-	-	91,804
Telephone and internet	3,150	12,000	-	15,150
Travel and transportation	99,856	5,611	3,954	109,421
Total expenses	\$ 1,194,199	\$ 173,113	\$ 110,024	\$ 1,477,336

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Consolidated Statement of Functional Expenses for the year ended December 31, 2016

	Program services	Management and general	Fundraising	Total
Personnel expenses	\$ 953,755	\$ 349,562	\$ 50,403	\$ 1,353,720
Depreciation and amortization	-	8,857	-	8,857
Dues and subscriptions	1,230	198	-	1,428
Equipment rental and expenses	9	1,988	-	1,997
Event fees and expenses	69,237	125	400	69,762
Gifts and entertainment	-	936	729	1,665
Insurance	240	12,039	-	12,279
Indirect cost allocation	84,250	(84,250)	-	-
Miscellaneous	4,170	7,551	932	12,653
Office supplies	547	251	5	803
Printing and design	20,580	1,632	5,087	27,299
Professional services	273,970	97,856	29,625	401,451
Postage and delivery	1,845	747	2,747	5,339
Rent and utilities	600	52,541	-	53,141
Special projects-Beijing	265,390	-	-	265,390
Special projects-Laos	82,342	-	-	82,342
Special projects-Vietnam	1,393	-	-	1,393
Special projects-MENA	427,641	-	-	427,641
Special projects-SEA	183,611	-	-	183,611
Telephone and internet	4,020	26,321	-	30,341
Travel and transportation	270,319	19,629	3,662	293,610
Total expenses	\$ 2,645,149	\$ 495,983	\$ 93,590	\$ 3,234,722

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Consolidated Statements of Cash Flows for the years ended December 31,

	2017	2016
Cash flows from operating activities:		
Change in net assets	\$ 135,982	\$ (1,522,475)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	7,352	8,857
Disposal of fixed assets	2,129	-
(Increase) decrease in operating assets		
Grants and contributions receivable	(9,076)	159,334
Advance to grant partners	117,145	349,429
Security deposit	6,170	-
Increase (decrease) in operating liabilities		
Accounts payable	(76,281)	15,588
Accrued expenses	-	(43,093)
Due to grant partners	(14,773)	(21,361)
Due to grantor	(172,522)	172,522
Net cash used in operating activities	<u>(3,874)</u>	<u>(881,199)</u>
Cash flows from investing activities:		
Proceeds on sale of fixed assets	702	-
Purchase of property and equipment	-	(842)
Net cash provided by (used in) investing activities	<u>702</u>	<u>(842)</u>
Net decrease in cash and cash equivalents	(3,172)	(882,041)
Cash and cash equivalents, beginning of year	200,833	1,082,874
Cash and cash equivalents, end of year	<u>\$ 197,661</u>	<u>\$ 200,833</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

1. Organization and purpose

The Institute for Global Engagement (IGE or the Organization) is a nonprofit, nonpartisan organization incorporated in the Commonwealth of Pennsylvania in April 2000. IGE promotes sustainable environments for religious freedom worldwide through local partners. It studies the impact of faith on state and society, it encourages governments to protect religious freedom, and it equips citizens to exercise that freedom responsibly. IGE's revenue sources include individual contributions, foundations and government grants.

The Center for Global Education, LLC (CGE), was organized to facilitate operations with international partners who assist with the work of IGE overseas. CGE was organized under the laws of the Commonwealth of Virginia in February 2010 and is a wholly-owned subsidiary of IGE. CGE did not have any material activity in 2017.

In 2014, IGE began administering The Cradle Fund, which supports the rescue, restoration and return of Middle Eastern Christians and other ethno/religious people to their home where they can live and practice their faith free from persecution.

2. Significant accounting policies

Principles of consolidation

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and include the accounts of IGE and CGE. All material intercompany balances and transactions have been eliminated in the consolidation.

