

Global Partners for Development

Financial Statements

Years Ended March 31, 2011 and 2010

Table of Contents

	Page
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6

Independent Auditors' Report

To the Board of Directors
Global Partners for Development
Rohnert Park, California

We have audited the accompanying statements of financial position of Global Partners for Development, (a California not-for-profit corporation) (the "Organization") as of March 31, 2011 and 2010, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Partners for Development as of March 31, 2011 and 2010, and the results of its activities and changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Pisenti & Brinker LLP

Petaluma, California
June 20, 2012

Local partnership. Global solutions.

Global Partners for Development**Statements of Financial Position**

March 31,	2011	2010
Assets		
Current assets		
Cash and cash equivalents	\$ 181,623	\$ 260,338
Contributions receivable, net	133,850	205,266
Prepaid expenses and other current assets	3,340	7,599
Total current assets	318,813	473,203
Restricted cash	16,880	16,880
Noncurrent contributions receivable	129,794	165,309
Deposits	3,981	3,839
Equipment, net	1,224	1,608
Total assets	\$ 470,692	\$ 660,839
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 10,556	\$ 7,905
Grants payable	95,154	124,233
Accrued vacation liability	50,280	41,246
Total current liabilities	155,990	173,384
Net assets		
Unrestricted	257,580	434,095
Temporarily restricted	40,242	36,480
Permanently restricted	16,880	16,880
Total net assets	314,702	487,455
Total liabilities and net assets	\$ 470,692	\$ 660,839

See accompanying Notes to Financial Statements

Global Partners for Development

Statements of Activities and Changes in Net Assets

For the Year Ended March 31,	2011				2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue								
Contributions	\$ 445,121	\$ 3,762	\$ -	\$ 448,883	\$ 759,609	\$ -	\$ -	\$ 759,609
Foundation and corporate grants	80,621	-	-	80,621	90,623	-	-	90,623
In-kind contributions	697,606	-	-	697,606	876,801	-	-	876,801
Program fees	143,901	-	-	143,901	26,250	-	-	26,250
Interest income	454	-	-	454	495	-	-	495
Net assets released from restrictions	-	-	-	-	101,478	(101,478)	-	-
Total support and revenue	1,367,703	3,762	-	1,371,465	1,855,256	(101,478)	-	1,753,778
Expenses								
Community development in East Africa	1,271,198	-	-	1,271,198	1,434,688	-	-	1,434,688
Administration	137,226	-	-	137,226	111,497	-	-	111,497
Fundraising	135,794	-	-	135,794	96,428	-	-	96,428
Total expenses	1,544,218	-	-	1,544,218	1,642,613	-	-	1,642,613
Changes in net assets	(176,515)	3,762	-	(172,753)	212,643	(101,478)	-	111,165
Net assets at beginning of year	434,095	36,480	16,880	487,455	221,452	137,958	16,880	376,290
Net assets at end of year	\$ 257,580	\$ 40,242	\$ 16,880	\$ 314,702	\$ 434,095	\$ 36,480	\$ 16,880	\$ 487,455

