

**PARENTS, FAMILIES AND FRIENDS OF
LESBIANS AND GAYS, INC.**

AUDITED FINANCIAL STATEMENTS

September 30, 2013

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
AUDITED FINANCIAL STATEMENTS
September 30, 2013

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Board of Directors
Parents, Families and Friends
Of Lesbians and Gays, Inc.
Washington, DC

Independent Auditor's Report

We have audited the accompanying financial statements of Parents, Families and Friends of Lesbians and Gays, Inc. (PFLAG), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PFLAG as of September 30, 2013, 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.

Independent Auditor's Report
Parents, Families and Friends of Lesbians and Gays, Inc.

Report on Summarized Comparative Information

We have previously audited PFLAG's September 30, 2012 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated February 13, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Drolet + Associates, P.L.L.C.

Washington, DC
March 4, 2014

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
STATEMENT OF FINANCIAL POSITION

September 30, 2013

(With Summarized Financial Information for September 30, 2012)

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 298,189	\$ 271,604
Contributions receivable	2,476,903	532,214
Other receivables	90,432	79,201
Prepaid expenses	87,733	80,833
Inventory	51,018	32,395
TOTAL CURRENT ASSETS	3,004,275	996,247
CONTRIBUTIONS AND OTHER RECEIVABLES, net of current portion	241,016	425,582
FIXED ASSETS		
Furniture, fixtures and office equipment	178,117	178,117
Office equipment under capital lease	32,300	32,300
Software	227,791	227,791
Leasehold improvements	221,300	221,300
Website	4,100	4,100
	663,608	663,608
Accumulated depreciation and amortization	(472,688)	(402,590)
NET FIXED ASSETS	190,920	261,018
SECURITY DEPOSIT	16,621	16,621
TOTAL ASSETS	\$ 3,452,832	\$ 1,699,468

Continued

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
STATEMENT OF FINANCIAL POSITION (Continued)
September 30, 2013
(With Summarized Financial Information for September 30, 2012)

	2013	2012
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 229,908	\$ 202,136
Deferred rent	21,157	21,157
Obligation under capital lease	4,085	9,375
Deferred revenue	57,875	4,250
TOTAL CURRENT LIABILITIES	313,025	236,918
DEFERRED RENT , net of current portion	259,929	276,318
OBLIGATION UNDER CAPITAL LEASE , net of current portion	-0-	4,085
TOTAL LIABILITIES	572,954	517,321
NET ASSETS		
Unrestricted	115,662	122,052
Temporarily restricted	2,764,216	1,060,095
TOTAL NET ASSETS	2,879,878	1,182,147
TOTAL LIABILITIES AND NET ASSETS	\$ 3,452,832	\$ 1,699,468

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

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013
(With Summarized Financial Information for the Year Ended September 30, 2012)

	Unrestricted	Temporarily Restricted	2013 Total	2012 Total
REVENUES				
Contributions and gifts	\$ 1,781,197	\$ 2,354,140	\$ 4,135,337	\$ 2,390,495
Chapter dues	71,255		71,255	75,308
Care with Pride fees and contributions	150,000		150,000	232,100
Training service fees	151,785		151,785	193,030
Product and publications	56,848		56,848	45,643
Special events (net of direct expenses of approximately \$98,000)	170,614		170,614	209,217
Gain on sale of investments	-0-		-0-	77
Other income	8,027		8,027	9,171
Net assets released from restrictions	650,019	(650,019)	-0-	-0-
TOTAL REVENUES	3,039,745	1,704,121	4,743,866	3,155,041
EXPENSES				
PROGRAM				
Policy and programs	1,509,307		1,509,307	1,658,105
Outreach and education	925,559		925,559	1,004,041
TOTAL PROGRAM	2,434,866	-0-	2,434,866	2,662,146
SUPPORTING				
Fundraising and development	375,320		375,320	425,692
General and administrative	235,949		235,949	163,666
TOTAL SUPPORTING	611,269	-0-	611,269	589,358
TOTAL EXPENSES	3,046,135	-0-	3,046,135	3,251,504
CHANGE IN NET ASSETS	(6,390)	1,704,121	1,697,731	(96,463)
NET ASSETS, BEGINNING OF YEAR	122,052	1,060,095	1,182,147	1,278,610
NET ASSETS, END OF YEAR	\$ 115,662	\$ 2,764,216	\$ 2,879,878	\$ 1,182,147

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

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2013
(With Summarized Financial Information for the Year Ended September 30, 2012)