Basis of accounting

The financial statements of the Organization are prepared using the accrual method of accounting. In accordance with this method of accounting, revenue is recognized in the period in which it is earned and expenses are recognized in the period in which they are incurred. All revenue and expenses which are applicable to future periods have been presented as deferred revenue or prepaid expenses on the accompanying statements of financial position.

Financial statement presentation

The Organization classifies resources for accounting and reporting purposes into three net asset categories according to the existence or absence of externally (donor) imposed restrictions. The net asset classes are unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2017 and 2016, the Organization had no permanently restricted net assets.

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

2. Significant accounting policies (continued)

Cash and cash equivalents

For purposes of the statements of cash flows, the Organization considers all cash and unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. It is the Organization's policy not to classify certificates of deposit as cash and cash equivalents. Federal Deposit Insurance Corporation (FDIC) coverage is \$250,000 per depositor, per insured bank. The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

Advance to grant partners and Due to grant partners

IGE supports other organizations around the world, and its programs facilitate dialogue, research and education to work toward a shared understand of the meaning and benefits of religious liberty. IGE advances agreed-upon amounts to the partners, who then submit reports to account for how the funds are spent. The amounts due to grant partners are funds spent by the partners that will be reimbursed by IGE.

Grants and contributions receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances and consists largely of unbilled expenses on federal grants. Contributions receivable consists of contributions received but not deposited before year-end. Management considers grants and contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. Grants and contributions receivable as of December 31, 2017 and 2016 are due in one year or less.

Other financial assets and liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents, grants and contributions receivable, and advance to grant partners. Financial liabilities with carrying values approximating fair value include accounts payable, accrued expenses, due to grant partners, and due to grantor. The carrying value of these financial assets and liabilities approximates fair value due to their short maturities and any associated interest rates approximate current market rates.

Grant revenue

Grant revenue is recognized to the extent of expenditures incurred for each grant. Revenues from grants are accrued as costs are incurred and projected losses are provided for in their entirety at the time of determination. Grant revenue whose restrictions are met in the same reporting period are reported as unrestricted support. Costs incurred in excess of cash received are reflected as grants and contributions receivable.

Grant revenues derived from the U.S. Government are subject to adjustment upon audit by various government agencies; however, management does not expect such adjustments to have a material effect on the financial position or results of future operations.

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

2. Significant accounting policies (continued)

Contributions and promises to give

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Property and equipment

The Organization capitalizes property with a cost of \$500 or more and a useful life greater than one year. Property and equipment are reported in the financial statements at cost, net of accumulated depreciation. The equipment is depreciated over its useful life using the straight-line method.

Website

Capitalized website costs are reported in the financial statements at cost, net of accumulated amortization. The website is depreciated over its useful life using the straight-line method.

Compensated absences

Employees of the Organization are entitled to paid vacation depending on job classifications, length of service, and other factors. The accrued vacation policy disallows the carryover of unused vacation hours to the following year. Accordingly, there is no accrued vacation balance.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 classification of expenses

The costs of providing the programs and services are summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and services benefited. Expenses have been allocated between the program services, management and general and fundraising function based on a combination of specific identification and allocation by management.

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

2. Significant accounting policies (continued)

Income taxes

IGE is exempt from federal income tax as a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation. The Organization did not have liability for unrelated business income for the years ended December 31, 2017 and 2016. CGE is an LLC and treated as a disregarded entity of IGE.

The material jurisdictions subject to potential examination by taxing authorities are the U.S., Pennsylvania, and Virginia. Management does not believe that the ultimate outcome of any future examinations of open tax years will have a material impact on IGE's results of operations. Tax years that remain subject to examination by the IRS are 2014 through 2017.

