

EISNERAMPER

**INTERNATIONAL CENTER FOR
TRANSITIONAL JUSTICE INC.**

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020 and 2019



INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

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INDEPENDENT AUDITORS' REPORT

Board of Directors
International Center for Transitional Justice Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the International Center for Transitional Justice Inc. ("ICTJ"), which comprise the consolidated statements of financial position as of March 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

ICTJ's 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 consolidated 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the International Center for Transitional Justice Inc. as of March 31, 2020 and 2019, and the changes in its net assets and its cash flows for each of the years then ended, in accordance with accounting principles generally accepted in the United States of America.



EISNERAMPER LLP
New York, New York
October 16, 2020



INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Consolidated Statements of Financial Position

	<u>March</u>	
	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 2,757,095	\$ 3,574,229
Grants and contributions receivable, net	10,512,310	13,861,832
Prepaid expenses and other assets	177,523	154,737
Property and equipment, net	<u>34,430</u>	<u>49,212</u>
Total assets	<u>\$ 13,481,358</u>	<u>\$ 17,640,010</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 405,053	\$ 364,265
Deferred rent obligation	<u>79,544</u>	<u>71,439</u>
Total liabilities	<u>484,597</u>	<u>435,704</u>
Commitments and other uncertainty (Note H)		
NET ASSETS		
Without donor restrictions	374,624	379,378
With donor restrictions	<u>12,622,137</u>	<u>16,824,928</u>
Total net assets	<u>12,996,761</u>	<u>17,204,306</u>
	<u>\$ 13,481,358</u>	<u>\$ 17,640,010</u>

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Consolidated Statements of Activities

	Year Ended March 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:						
Grants and contributions	\$ 1,183,630	\$ 3,481,139	\$ 4,664,769	\$ 2,827,402	\$ 18,102,986	\$ 20,930,388
Other revenue	<u>76,364</u>	<u>-</u>	<u>76,364</u>	<u>112,254</u>	<u>-</u>	<u>112,254</u>
Total public support and revenue before release of restrictions	1,259,994	3,481,139	4,741,133	2,939,656	18,102,986	21,042,642
Net assets released from restrictions	<u>7,683,930</u>	<u>(7,683,930)</u>	<u>-</u>	<u>6,159,406</u>	<u>(6,159,406)</u>	<u>-</u>
Total revenue and public support	<u>8,943,924</u>	<u>(4,202,791)</u>	<u>4,741,133</u>	<u>9,099,062</u>	<u>11,943,580</u>	<u>21,042,642</u>
Expenses:						
Program services	7,209,256	-	7,209,256	6,369,313	-	6,369,313
Management and general	644,842	-	644,842	1,059,888	-	1,059,888
Development	<u>510,171</u>	<u>-</u>	<u>510,171</u>	<u>497,573</u>	<u>-</u>	<u>497,573</u>
Total expenses	<u>8,364,269</u>	<u>-</u>	<u>8,364,269</u>	<u>7,926,774</u>	<u>-</u>	<u>7,926,774</u>
Change in net assets before foreign currency translation losses and loss on cancelled grants	579,655	(4,202,791)	(3,623,136)	1,172,288	11,943,580	13,115,868
Foreign currency translation losses	<u>(584,409)</u>	<u>-</u>	<u>(584,409)</u>	<u>(671,919)</u>	<u>-</u>	<u>(671,919)</u>
Loss on cancelled grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(173,137)</u>	<u>(173,137)</u>
Change in net assets	(4,754)	(4,202,791)	(4,207,545)	500,369	11,770,443	12,270,812
Net assets, beginning of year	<u>379,378</u>	<u>16,824,928</u>	<u>17,204,306</u>	<u>(120,991)</u>	<u>5,054,485</u>	<u>4,933,494</u>
Net assets, end of year	<u>\$ 374,624</u>	<u>\$ 12,622,137</u>	<u>\$ 12,996,761</u>	<u>\$ 379,378</u>	<u>\$ 16,824,928</u>	<u>\$ 17,204,306</u>

