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**WASHINGTON OFFICE ON LATIN AMERICA
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2014 AND 2013**

MATTHEWS, CARTER & BOYCE
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WASHINGTON OFFICE ON LATIN AMERICA

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MATTHEWS, CARTER & BOYCE
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Independent Auditors' Report

Board of Directors
Washington Office on Latin America
Washington, DC

Report on the Financial Statements

We have audited the accompanying financial statements of Washington Office on Latin America (a nonprofit organization) which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and changes in net assets, 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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.

Independent Auditors' Report (concluded)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Washington Office on Latin America as of December 31, 2014, 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.

Other Matter

The financial statements of Washington Office on Latin America as of December 31, 2013, were audited by other auditors whose report dated May 23, 2014, expressed an unmodified opinion on those statements.

Fairfax, VA
April 13, 2015



WASHINGTON OFFICE ON LATIN AMERICA

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2014 AND 2013

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,088,168	\$ 1,397,053
Grants and contracts receivable	752,517	111,028
Contributions receivable	42,019	37,463
Other receivables	12,276	972
Prepaid expenses and other	<u>58,390</u>	<u>57,305</u>
Total Current Assets	<u>\$ 1,953,370</u>	<u>\$ 1,603,821</u>
OTHER ASSETS		
Grants and contracts receivable, net of current portion	\$ 211,890	\$ -
Property and equipment, net	85,349	115,004
Investments	770,658	733,241
Security deposits	<u>27,056</u>	<u>27,056</u>
Total Other Assets	<u>\$ 1,094,953</u>	<u>\$ 875,301</u>
TOTAL ASSETS	<u><u>\$ 3,048,323</u></u>	<u><u>\$ 2,479,122</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 91,981	\$ 60,866
Deferred revenue	55,003	121,233
Deferred rent	<u>37,107</u>	<u>27,702</u>
Total Current Liabilities	<u>\$ 184,091</u>	<u>\$ 209,801</u>
LONG-TERM LIABILITIES		
Deferred rent	<u>\$ 134,189</u>	<u>\$ 171,296</u>
Total Long-Term Liabilities	<u>\$ 134,189</u>	<u>\$ 171,296</u>
Total Liabilities	<u>\$ 318,280</u>	<u>\$ 381,097</u>
NET ASSETS		
Unrestricted		
Board-designated	\$ 770,658	\$ 733,241
Undesignated	272,282	124,123
Total Unrestricted Net Assets	<u>\$ 1,042,940</u>	<u>\$ 857,364</u>
Temporarily restricted net assets	<u>1,687,103</u>	<u>1,240,661</u>
Total Net Assets	<u>\$ 2,730,043</u>	<u>\$ 2,098,025</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,048,323</u></u>	<u><u>\$ 2,479,122</u></u>

The accompanying notes are an integral part of these financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT						
Grants and contributions	\$ 631,842	\$ 2,684,196	\$ 3,316,038	\$ 477,504	\$ 1,615,347	\$ 2,092,851
Special event - gala	283,717	-	283,717	215,396	-	215,396
less cost of direct benefit to gala donors	(26,006)	-	(26,006)	(22,835)	-	(22,835)
Investment income	38,042	-	38,042	19,801	-	19,801
Programs and publications	47,786	-	47,786	6,881	-	6,881
Donated services	1,215	-	1,215	3,348	-	3,348
Other (losses) income	(50)	-	(50)	(1,152)	-	(1,152)
Net assets released from restrictions	2,237,754	(2,237,754)	-	1,471,083	(1,471,083)	-
Total Revenue, Support and Investment Activity	\$ 3,214,300	\$ 446,442	\$ 3,660,742	\$ 2,170,026	\$ 144,264	\$ 2,314,290
EXPENSES						
Program services	\$ 2,688,745	\$ -	\$ 2,688,745	\$ 1,906,405	\$ -	\$ 1,906,405
Supporting services						
General and administrative	\$ 140,761	\$ -	\$ 140,761	\$ 112,409	\$ -	\$ 112,409
Fundraising	199,218	-	199,218	226,425	-	226,425
Total Supporting Services	\$ 339,979	\$ -	\$ 339,979	\$ 338,834	\$ -	\$ 338,834
Total Expenses	\$ 3,028,724	\$ -	\$ 3,028,724	\$ 2,245,239	\$ -	\$ 2,245,239
CHANGE IN NET ASSETS	\$ 185,576	\$ 446,442	\$ 632,018	\$ (75,213)	\$ 144,264	\$ 69,051
NET ASSETS, BEGINNING OF YEAR	857,364	1,240,661	2,098,025	932,577	1,096,397	2,028,974
NET ASSETS, END OF YEAR	\$ 1,042,940	\$ 1,687,103	\$ 2,730,043	\$ 857,364	\$ 1,240,661	\$ 2,098,025