	Policy and programs	Outreach and education	Programs total	Fundraising and development	General and administrative	2013 Total	2012 Total
Salaries	\$ 591,788	\$ 450,766	\$ 1,042,554	\$ 64,899	\$ 86,355	\$ 1,193,808	\$ 1,207,711
Employee benefits and payroll taxes	130,583	100,149	230,732	14,419	19,186	264,337	264,524
Professional fees	156,429	76,845	233,274	118,266	43,390	394,930	354,444
Travel	103,478	78,805	182,283	15,485	26,226	223,994	285,768
Printing	96,754	12,938	109,692	57,306	266	167,264	194,011
Occupancy	96,132	75,766	171,898	10,217	13,595	195,710	200,935
Conferences, conventions and meetings	10,346	9,852	20,198	45,026	3,222	68,446	91,362
Postage and delivery	89,910	21,116	111,026	21,504	523	133,053	149,143
Depreciation and amortization	34,628	26,558	61,186	3,824	5,088	70,098	82,975
Telecommunications	22,207	14,500	36,707	2,085	3,244	42,036	44,026
Scholarships and awards	106,387	-0-	106,387	-0-	-0-	106,387	138,013
Advertising	-0-	1,302	1,302	-0-	-0-	1,302	1,566
Bank charges and credit card fees	-0-	-0-	-0-	-0-	28,837	28,837	21,054
IT services	9,801	7,974	17,775	2,546	1,451	21,772	19,777
Supplies	17,236	14,662	31,898	2,388	2,208	36,494	46,625
Equipment and maintenance	2,785	2,068	4,853	298	430	5,581	9,619
Staff development and appreciation	1,196	1,721	2,917	121	294	3,332	4,202
State charitable registrations	3,331	-0-	3,331	6,373	-0-	9,704	9,544
Miscellaneous	53	79	132	88	327	547	812
Dues and subscriptions	1,000	495	1,495	-0-	100	1,595	5,696
List rental	25,622	-0-	25,622	9,801	-0-	35,423	40,481
Insurance	5,491	4,212	9,703	606	807	11,116	13,493
Taxes and licenses	3,724	143	3,867	21	337	4,225	32,683
Cost of goods sold	-0-	25,281	25,281	-0-	-0-	25,281	31,666
Interest	426	327	753	47	63	863	1,374
TOTAL EXPENSES	\$ 1,509,307	\$ 925,559	\$ 2,434,866	\$ 375,320	\$ 235,949	\$ 3,046,135	\$ 3,251,504

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

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2013
(With Summarized Financial Information for the Year Ended September 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	\$ 1,697,731	\$ (96,463)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	70,098	82,974
Net loss (gain) on investments	100	(77)
Increase in contributions receivable	(1,760,123)	(98,794)
Increase in other receivables	(11,231)	(42,866)
(Increase) decrease in prepaid expenses	(6,900)	17,548
Increase in inventory	(18,623)	(4,026)
Increase in accounts payable and accrued expenses	27,772	81,502
Decrease in deferred rent	(16,389)	(11,424)
Increase (decrease) in deferred revenue	53,625	(58,739)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	36,060	(130,365)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases and donations of investments	(1,044)	(7,249)
Proceeds from sales of investments	944	7,325
Purchases and donations of fixed assets	-0-	-0-
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(100)	76
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease obligations	(9,375)	(8,800)
NET CASH USED IN FINANCING ACTIVITIES	(9,375)	(8,800)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	26,585	(139,089)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	271,604	410,693
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 298,189	\$ 271,604
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 863	\$ 1,374

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

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Parents, Families and Friends of Lesbians and Gays, Inc. (PFLAG) was incorporated in the state of California in 1981 to promote the health and well-being of lesbian, gay, bisexual and transgender (LGBT) persons, their families, and friends through: Support, to cope with an adverse society; Education, to enlighten an ill-informed public; and Advocacy, to end discrimination and to secure equal civil rights. PFLAG provides opportunity for dialogue about sexual orientation and gender identity, and acts to create a society that is healthy and respectful of human diversity. These activities are funded primarily through grants and contributions.

The following programs are included in the accompanying financial statements:

Policy and programs

PFLAG helps to strengthen chapters by fostering greater networking among chapters and allies in the same regions and states and building state leadership teams to coordinate activities. PFLAG also endeavors to create stronger and more unified statewide PFLAG family voices to support families, educate communities and advocate for equality. Among the many advocacy issues are parenting rights, employment nondiscrimination, safer schools, inclusive and affirming faith communities, marriage equality, hate crimes and more. PFLAG scholarships provide an important, positive statement to a group of young people and their allies, LGBT people who are often marginalized and subjected to harassment and discrimination. The program also provides PFLAG's chapters with a critical link to their local schools.