See accompanying Notes to Financial Statements

Global Partners for Development

Statements of Functional Expenses

	2011				2010			
	Program Activities		Supporting Activities		Program Activities		Supporting Activities	
	Community Development in East Africa	Administration	Fundraising	Total	Community Development in East Africa	Administration	Fundraising	Total
Grants - noncash	\$ 697,606	\$ -	\$ -	\$ 697,606	\$ 876,801	\$ -	\$ -	\$ 876,801
Salaries, benefits & payroll taxes	155,162	54,668	49,633	259,463	164,993	56,244	46,652	267,889
Grants - cash	208,310	-	-	208,310	337,143	-	-	337,143
Travel	142,330	145	1,467	143,942	29,069	220	2,207	31,496
Consulting fees	35,384	6,379	25,268	67,031	4,234	18,249	2,297	24,780
Rent & utilities	17,078	10,137	9,072	36,287	18,675	9,713	8,540	36,928
Promotional events	-	-	25,604	25,604	-	-	5,671	5,671
Postage and shipping	172	656	9,165	9,993	285	793	9,716	10,794
Bank charges	6,006	1,625	1,957	9,588	1,862	1,345	3,860	7,067
Printing and photocopying	-	56	9,064	9,120	256	300	8,476	9,032
Telephone and internet services	4,827	1,521	2,136	8,484	773	5,718	8,045	14,536
Bad debt	-	57,753	-	57,753	-	10,910	-	10,910
Insurance	3,271	1,363	818	5,452	-	5,199	-	5,199
Supplies	123	2,103	1,012	3,238	418	1,737	941	3,096
Miscellaneous	142	132	298	572	18	17	23	58
Meetings and events	235	304	-	539	161	118	-	279
Small equipment	463	-	-	463	-	98	-	98
Depreciation	-	384	-	384	-	586	-	586
Advertising & marketing	-	-	300	300	-	-	-	-
Training and education	89	-	-	89	-	250	-	250
Total	\$ 1,271,198	\$ 137,226	\$ 135,794	\$ 1,544,218	\$ 1,434,688	\$ 111,497	\$ 96,428	\$ 1,642,613

See accompanying Notes to Financial Statements

Global Partners for Development

Statements of Cash Flows

For the Year Ended March 31,	2011	2010
	Increase (decrease) in cash and cash equivalents	
Cash flows from operating activities		
Change in net assets	\$ (172,753)	\$ 111,165
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	384	586
(Increase) decrease in operating activities:		
Contributions receivable	106,931	(236,572)
Prepaid expenses and other current assets	4,259	(2,471)
Deposits	(142)	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	11,685	6,873
Grants payable	(29,079)	96,733
Net cash used in operating activities	(78,715)	(23,686)
Cash flows from investing activities		
Acquisition of equipment	-	(1,707)
Net decrease in cash and cash equivalents	(78,715)	(25,393)
Cash and cash equivalents at beginning of year	277,218	302,611
Cash and cash equivalents at end of year	\$ 198,503	\$ 277,218
 Cash and cash equivalent includes the following:		
Cash and cash equivalents	\$ 181,623	\$ 260,338
Restricted cash and cash equivalents	16,880	16,880
	\$ 198,503	\$ 277,218

See accompanying Notes to Financial Statements

Note A. Nature of Activities and Summary of Significant Accounting Policies**Nature of Activities**

Global Partners for Development ("Global Partners" or the "Organization") was incorporated on November 29, 1978. The Organization is a not-for-profit corporation established for the purpose of providing direct support to communities in east Africa working to attain economic self-sufficiency, by providing for essential human services to end hunger and poverty. Global Partners helps with initiatives designed to foster community involvement and sustainability in the areas of developing clean water sources, providing health and medical services, supporting income generation and women's empowerment, reducing malnutrition and supporting primary education. The Organization's activities are funded primarily through private grants and contributions. Its office is located in Rohnert Park, California.

Summary of Significant Accounting PoliciesBasis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted - Unconditional promises to give by donors without any use or time restrictions.

Temporarily restricted - Unconditional promises to give by donors that stipulate a specific use or the occurrence of a certain future event. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets held by the Organization are primarily restricted for the purpose of supporting various community programs in east Africa. Such net assets amounted to \$40,242 and \$36,480 as of March 31, 2011 and 2010, respectively.

Permanently restricted - Unconditional promises to give by donors that specify that the assets donated be maintained to provide a permanent source of income. If the donor does not restrict the allowed use of the income, the Organization may determine the income's availability to the Organization's operations. As of March 31, 2011 and 2010, the Organization had permanently restricted net assets in the amount of \$16,880.

Note A. Nature of Activities and Summary of Significant Accounting Policies (continued)**Summary of Significant Accounting Policies** (continued)Cash and cash equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except when a restriction is imposed which limits the investment's use to long-term.