The accompanying notes are an integral part of these financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Expenses	Supporting Services		Total Supporting Services	Total Expenses
		General and Administrative	Fundraising		
Expenses					
Salaries	\$ 1,140,136	\$ 77,214	\$ 66,798	\$ 144,012	\$ 1,284,148
Employee benefits and payroll taxes	237,896	16,859	13,986	30,845	268,741
Occupancy	177,523	14,366	7,135	21,501	199,024
Travel	368,738	7,804	20,210	28,014	396,752
Consultants	514,541	8,800	839	9,639	524,180
Meetings and receptions	54,024	3,191	67,890	71,081	125,105
Communications	35,299	-	4,698	4,698	39,997
Printing and publications	36,026	714	8,450	9,164	45,190
Depreciation and amortization	26,330	1,783	1,542	3,325	29,655
Professional services	16,522	1,223	1,082	2,305	18,827
Telephone	34,627	2,895	1,963	4,858	39,485
Equipment rental/purchase	7,020	1,373	403	1,776	8,796
Office supplies	9,902	968	562	1,530	11,432
Taxes and insurance	8,342	588	487	1,075	9,417
Subscriptions/reference materials	7,789	427	409	836	8,625
Postage	116	1,014	2,722	3,736	3,852
Repairs and maintenance	687	62	42	104	791
Bank and credit card fees	-	6,775	-	6,775	6,775
Dues/fees/licenses	1,000	2,935	-	2,935	3,935
Staff development and recruitment	127	3,870	-	3,870	3,997
Administrative fees	12,100	(12,100)	-	(12,100)	-
Total Expenses	\$ 2,688,745	\$ 140,761	\$ 199,218	\$ 339,979	\$ 3,028,724

The accompanying notes are an integral part of these financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2013

Expenses	Program Expenses	Supporting Services		Total Supporting Services	Total Expenses
		General and Administrative	Fundraising		
Salaries	\$ 915,102	\$ 72,674	\$ 102,434	\$ 175,108	\$ 1,090,210
Employee benefits and payroll taxes	175,704	13,988	19,690	33,678	209,382
Occupancy	190,796	566	21,614	22,180	212,976
Travel	285,347	7,292	15,036	22,328	307,675
Consultants	162,276	-	-	-	162,276
Meetings and receptions	43,812	3,564	41,028	44,592	88,404
Communications	25,051	-	4,709	4,709	29,760
Printing and publications	21,322	1,067	6,355	7,422	28,744
Depreciation and amortization	15,351	3,442	1,949	5,391	20,742
Professional services	18,819	1,311	1,863	3,174	21,993
Telephone	17,264	1,828	1,734	3,562	20,826
Equipment rental/purchase	8,260	519	667	1,186	9,446
Office supplies	7,680	999	1,052	2,051	9,731
Taxes and insurance	6,943	550	773	1,323	8,266
Subscriptions/reference materials	4,576	307	652	959	5,535
Postage	509	367	2,145	2,512	3,021
Bank and credit card fees	-	6,113	3	6,116	6,116
Dues/fees/licenses	1,000	678	-	678	1,678
Staff development and recruitment	905	2,832	4,721	7,553	8,458
Administrative fees	5,688	(5,688)	-	(5,688)	-
Total Expenses	\$ 1,906,405	\$ 112,409	\$ 226,425	\$ 338,834	\$ 2,245,239