See notes to consolidated financial statements.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Consolidated Statements of Functional Expenses

	Year Ended March 31,							
	2020				2019			
	Peace Building Services	Management and General	Development	Total Expenses	Peace Building Services	Management and General	Development	Total Expenses
Salaries, payroll taxes and fringe benefits	\$ 3,534,728	\$ 203,925	\$ 415,762	\$ 4,154,415	\$ 3,366,577	\$ 194,224	\$ 395,984	\$ 3,956,785
Consultants and professional fees	2,091,161	130,653	12,882	2,234,696	1,499,839	93,708	9,239	1,602,786
Publications and public relations	71,314	6,321	-	77,635	66,174	831	-	67,005
Office expenses	296,660	135,290	26,495	458,445	293,355	162,632	30,273	486,260
Occupancy - all offices	247,993	46,170	23,407	317,570	267,978	91,221	30,407	389,606
Travel and conferences	621,386	420	834	622,640	616,707	5,086	9,893	631,686
Bad debts expense	-	-	-	-	-	341,000	-	341,000
Other expenses	<u>345,664</u>	<u>107,631</u>	<u>30,791</u>	<u>484,086</u>	<u>258,309</u>	<u>155,753</u>	<u>21,777</u>	<u>435,839</u>
Total expenses before depreciation and amortization	7,208,906	630,410	510,171	8,349,487	6,368,939	1,044,455	497,573	7,910,967
Depreciation and amortization	<u>350</u>	<u>14,432</u>	<u>-</u>	<u>14,782</u>	<u>374</u>	<u>15,433</u>	<u>-</u>	<u>15,807</u>
	<u>\$ 7,209,256</u>	<u>\$ 644,842</u>	<u>\$ 510,171</u>	<u>\$ 8,364,269</u>	<u>\$ 6,369,313</u>	<u>\$ 1,059,888</u>	<u>\$ 497,573</u>	<u>\$ 7,926,774</u>

See notes to consolidated financial statements.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Consolidated Statements of Cash Flows

	Year Ended March 31,	
	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ (4,207,545)	\$ 12,270,812
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	14,782	15,807
Bad debts expense	-	341,000
Loss on cancelled grants	-	173,137
Changes in:		
Grants and contributions receivable	2,765,113	(11,602,216)
Prepaid expenses and other assets	(22,786)	171,807
Accounts payable and accrued expenses	40,788	(4,107)
Deferred rent obligation	<u>8,105</u>	<u>66,214</u>
Net cash (used in) provided by operating activities	<u>(1,401,543)</u>	<u>1,432,454</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>-</u>	<u>(23,634)</u>
Cash flow from financing activities:		
Payment on line of credit	<u>-</u>	<u>(1,000,000)</u>
Net change in cash and cash equivalents	(1,401,543)	408,820
Foreign currency translation losses	584,409	671,919
Cash and cash equivalents, beginning of year	<u>3,574,229</u>	<u>2,493,490</u>
Cash and cash equivalents, end of year	<u>\$ 2,757,095</u>	<u>\$ 3,574,229</u>

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE A - ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] Nature of the organization:

The International Center for Transitional Justice Inc. (the "Center") is a not-for-profit organization organized in Delaware in 2001, the primary goal of which is to promote accountability by helping countries develop effective responses to human-rights abuse arising from repressive rule, mass atrocity or armed conflict. The Center works in transitional societies grappling with a legacy of abuse, as well as in established democracies where historical injustices or systemic abuse remain unresolved. Depending on the context, its work focuses on strategies to document abuse or to establish truth commissions, prosecute perpetrators, reform abusive institutions, provide reparation to victims of violence, or promote reconciliation.

The Center assists governments, nongovernmental and international organizations, and other key actors by providing them with comparative information, legal and policy analysis, documentation and strategic research. Working collaboratively with other organizations and experts throughout the world, the Center aims to build capacity and strengthen the field of transitional justice. These efforts are frequently conducted through local offices established by the Center or through its controlled affiliate organizations, as described below.