Outreach and education

PFLAG communicates its core messages through interviews, press releases, new media, social networking and other areas related to maintaining PFLAG's public presence at the national and local levels. The public also has access to PFLAG's messaging through the PFLAG websites. PFLAG coordinates public appearances by national leadership including appearances speaking about families with LGBT loved ones. PFLAG provides publications to members and the general public about sexual orientation, gender identity and relevant issues. PFLAG provides newsletters which inform members about PFLAG and public issues, and publishes a wide variety of resources for its chapter education programs. PFLAG creates special events in communities across the country to educate the general public about its mission and offers opportunities for public engagement at the local and national levels. Through its Straight for Equality project, PFLAG educates and engages straight allies in a variety of forums including the workplace, healthcare facilities, and in faith communities.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Tax Status PFLAG is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code except on net income derived from unrelated business activities and is not considered a "private foundation" by the Internal Revenue Service.

PFLAG requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. PFLAG does not believe its financial statements include, or reflect, any uncertain tax positions.

PFLAG's Form 990, Return of Organization Exempt from Income Tax, the Form 990-T, Federal Exempt Organization Unrelated Business Income Tax Return and the District of Columbia Form D-20 returns are subject to examination by the taxing authorities generally for three years after filing.

**Cash and Cash
Equivalents**

PFLAG considers as cash and cash equivalents all cash and highly liquid investments with maturities of three months or less.

**Contributions
Receivable**

Contributions receivable primarily consist of bequests and pledges from corporations, foundations and individuals. The management of PFLAG reviews the collectability of the contributions receivable on a regular basis. No reserve for doubtful accounts has been established since management expects to collect all contributions receivable in full.

Other Receivables

Other receivables primarily consist of amounts due from special events and training service fees. The management of PFLAG reviews the collectability of the other receivables on a regular basis. No reserve for doubtful accounts has been established since management expects to collect all other receivables in full.

Inventory

Inventory consists of publications that are sold and distributed to members and interested parties. Inventory is stated at the lower of cost or market and is valued using the first-in, first-out method of inventory valuation.

Fixed Assets

PFLAG capitalizes all fixed asset acquisitions of \$1,500 and above. Fixed assets are recorded at cost if purchased or at fair market value at date of donation, if contributed. Depreciation is provided using the straight-line method over the estimated useful life of the asset or for leasehold improvements the shorter of the useful life or the remaining lease term. Expenditures for fixed assets and related betterments that extend the useful lives of the assets are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Contributions	Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. PFLAG reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. 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.
Training service Fees	Training service fees are recognized as revenue in the year the training is provided.
Donated Services	Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by PFLAG. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.
Estimates	The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
Functional Expense Allocation	The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.
Prior Year Information	The financial statements include certain prior year summarized comparative totals as of and for the year ended September 30, 2012. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2012, from which the summarized information was derived.
Reclassifications	Certain 2012 amounts have been reclassified for comparative purposes.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE B - CONTRIBUTIONS RECEIVABLE

In July 2007, PFLAG was notified that it was the recipient of a bequest which will be paid in thirty-two quarterly installments until the fund is exhausted. The assets are held in a donor designated fund established by the decedent's estate. As of September 30, 2013, the value is estimated to be approximately \$438,000. The discount rate applied to the bequest is based on the July 31, 2007 U.S. Treasury rate of 4.96%.

The remaining contributions receivable at September 30, 2013 represent unconditional promises to give, which includes amounts from donors and are recorded at net realizable value.

Contributions receivable as of September 30, 2013 are summarized below:

Description	Amount
Contributions receivable in less than one year	\$ 2,476,903
Contributions receivable in one to five years	268,630
Total contributions receivable	2,745,533
Less: discount to net present value	(27,614)
Net contributions receivable	\$ 2,717,919

NOTE C – DONATED SERVICES

For the year ended September 30, 2013 the fair value of donated services are included in contributions and gifts in the statement of activities. The corresponding program and supporting expenses for the year ended September 30, 2013, are as follows:

Description	Policy and programs	Outreach and education	Fundraising and development	General and administrative	Total
Professional fees	\$ 67,041	\$ 51,416	\$ 7,403	\$ 9,850	\$ 135,710
Total donated services	\$ 67,041	\$ 51,416	\$ 7,403	\$ 9,850	\$ 135,710

NOTE D – UNUSED LINE OF CREDIT

During the year ended September 30, 2013, PFLAG had available a revolving line of credit (the Line of Credit) of \$100,000 with a bank to be drawn upon as needed with an interest rate of 3.25% based on the Prime Rate as established from time to time by the bank. The Line of Credit was secured by substantially all of PFLAG's assets. The Line of Credit matured and was not renewed on March 22, 2013.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE E - OPERATING LEASE

PFLAG has entered into a lease for office space and is obligated under the lease through 2020.