The accompanying notes are an integral part of these financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 632,018	\$ 69,051
Adjustments to reconcile change in net assets to net cash - operating activities:		
Depreciation and amortization	29,655	37,733
Unrealized gains on investments	(21,507)	(5,786)
(Increase) decrease in:		
Grants and contracts receivable	(853,379)	386,758
Contributions receivable	(4,556)	(28,248)
Other receivable	(11,304)	2,903
Prepaid expenses and other	(1,085)	(8,773)
Increase (decrease) in:		
Accounts payable and accrued expenses	31,115	(2,350)
Deferred revenue	(66,230)	118,733
Deferred rent	(27,702)	(16,476)
	<u>\$ (292,975)</u>	<u>\$ 553,545</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments - reinvested dividends and earnings	\$ (15,910)	\$ (13,590)
	<u>\$ (15,910)</u>	<u>\$ (13,590)</u>
 NET CHANGE IN CASH	<u>\$ (308,885)</u>	<u>\$ 539,955</u>
 CASH, BEGINNING OF YEAR	<u>1,397,053</u>	<u>857,098</u>
 CASH, END OF YEAR	<u>\$ 1,088,168</u>	<u>\$ 1,397,053</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Interest paid	\$	-	\$	-
Taxes paid	\$	-	\$	-

There were no non-cash investing or financing activities during the years ended December 31, 2014 or 2013.

The accompanying notes are an integral part of these financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 1. Organization

Washington Office on Latin America (WOLA or the Organization) was incorporated on July 27, 1981 as a District of Columbia nonprofit organization. The Organization is an independent, locally-controlled organization with a volunteer Board of Directors.

WOLA promotes human rights, democracy, and social justice by working with partners in Latin America and the Caribbean to shape policies in the United States and abroad. WOLA envisions a future where human rights and social justice are the foundation for public policy in Latin American and the Caribbean and in the U.S. relationship with the region; where change happens when people on-the-ground connect with people who make policy, and where people work together across borders to respect human rights and democratic values. WOLA connects with partners in Latin America and the Caribbean, analyzing regional events, trends and challenges, and acting quickly to ensure that a broad range of voices are heard.

Note 2. Summary of Significant Accounting Policies

This summary of significant accounting policies of WOLA is presented to assist in understanding the financial statements.

WOLA prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned, and expenses are recognized when the related goods or services are received.

Financial Statement Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board set forth in the Accounting Standards Codification. Under this guidance, WOLA is required to report information regarding its financial positions and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Income Taxes

WOLA has been classified as an other than a private foundation and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The Organization is subject to a tax on income from any unrelated business. WOLA did not have any unrelated business income during the years ended December 31, 2014 or 2013.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 2. Summary of Significant Accounting Policies (Continued)

Income Taxes (Concluded)

WOLA has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. WOLA has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. WOLA believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on WOLA's financial condition, results of operations or cash flows. Accordingly, WOLA has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2014 or 2013.

WOLA is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. WOLA believes it is no longer subject to income tax examinations for years prior to 2011.

Cash and Cash Equivalents

For purposes of the statements of cash flows, WOLA considers cash and all other highly liquid investments with initial maturities of three months or less and money market funds to be cash equivalents.

Fair Value

The carrying amounts reflected in the financial statements for cash, cash equivalents, and money market accounts approximate the respective fair values due to the short maturities of those instruments.

In accordance with the Accounting Standards Codification, WOLA has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instrument fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

- Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market that WOLA has the ability to access.
- Level 2. These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full-term of the investments.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 2. Summary of Significant Accounting Policies (Continued)

Fair Value (concluded)

- Level 3. These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

Property and Equipment and Leasehold Improvements

Property and equipment, including software, and leasehold improvements with an original cost of \$2,000 or more, are carried at cost, or if donated, at the approximate fair market value at the date of donation. Items with an original cost or fair market value at the date of donation of less than \$2,000 are expensed when acquired. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using a straight-line method from three to five years for property and equipment, and over the life of the lease in the case of leasehold improvements.