New accounting pronouncements

In August 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 represents phase 1 of FASB's Not-for-Profit financial reporting project and reduces the number of net asset classes, requires expense presentation by functional and natural classification, requires quantitative and qualitative information on liquidity, retains the option to present the cash flow statement on a direct or indirect method, and includes various other additional disclosure requirements. ASU 2016-14 is effective for annual reporting periods beginning after December 15, 2017 with retrospective application. Early adoption of ASU 2016-14 is permitted. The requirements of this statement are effective for the Organization for the year ending December 31, 2018. The Organization has not evaluated the impact of this statement.

The FASB issued Accounting Standards Update (ASU) 2014-09 (as amended by ASU 2015-14), which provides a single comprehensive accounting standard for revenue recognition for contracts with customers and supersedes current industry-specific guidance. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2018. The Organization plans to adopt the standard on its effective date, which for the Organization is January 1, 2019. The Organization has not evaluated the impact of this statement.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

3. Cash and cash equivalents

Cash and cash equivalents consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Checking		
IGE	\$ 197,661	\$ 197,021
CGE	-	3,681
Petty cash	-	131
	<u>\$ 197,661</u>	<u>\$ 200,833</u>

4. Property and equipment

A summary of information relative to property and equipment as of December 31, 2017 and 2016 is as follows:

	<u>2017</u>	<u>2016</u>	<u>Estimated useful life</u>
Furniture and fixtures	\$ -	\$ 6,192	7 years
Computer equipment	18,200	59,755	5 years
Software	1,119	40,051	3 years
	<u>19,319</u>	<u>105,998</u>	
Less accumulated depreciation	(13,898)	(93,094)	
	<u>\$ 5,421</u>	<u>\$ 12,904</u>	

5. Website

A summary of information relative to the website as of December 31, 2017 and 2016 is as follows:

	<u>2017</u>	<u>2016</u>	<u>Estimated useful life</u>
Website	\$ 13,500	\$ 13,500	60 months
Less accumulated amortization	(12,375)	(9,675)	
	<u>\$ 1,125</u>	<u>\$ 3,825</u>	

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

6. Concentrations and commitments

Contributions from three donors accounted for 58 percent and 72 percent of IGE's total revenue for the years ended December 31, 2017 and 2016, respectively.

IGE leases storage space with a local storage company on a month-to-month basis. The storage rent expense was \$2,645 and \$10,037 for the years ended December 31, 2017 and 2016, respectively. IGE leased an office in Arlington, Virginia on a month-to-month basis through August 2017. Office rent expense for the years ended December 31, 2017 and 2016 was \$19,120 and \$42,504, respectively, with no future required minimum rent payments.

7. Indirect costs

Indirect costs on federal grants and other contracts are recorded at the rate approved in the agreement. For the years ended December 31, 2017 and 2016, the provisional indirect rates were 43.00 percent and 43.5 percent, respectively.

8. Temporarily restricted net assets

Temporarily restricted net assets consisted of the following at December 31, 2017:

	<u>12/31/2016</u>	<u>Additions</u>	<u>Releases</u>	<u>12/31/2017</u>
<i>Restricted by program</i>				
The Cradle Fund	\$ 103,355	\$ 38,076	\$ 115,094	\$ 26,337
Center for Women, Faith & Leadership	19,539	236,603	130,928	125,214
Southeast Asia	212,701	252,305	465,006	-
China	12,779	83,199	69,878	26,100
Vietnam	70,968	30,000	98,779	2,189
Laos	14,191	26,809	41,000	-
Other programs	26,910	-	26,910	-
	<u>\$ 460,443</u>	<u>\$ 666,992</u>	<u>\$ 947,595</u>	<u>\$ 179,840</u>

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

8. Temporarily restricted net assets (continued)

Temporarily restricted net assets consisted of the following at December 31, 2016:

	<u>12/31/2015</u>	<u>Additions</u>	<u>Releases</u>	<u>12/31/2016</u>
<i>Restricted by program</i>				
The Cradle Fund	\$ 1,079,645	\$ 112,329	\$ 1,088,619	\$ 103,355
Center for Women, Faith & Leadership	178,076	55,440	213,977	19,539
Southeast Asia	422,558	756,918	966,775	212,701
China	93,481	50,958	131,660	12,779
Vietnam	156,242	-	85,274	70,968
Laos	1,104	79,282	66,195	14,191
Other programs	273,050	-	246,140	26,910
	<u>\$ 2,204,156</u>	<u>\$ 1,054,927</u>	<u>\$ 2,798,640</u>	<u>\$ 460,443</u>

9. Employee status and benefit plans

For the years ended December 31, 2017 and 2016, the common law employees of IGE were leased from Insperty, a Professional Employer Organization. IGE retained its status of employer and control over day-to-day job duties over all common law employees.

IGE maintains a defined contribution plan that covers all eligible employees and contributed three percent of each employee's gross salary each pay period regardless of whether the employee elects to contribute for the year ended December 31, 2017. In 2016, IGE contributed six percent. IGE contributed \$19,314 and \$55,358 to the Plan for the years ended December 31, 2017 and 2016, respectively.

10. Due to grantor

As of December 31, 2016, IGE's management identified that the Organization had been in noncompliance with donor-imposed restrictions on a grant received in 2014 with annual payments to IGE through 2017. Management identified a total of \$172,522 in grant funds spent on non-grant activities and recorded a liability due to the grantor and an expense as of and for the year ended December 31, 2016. Management determined that the cause for noncompliance with donor-imposed restrictions was the lack of segregation of grant funds from unrestricted operating funds, which was corrected during 2017. Upon determination that the obligations of the funder were met in 2017, the funder released IGE of the requirement to repay these previously released funds. This release from the obligation to repay the funder is reflected as a reduction in the liability and gain as of and for the year ended December 31, 2017.

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Notes to Consolidated Financial Statements December 31, 2017 and 2016

11. Subsequent events

IGE assessed events occurring subsequent to December 31, 2017 through June 15, 2018, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements.

See independent auditor's report.

SUPPLEMENTAL INFORMATION

Institute for Global Engagement and Subsidiary

Consolidating Schedule of Financial Position for the year ended December 31, 2017

	IGE	CGE	Eliminating entries	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 197,661	\$ -	\$ -	\$ 197,661
Grants and contributions receivable	62,894	-	-	62,894
Advance to grant partners	131	-	-	131
	<u>260,686</u>	<u>-</u>	<u>-</u>	<u>260,686</u>
Property				
Property and equipment, net of accumulated depreciation	5,421	-	-	5,421
Website, net of accumulated amortization	1,125	-	-	1,125
	<u>6,546</u>	<u>-</u>	<u>-</u>	<u>6,546</u>
Total assets	<u>\$ 267,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,232</u>
Liabilities and net assets				
Current liabilities				
Accounts payable	\$ 6,017	\$ -	\$ -	\$ 6,017
Due to grant partners	36,526	-	-	36,526
Total liabilities	<u>42,543</u>	<u>-</u>	<u>-</u>	<u>42,543</u>
Net assets				
Total net assets	<u>224,689</u>	<u>-</u>	<u>-</u>	<u>224,689</u>
Total liabilities and net assets	<u>\$ 267,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,232</u>

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Consolidating Schedule of Financial Position for the year ended December 31, 2016