[2] Consolidated financial statements:

The accompanying consolidated financial statements include the financial statements of the Center and those of its domestic controlled affiliates, the International Center for Transitional Justice International LLC ("ICTJ International") and the International Center for Transitional Justice Media LLC ("ICTJ Media"), both of which were organized as limited liability companies in Delaware in January 2008. The purpose of ICTJ International is to facilitate the timely opening of international offices and their related registration. The purpose of ICTJ Media is to oversee the film productions of the Center. The Center has offices in a number of other countries, including Colombia, Nepal, and the Democratic Republic of the Congo. During fiscal-year 2019, the offices in Nepal and the Democratic Republic of the Congo closed.

In addition, the consolidated financial statements also include the financial statements of the following international affiliates, all of which have a common mission as the Center in their respective countries:

- the Centre International pour la Justice Transitionnelle Bruxelles ("ICTJ Brussels"), incorporated in Brussels, Belgium;
- the International Center for Transitional Justice in Lebanon ("ICTJ Lebanon"), incorporated in Beriut, Lebanon;
- the Stichting International Center for Transitional Justice ("ICTJ the Hague"), incorporated in the Hague, the Netherlands; and
- the International Centre for Transitional Justice Limited ("ICTJ Kenya"), incorporated in Nairobi, Kenya.

All significant intercompany accounts and transactions for the above entities (together, "ICTJ") have been eliminated in consolidation.

[3] Income tax and compliance reporting:

The Center is exempt from federal income taxes under Section 501(c)(3) and is a public charity rather than a private foundation under Section 509(a) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws. The financial information of ICTJ International and ICTJ Media is included in the federal and state compliance returns of the Center. Certain of the Center's other controlled affiliates are separate legal entities that function and pay taxes according to the laws of the jurisdictions in which they are organized.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE A - ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[4] Income tax and compliance reporting: (continued)

ICTJ follows the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. Because of ICTJ's general tax-exempt status, ASC Topic 740 has not had, and is not anticipated to have, a material impact on ICTJ's consolidated financial statements.

[5] Basis of accounting:

The accompanying consolidated financial statements of ICTJ have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit entities.

[6] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP require management to make estimates and assumption that affect the reported amounts of assets, liabilities, support and revenue, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

[7] Cash and cash equivalents:

For financial reporting purposes, ICTJ considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

[8] Property and equipment:

Property and equipment are reported at their original costs less accumulated depreciation or amortization. Donated assets are recorded at their fair values on the dates of the gifts. Items with a cost of \$2,000 and an estimated useful life of three years or more are capitalized. Depreciation and amortization is provided using the straight-line method over the estimated useful lives of the assets. Vehicles and furniture and equipment are depreciated over five years, computer hardware and software are depreciated over three years; leasehold improvements are amortized over their estimated useful lives or the respective lease terms.

[9] Deferred rent obligation:

Rent expense is recognized using the straight-line method over the terms of the lease. The difference between rent expense incurred and the rental amounts paid, which are attributable to scheduled rent increases, is reported as deferred rent obligation in the consolidated statements of financial position.

[10] Accrued vacation:

ICTJ's employees are entitled to be paid for unused vacation time if they leave ICTJ. Accordingly, at each year-end, ICTJ must recognize a liability for the amount that would be incurred if employees with such unused vacation were to leave. The accrued vacation obligation for fiscal-years 2020 and 2019 was approximately \$117,000 and \$115,000, respectively, and is included in accounts payable and accrued expenses in the consolidated statements of financial position.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE A - ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[11] Net assets:

Net assets and the changes therein are classified and reported as follows:

(i) Net assets without donor restrictions:

Net assets without donor restrictions represent those resources that are not subject to donor restrictions and are available for current operations.

(ii) Net assets with donor restrictions:

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as "net assets released from restrictions."