Under the terms of the lease the base rent increases annually based on scheduled increases provided for in the lease. Also, under the terms of the lease, the lessor provided lease incentives totaling approximately \$222,000 to build out the office space. Under accounting principles generally accepted in the United States of America (GAAP) all rental payments, including fixed rent increases, are recognized on a straight-line basis over the term of the lease. Lease incentives are amortized over the life of the lease on a straight-line basis as an offset to rent expense. The difference between the GAAP rent expense and the required lease payments, as well as any unamortized lease incentives, are reflected as deferred rent in the accompanying statement of financial position.

As of September 30, 2013, future minimum lease payments under the operating lease are as follows:

<i>Year Ending September 30,</i>	Amount
2014	\$ 208,762
2015	216,093
2016	223,009
2017	228,596
Thereafter	699,943
Total	\$ 1,576,403

Occupancy expense totaled approximately \$196,000 for the year ended September 30, 2013.

NOTE F - COMMITMENTS

PFLAG has entered into an agreement with a hotel to provide event, banqueting facilities and accommodations for its event to be held in April 2014. The agreement contains a clause whereby PFLAG is liable for liquidated damages in the event of cancellation or lower than anticipated attendance. At September 30, 2013, management of PFLAG has estimated that the amount of liquidated damages in the event of cancellation to be approximately \$51,000. Management does not believe any cancellation under this agreement will occur.

In addition, PFLAG has entered into a contract for direct mail and fundraising consulting. Under the terms of the contract upon early cancellation PFLAG would be liable for approximately \$16,000. Management does not believe any cancellation under this contract will occur.

NOTE G - JOINT COST ALLOCATION

In 2013, PFLAG incurred joint costs of approximately \$406,000 for direct mail that included both a program component and a fundraising appeal. Of these costs, approximately \$232,000 was allocated to program services and \$174,000 was allocated to fundraising in the accompanying statement of functional expenses.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE H - RESTRICTIONS ON NET ASSETS

At September 30, 2013, PFLAG's temporarily restricted net assets consisted of the following:

Description	Amount
Straight for Equality Project	\$ 37,500
Scholarship/Safe Schools Program	13,646
PFLAG New York City Chapter	150
Time restriction	2,712,920
Total temporarily restricted	\$ 2,764,216

Net assets released from restrictions for the year ended September 30, 2013 were as follows:

Description	Amount
Straight for Equality Project	\$ 82,700
Scholarship/Safe Schools Program	30,344
Time restriction	536,975
Total releases	\$ 650,019

NOTE I - PENSION PLAN

PFLAG maintains a defined contribution retirement plan pursuant to Section 403(b) of the Internal Revenue Code which is available to all eligible employees. Employer matching contributions are made on behalf of employees with at least one year of service. PFLAG may also make additional employer contributions. Both employer and employee contributions are fully vested. Pension expense was approximately \$24,000 for the year ended September 30, 2013 and is included in employee benefits in the accompanying schedule of functional expenses.

NOTE J - EMPLOYMENT CONTRACT

Effective March 8, 2011, PFLAG entered into an employment contract (the Contract) with an employee that provides for a minimum annual salary adjusted annually and fringe benefits. The term of employment under the Contract is March 8, 2011 to March 7, 2015. In the event of termination without cause, PFLAG will pay the employee severance equal to 1.5 months of salary for each year or partial year (measured by anniversaries of employment), for which the employee has been employed by PFLAG, with the payment not to exceed the lesser of six months' salary or \$80,000.

PARENTS, FAMILIES AND FRIENDS OF LESBIANS AND GAYS, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2013

NOTE K - COLLECTIVE BARGAINING AGREEMENT

On November 29, 2012, PFLAG entered into a collective bargaining agreement with the Office and Professional Employees International Union, Local 2, AFL-CIO (the Union) to act as the sole exclusive bargaining agent with respect to rates of pay and other conditions of employment for those employees occupying positions stipulated and agreed to by PFLAG and the Union. The Agreement will remain in effect until September 30, 2017.

NOTE L - CONCENTRATIONS

As of September 30, 2013, two donors comprised 94% of the contributions and other receivables. For the year ended September 30, 2013, 53% of contributions and gifts revenue was from one donor.

As of September 30, 2013, approximately 36% of PFLAG's employees are members of Office and Professional Employees International Union, Local 2, AFL-CIO (the Union). PFLAG's contract with the Union is subject to renegotiation in 2017.

NOTE M - SUBSEQUENT EVENTS

Subsequent to year end, PFLAG entered into a lease agreement for certain equipment. Minimum future lease payments under the lease are as follows:

<i>Year Ending September 30,</i>	Amount
2014	\$ 2,800
2015	3,360
2016	3,360
2017	3,360
2018	560
Total minimum lease payments	13,440
Less amount representing interest	(1,305)
Present value of total minimum lease payments	\$ 12,135

Subsequent events were evaluated through March 4, 2014 which is the date the financial statements were available to be issued.