Equipment and depreciation

Equipment is stated at cost. Depreciation is computed on the straight-line method over useful lives, generally five years. It is the Organization's policy to capitalize property and equipment over \$1,000.

Contributions

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 and other assets as 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 restriction. Temporarily restricted contributions whose donor-imposed restrictions are fulfilled or expire within the same reporting period are reported as unrestricted contributions.

Verifiable pledges for contributions are recorded as contributions receivable. Contributions that are expected to be collected within one year are recorded at net realizable value. Contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the contributions are made. Amortization of the discount is included in contribution revenue. Management believes all contributions receivable as of March 31, 2011 are collectible.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received. Many individuals volunteer their time and perform a variety of tasks that assist the Organization at programming events and fundraising activities; however, these donated services are not reflected in the financial statements since the services do not require specialized skills.

Contributed medical supplies are recorded at fair value at the date of donation. The Organization received in-kind donations of medical supplies in the amount of \$697,606 and \$876,801 for the years ended March 31, 2011 and 2010, respectively.

Note A. Nature of Activities and Summary of Significant Accounting Policies (continued)

Summary of Significant Accounting Policies (continued)

Income taxes

The Organization is a nonprofit organization and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701(d). However, the Organization is subject to income taxes on any net income that is derived from a trade or business, regularly carried on, and not in furtherance of the purposes for which it was granted exemption, commonly referred to as unrelated business income. No income tax provision has been recorded for the years ended March 31, 2011 and 2010, since management determined that the Organization had no unrelated business income.

The Organization determines whether its tax positions are "more-likely-than-not" to be sustained upon examination by the applicable taxing authority based on the technical merits of the positions. As of March 31, 2011, the Organization has reviewed its tax positions and has concluded no reserve for uncertain tax positions is required. The Organization's exempt organization information returns are subject to review through three years after the date of filing for federal and four years after the date of filing for state. The Organization's open tax years subject to review are 2006-2010 for state and 2007-2010 for federal.

Use of 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 based on management's knowledge and experience. Those estimates affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue, support and expenses. The use of management's estimates primarily relate to the collectability of contributions receivable and the depreciable lives of equipment. Actual results could differ from those estimates.

Note B. Contributions Receivable

Contributions receivable consist of the following as of March 31:

	2011	2010
Unrestricted	\$ 293,828	\$ 348,019
Temporarily restricted	30,480	36,480
	324,308	384,499
Less: uncollectable accounts	(50,800)	-
Contributions receivable before unamortized discount	273,508	384,499
Less: unamortized discount	(9,864)	(13,924)
Net contributions receivable	\$ 263,644	\$ 370,575

Contributions receivable as of March 31, 2011 are expected to be collected as follows:

Less than one year	\$ 133,850
One to five years	139,658
	\$ 273,508

Note C. Equipment and Depreciation

Equipment consists of the following as of March 31:

	2011	2010
Equipment	\$ 14,022	\$ 14,022
Accumulated depreciation	(12,798)	(12,414)
	\$ 1,224	\$ 1,608

Depreciation for the year ended March 31, 2011 and 2010 was \$384 and \$586.

Note D. Operating Lease Obligations

The Organization leases its offices in Rohnert Park, California, under a non-cancelable arrangement that expired on May 31, 2010. Subsequent to May 31, 2010, the lease terms became month to month. Rent was \$2,770 per month as of March 31, 2011.

Total rent expense was \$33,240 for both years ended March 31, 2011 and 2010.

Note E. Concentration

At various times during the years ended March 31, 2011 and 2010, the Organization had deposit amounts with a financial institution in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limit. At March 31, 2011, the Organization did not have any amount on deposit in excess of the FDIC insured amount.

Note F. Subsequent Events

The Organization evaluated subsequent events from April 1, 2011 through June 19, 2012, the date which the financial statements were available to be issued, and determined that there were no reportable events.