Donated Materials and Services

WOLA records the value of donated goods and services when there is an objective basis available to measure their value and they would have otherwise had to purchase the goods or services.

WOLA generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist WOLA in its work, but these services do not meet the criteria for recognition as contributed services.

Contributions and Grants

Contributions and grants received are recognized when the donor makes a promise to give to WOLA that is, in substance, unconditional. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the 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.

WOLA uses the allowance method to determine uncollectible contributions and grants receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined that no allowance is necessary as of December 31, 2014 or 2013.

WOLA's revenue stream varies from year to year due to the fact that WOLA has throughout its history received large grants in a particular year that are then disbursed over a period of one to five years. This revenue stream results in WOLA reflecting income in one year generally followed by one to five years of losses as WOLA disburses the fund to comply with grant requirements.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 2. Summary of Significant Accounting Policies (Concluded)

Expense Allocation

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statements of activities. Costs that can be identified with a particular program or support function are charged directly to that program or function. Salaries and related costs have been allocated among the programs and supporting services based upon timesheets and management's best estimates of the proportion of these costs applicable to each program. Other allocable costs have been allocated to program expenses and supporting services based upon management's best estimates.

Use of 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.

Date of Management's Review

Management has evaluated subsequent events through April 13, 2015, the date on which the financial statements were available to be issued. Management determined that no subsequent event has occurred that requires disclosure in the financial statements.

Reclassifications

Certain items in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on previously reported net assets or change in net assets.

Note 3. Investments

WOLA invests in professionally managed portfolios. Such investments are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonable possible changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 3. Investments (Concluded)

Investment securities are carried at fair value based on quoted prices in active markets (all Level 1 inputs) and consist of the following at December 31:

	2014		2013	
	Cost	Fair Value	Cost	Fair Value
Money market funds	\$ 18,590	\$ 18,590	\$ 211,558	\$ 211,558
Equity funds	188,655	230,698	166,368	202,222
Bond funds	484,214	474,498	298,345	283,491
REIT funds	35,231	46,872	34,509	35,970
	<u>\$ 726,690</u>	<u>\$ 770,658</u>	<u>\$ 710,780</u>	<u>\$ 733,241</u>

Return on investments consists of the following for the years ended December 31:

	2014	2013
Interest and dividends	\$ 15,496	\$ 12,849
Capital gains	1,039	1,167
Net unrealized gains	21,507	5,785
Total Return	<u>\$ 38,042</u>	<u>\$ 19,801</u>

The investment account represents the amount that has been set aside by the Board of Directors as a reserve (see Note 11).

Note 4. Grants, Contracts and Contributions Receivable

Grants and contracts receivable consisted of the following as of December 31:

	2014	2013
Amounts due in:		
Less than one year	\$ 752,517	\$ 111,028
One to five years	211,890	-
Thereafter	-	-
Grants and contracts receivable	<u>\$ 964,407</u>	<u>\$ 111,028</u>

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 5. Property and Equipment

Property and equipment consists of the following as of December 31:

	<u>2014</u>	<u>2013</u>
Leasehold improvements	\$ 228,715	\$ 228,715
Furniture and equipment	52,590	52,590
Web site	<u>25,410</u>	<u>25,410</u>
	\$ 306,715	\$ 306,715
Less, accumulated depreciation	<u>(221,366)</u>	<u>(191,711)</u>
Net Property and Equipment	<u>\$ 85,349</u>	<u>\$ 115,004</u>

Note 6. Tax Shelter Annuity Plan

WOLA has adopted a plan to purchase annuity contracts for its employees under the provisions of Section 403(b) of the Internal Revenue Code. The plan was issued by TIAA-CREF. The annual plan contribution is up to five percent matching contribution of eligible employees' salaries. Retirement plan expense for the years ended December 31, 2014 and 2013 was \$43,911 and \$25,441, respectively.