[12] Grants and contributions:

The operations of ICTJ are financed principally by grants and contributions received from foundations, foreign governments, and the general public. Grants and contributions are recognized as revenue upon the receipt of cash or other assets, or of unconditional pledges. Grants and contributions are reported as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional grants and contributions are recognized when the donor's conditions have been met by requisite actions of ICTJ's management or necessary events have taken place. Grants and contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved.

[13] Measure of operations:

ICTJ includes in its measure of operations all revenue and expenses that are an integral part of its programs and supporting activities. This measure of operations includes transfers from net assets with donor restricted funds to net assets without donor restrictions from local and foreign governments and contribution from private foundations. It excludes foreign currency translation losses and cancellation of grants.

[14] Functional allocation of expenses:

The costs of providing ICTJ's various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. The consolidated statements of functional expenses present expenses by functional and natural classification. Accordingly, direct costs have been functionalized within the program and supporting services based on the nature of the expense. Indirect costs have been allocated on the basis of time and space allocations among employees.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE A - ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[15] Adoption of accounting principle:

In June 2018, the FASB issued Accounting Standards Updated (“ASU”) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 985)*. This standard provides a framework for evaluating whether grants should be accounted for as exchange transactions or as non-exchange transactions. For non-exchange transactions, the new guidance clarifies whether arrangements are conditional or unconditional. The resource recipient portion of the ASU is effective for fiscal-years beginning after December 15, 2018 and the resource provider portion of the ASU is effective for fiscal-years beginning after December 15, 2019. ICTJ adopted the resource recipient portion of the standard and early-adopted the resource provider portion of the standard for the fiscal-year ending March 31, 2020, and this accounting guidance did not have a material effect on the ICTJ’s consolidated financial statements.

[16] Upcoming accounting pronouncements:

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This guidance requires an entity to recognize revenue when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods and services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. It is effective for fiscal-years beginning after December 15, 2019, accordingly ICTJ will need to adopt this for its fiscal year ending March 31, 2021. Management is in the process of assessing the impact of this ASU on the consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which will require entities to recognize lease assets and lease liabilities (related to leases previously classified as operating under previous U.S. GAAP) on the statements of financial position. The ASU will be effective commencing January 1, 2021. Management is in the process of assessing the impact of this ASU on the consolidated financial statements.

[17] Foreign currency translation:

Foreign currency translation gains or losses are the inherent result of the process of translating into U.S. dollars, for consolidated financial reporting purposes, the Center’s foreign affiliates’ financial statements as stated in their respective functional currencies. Such annual translation adjustments are not included in determining the net increase in assets from operations, but they are instead disclosed as a separate component in the accompanying consolidated statements of activities. Likewise, the cumulative translation gains or losses continue to be reported as an element of net assets without donor restrictions in the consolidated statements of financial position until such time as the Center substantially ceases control of the various international affiliates.

All elements of the consolidated financial statements reflecting foreign grants made to ICTJ are translated into U.S. dollars using applicable exchange rates. For assets and liabilities, this is the rate in effect at the fiscal year-end. For revenue and expense items, translation is performed monthly, using the approximate average rate for the month (see Note F).

[18] Reclassification:

Certain information in the prior-year’s financial statements has been reclassified to conform to the current year’s presentation.

[19] Subsequent events:

ICTJ evaluated subsequent events through October 16, 2020, the date the consolidated financial statements were available to be issued.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE B - GRANTS AND CONTRIBUTIONS RECEIVABLE

At each fiscal year-end, contributions receivable consisted of the following:

	<u>March 31,</u>	
	<u>2020</u>	<u>2019</u>
Gross amounts due in:		
One year	\$ 7,522,160	\$ 6,113,420
Two to five years	<u>3,542,250</u>	<u>8,833,704</u>
	11,064,410	14,947,124
Reduction of contributions due in excess of one year, using a discount rate of 3%	<u>(220,100)</u>	<u>(637,292)</u>
	10,844,310	14,309,832
Less: estimate allowance for doubtful accounts	<u>(332,000)</u>	<u>(448,000)</u>
	<u>\$ 10,512,310</u>	<u>\$ 13,861,832</u>

During fiscal-year 2019, grants of \$173,137 were cancelled as certain activities could not be undertaken due to changes in circumstances beyond ICTJ's control. During fiscal-year 2020, there were no grants cancelled.