	IGE	CGE	Eliminating entries	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 197,152	\$ 3,681	\$ -	\$ 200,833
Grants and contributions receivable	53,818	-	-	53,818
Advance to grant partners	120,957	-	(3,681)	117,276
	<u>371,927</u>	<u>3,681</u>	<u>(3,681)</u>	<u>371,927</u>
Security deposit	<u>6,170</u>	<u>-</u>	<u>-</u>	<u>6,170</u>
Property				
Property and equipment, net of accumulated depreciation	12,904	-	-	12,904
Website, net of accumulated amortization	3,825	-	-	3,825
	<u>16,729</u>	<u>-</u>	<u>-</u>	<u>16,729</u>
Total assets	<u>\$ 394,826</u>	<u>\$ 3,681</u>	<u>\$ (3,681)</u>	<u>\$ 394,826</u>
Liabilities and net assets				
Current liabilities				
Accounts payable	\$ 82,298	\$ -	\$ -	\$ 82,298
Due to grant partners	51,299	3,681	(3,681)	51,299
Due to grantors	172,522	-	-	172,522
Total liabilities	<u>306,119</u>	<u>3,681</u>	<u>(3,681)</u>	<u>306,119</u>
Net assets				
Total net assets	<u>88,707</u>	<u>-</u>	<u>-</u>	<u>88,707</u>
Total liabilities and net assets	<u>\$ 394,826</u>	<u>\$ 3,681</u>	<u>\$ (3,681)</u>	<u>\$ 394,826</u>

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Consolidating Schedule of Activities for the year ended December 31, 2017

	IGE	CGE	Eliminating entries	Total
Support and revenue				
Contributions	\$ 502,346	\$ 90	\$ (90)	\$ 502,346
Grants - U.S. Government	342,288	-	-	342,288
Grants - Other	587,815	-	-	587,815
Publications	12,619	-	-	12,619
Total support and revenue	<u>1,445,068</u>	<u>90</u>	<u>(90)</u>	<u>1,445,068</u>
Expenses				
Program services	1,194,199	90	(90)	1,194,199
Management and general	173,113	-	-	173,113
Fundraising	110,024	-	-	110,024
Total operating expenses	<u>1,477,336</u>	<u>90</u>	<u>(90)</u>	<u>1,477,336</u>
Other income and (expenses)				
Gain on release from liability to grantor	172,522	-	-	172,522
Interest income	86	-	-	86
Loss on disposal of assets	(2,129)	-	-	(2,129)
Loss on foreign currency translation	(2,470)	-	-	(2,470)
Other income	241	-	-	241
Total other income	<u>168,250</u>	<u>-</u>	<u>-</u>	<u>168,250</u>
Change in net assets	135,982	-	-	135,982
Net assets, beginning of year	<u>88,707</u>	<u>-</u>	<u>-</u>	<u>88,707</u>
Net assets, end of year	<u>\$ 224,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,689</u>

See independent auditor's report.

Institute for Global Engagement and Subsidiary

Consolidating Schedule of Activities for the year ended December 31, 2016

	IGE	CGE	Eliminating entries	Total
Support and revenue				
Contributions	\$ 509,289	\$ 135,316	\$ (135,316)	\$ 509,289
Grants - U.S. Government	404,560	-	-	404,560
Grants - Other	942,598	-	-	942,598
Publications	12,862	-	-	12,862
Conference registrations	8,982	-	-	8,982
Total support and revenue	<u>1,878,291</u>	<u>135,316</u>	<u>(135,316)</u>	<u>1,878,291</u>
Expenses				
Program services	2,645,149	135,316	(135,316)	2,645,149
Management and general	495,983	-	-	495,983
Fundraising	93,590	-	-	93,590
Total operating expenses	<u>3,234,722</u>	<u>135,316</u>	<u>(135,316)</u>	<u>3,234,722</u>
Other income and (expenses)				
Funding due to grantor	(172,522)	-	-	(172,522)
Interest income	400	-	-	400
Gain on foreign currency translation	3,543	-	-	3,543
Other income	2,535	-	-	2,535
Total other expenses	<u>(166,044)</u>	<u>-</u>	<u>-</u>	<u>(166,044)</u>
Change in net assets	(1,522,475)	-	-	(1,522,475)
Net assets, beginning of year	<u>1,611,182</u>	<u>-</u>	<u>-</u>	<u>1,611,182</u>
Net assets, end of year	<u>\$ 88,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,707</u>

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