Note 7. Deferred Rent

In connection with the lease for office space (see Note 8) WOLA is responsible for certain annual increases, and also received certain incentives for leasehold improvements totaling \$169,899. WOLA recognized the effect of such increases and incentives by recording a deferred rent liability. The deferred rent liability consists of the effects of the scheduled rent increases and the unamortized portion related to the incentives received for leasehold improvements. The deferred rent liability is increased or decreased by changes to rent expense over the lease-term on a straight-line basis.

Note 8. Lease Commitments

WOLA signed a lease for office space in December 2007, with a commencement date of July 1, 2008, and expiration date of June 30, 2018. The lease agreement provides for an annual increase of 2.5% to the base rent, except on the fifth anniversary date when the basic rent shall increase by one dollar and fifty cents per square foot. The agreement also provides for an option to extend the lease for an additional five-year term. The lease agreement also requires additional rent for the increase in real estate taxes and operating costs over the base year costs for WOLA's proportionate share of such costs.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 8. Lease Commitments

WOLA leases office equipment under an agreement which expires in 2018. The monthly payment under this lease is \$565.

The future minimum lease payments on an annual basis are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2015	\$ 392,367
2016	402,007
2017	411,888
2018	206,752
Thereafter	-
Total	<u>\$1,413,014</u>

In December 2007, WOLA entered into a sublease agreement for a portion of the office space for a period of five years. The sublease has been amended to and currently extends through June 30, 2015. The rental income is reported as a reduction of occupancy expense. The future minimum rental income from this sublease is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2015	<u>\$ 78,261</u>

Note 9. Concentrations

Donors

Three donors accounted for 44.3% of total revenue in 2014. Those same three donors accounted for approximately 87% of pledges receivable at December 31, 2014.

Two donors accounted for 33.4% of revenue in 2013. Three donors accounted for 95% of pledges receivable at December 31, 2013.

Note 10. Donated Services

During 2014, various entities provided pro bono goods and services valued at \$1,215 to the organization. These services are included in meetings and receptions in the fundraising column of the statement of functional expenses.

WASHINGTON OFFICE ON LATIN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

Note 11. Board-Designated Reserve

The Board of Directors has designated a portion of net assets for the following purpose:

	2014	2013
Reserve	\$ 770,658	\$ 733,241

Note 12. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of December 31:

	2013	Additions	Releases	2014
Andes Drug Policy	\$ 490,137	\$ 285,000	\$ 554,757	\$ 220,380
Cuba	132,382	207,000	332,882	6,500
Colombia	-	299,355	299,355	-
Human Rights	66,646	98,409	105,228	59,827
Mexico	20,042	1,226,321	437,523	808,840
Citizen Security/Gang	25,000	202,259	207,259	20,000
Regional – Security Policy	206,454	-	198,398	8,056
Reclassifications	-	(197,648)	(197,648)	-
Time-restricted 2014	300,000	-	300,000	-
Time-restricted 2015	-	563,500	-	563,500
Total	\$ 1,240,661	\$ 2,684,196	\$ 2,237,754	\$ 1,687,103

	2012	Additions	Releases	2013
Andes Drug Policy	\$ 107,421	\$ 626,000	\$ 243,284	\$ 490,137
Cuba	11,715	341,000	220,333	132,382
Colombia	-	188,412	188,412	-
Human Rights	65,017	37,935	36,306	66,646
Mexico	105,631	33,000	118,589	20,042
Gangs	10,469	90,000	75,469	25,000
Rights and Development	36,333	-	36,333	-
Security policy	159,811	299,000	252,357	206,454
Time-restricted 2013	300,000	-	300,000	-
Time-restricted 2014	300,000	-	-	300,000
Total	\$ 1,096,397	\$ 1,615,347	\$ 1,471,083	\$ 1,240,661