NOTE C - PROPERTY AND EQUIPMENT

At each fiscal year-end, property and equipment consisted of the following:

	<u>March 31,</u>	
	<u>2020</u>	<u>2019</u>
Vehicles	\$ 38,007	\$ 38,007
Computer hardware and software	<u>89,100</u>	<u>89,100</u>
	127,107	127,107
Less: accumulated depreciation and amortization	<u>(92,677)</u>	<u>(77,895)</u>
	<u>\$ 34,430</u>	<u>\$ 49,212</u>

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS

At March 31, 2020, net assets with donor restrictions of \$12,622,137 consisted of \$4,679,094 for time restrictions and \$7,943,043 for purpose restrictions to satisfy in-country assistance. At March 31, 2019, net assets with donor restrictions of \$16,824,928 consisted of \$5,743,882 for time restrictions and \$11,081,046 for purpose restrictions to satisfy in-country assistance. During fiscal years 2019 and 2018, net assets released from restrictions of \$7,683,930 and \$6,159,406, respectively, were for in-country assistance.

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE E - EMPLOYEE-BENEFIT PLAN

ICTJ maintains a Section 403(b) defined-contribution retirement plan that covers substantially all full-time eligible employees. Contributions to the plan are at the discretion of ICTJ's management, subject to annual Internal Revenue Service limitations. Contributions for fiscal-year 2020 and 2019 were approximately \$55,000 and \$52,000, respectively.

NOTE F - FOREIGN CURRENCY TRANSLATION

As described in Note A[17], the applicable exchange rates for various countries such as Belgium, Switzerland, Indonesia, Uganda, Tunisia, Nepal, Colombia and Kenya range from 0.00026 - 1.09995.

The foreign currency translation losses for fiscal-years 2020 and 2019 was \$584,409 and \$671,919, respectively, resulting in cumulative translation losses of \$4,299,091 and \$3,714,682 as of March 31, 2020 and 2019, respectively.

NOTE G - LINE OF CREDIT

In July 2016, ICTJ entered into a revolving line of credit agreement with a commercial financial institution for \$1,500,000 expiring on December 31, 2020, bearing interest, payable monthly at LIBOR plus 1.35 basis points which equated to 2.43% and 3.73% at March 31, 2020 and 2019, respectively. There was no unpaid balance as of both March 31, 2020 and 2019 and there was no drawdowns on the line of credit during both fiscal-years 2020 and 2019. The line of credit is guaranteed by a separate not-for-profit organization.

NOTE H - COMMITMENTS AND OTHER UNCERTAINTY

[1] Lease agreements:

During fiscal-year 2018, ICTJ entered into a non-cancelable facility lease agreement for its new office space expiring in June 2025. As discussed in Note A[7], the aggregate minimum lease payments are being amortized using the straight-line method over the term of the lease. The cumulative difference between rent expense and amounts paid amounted to \$79,544 and \$71,439 as of March 31, 2020 and 2019, respectively, and was reported as a deferred rent obligation in the accompanying consolidated statements of financial position. The new lease required ICTJ to obtain a letter of credit for \$88,219, which is automatically extended for periods of one year, but not extending beyond December 31, 2025. In addition, ICTJ has various facility lease agreements for foreign premises that pay rent on a month-to-month basis. Minimum annual future rental commitments under the lease agreements subsequent to March 31, 2020 are approximately as follows:

<u>Year Ending March 31,</u>	<u>Amount</u>
2021	196,000
2022	201,000
2023	217,000
2024	226,000
2025	231,000
Thereafter	<u>58,000</u>
	<u>\$ 1,129,000</u>

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements March 31, 2020 and 2019

NOTE H - COMMITMENTS AND OTHER UNCERTAINTY (CONTINUED)

[1] Lease agreements: (continued)

Rent expense for fiscal-years 2020 and 2019 was approximately \$318,000 and \$389,000, respectively. Management believes that, under certain circumstances, it may be possible to cancel or reduce particular lease commitments.

ICTJ operates in various countries, certain of whose governments at times may become unstable. The consolidated financial statements do not contemplate any possible losses that may arise should these governments destabilize.

[2] Coronavirus:

The extent of the impact of the coronavirus ("COVID-19") outbreak on the operational and financial performance of ICTJ will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions and the impact of COVID-19 on overall demand for ICTJ's services, all of which are highly uncertain and cannot be predicted. If ICTJ is negatively impacted for an extended period, results of operations may be materially adversely affected.

NOTE I - CONCENTRATION OF CREDIT RISK

ICTJ maintains its cash in bank deposits in amounts which, at times, may exceed federally insured limits. ICTJ has not experienced any losses in such accounts, and management believes ICTJ is not exposed to the risk of any significant loss due to the possible failure of these financial institutions.

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects ICTJ's financial assets as the statements of financial position date, reduced by amounts not available for general use within one year of March 31, 2020 and 2019 because of contractual or donor-imposed restrictions or internal designations.

ICTJ's financial assets available for general expenditure, inclusive of operating and grant-making expenditures, within one year of statement of financial position date are as follows:

	<u>March 31,</u>	
	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 2,757,095	\$ 3,574,229
Grants and contributions receivable	<u>10,512,310</u>	<u>13,861,832</u>
Total financial assets available within one year	<u>13,269,405</u>	<u>17,436,061</u>
Less: amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with:		
Purpose and time restrictions	<u>(10,023,133)</u>	<u>(14,589,324)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,246,272</u>	<u>\$ 2,846,737</u>

INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Notes to Consolidated Financial Statements
March 31, 2020 and 2019

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

Liquidity policy:

ICTJ has a policy to structure its financial assets to maintain a sufficient level of operating cash to be available as its general expenditures, liabilities, and other obligations come due as part of the ICTJ's liquidity management. ICTJ also has a \$1,500,000 revolving line of credit available for current operations.

SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
International Center for Transitional Justice Inc.

Our report on our audit of the consolidated financial statements of the International Center for Transitional Justice Inc. for the years ended March 31, 2020 and 2019 appears on page 1. Our audit was conducted for the purpose of forming an opinion on those basic consolidated financial statements, taken as a whole. The accompanying supplemental schedule of grant and contribution activity for the year ended March 31, 2020 is presented for purpose of additional analysis and is not a required part of the basic consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and to 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 consolidated financial statements, taken as a whole.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
October 16, 2020



INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE INC.

Schedule of Grant and Contribution Activity March 31, 2020 and 2019

The following donors requested that their grants be specifically acknowledged in ICTJ's consolidated audited financial statements. ICTJ believes all funds are used in a manner consistent with the donor-imposed restrictions and contractual agreements:

Donor Name	External Grant Reference	Grant Period	Currency	Total Grant Amount
Ministry of Foreign Affairs of the Kingdom of The Netherlands	27945	April 1, 2015 – September 30, 2019*	EUR	4,000,000
Ministry of Foreign Affairs of the Kingdom of The Netherlands	4000001530	April 1, 2018 – March 31, 2022	USD	11,350,000
Swedish International Development Cooperation Agency	11061	April 1, 2018 – March 31, 2022	SEK	40,000,000
Swedish International Development Cooperation Agency, represented by the Embassy of Sweden in Bogotá	N/A	June 1, 2018 – March 31, 2022	SEK	12,000,000
United Nations Peacebuilding Fund	N/A	January 1, 2019 – June 30, 2020	USD	385,842
Pro Victimis Foundation	N/A	May 1, 2017 – April 30, 2019	USD	314,509

- Grant period reflects a no-cost extension