

GLOBAL PARTNERS FOR DEVELOPMENT

FINANCIAL STATEMENTS

Year Ended March 31, 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Global Partners for Development

I have reviewed the accompanying statement of financial position of Global Partners for Development (a not-for-profit organization) as of March 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountant's Responsibility

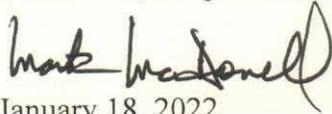
My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying supplementary information included in the comparative totals as of and for the year ended March 31, 2020 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. I have not audited or reviewed such information and I do not express an opinion, a conclusion, nor provide any assurance on it.



January 18, 2022

GLOBAL PARTNERS FOR DEVELOPMENT
STATEMENT OF FINANCIAL POSITION
March 31, 2021
(with comparative totals as of March 31, 2020)

	2021	2020
ASSETS		
Cash and cash equivalents	\$668,103	\$245,395
Investments	302,029	225,201
Receivables		
Contributions receivable	57,600	173,875
Other receivables	10,881	-
Prepaid expenses	8,501	38,026
Total current assets	1,047,114	682,497
Office equipment and furniture, net	22	257
TOTAL ASSETS	\$1,047,136	\$682,754
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable, including credit card liabilities	\$16,622	\$4,906
Accrued employee-related expenses	15,768	12,032
Current portion of long-term debt	500	-
Total current liabilities	32,890	16,938
Economic injury disaster loan, net of current portion	24,000	-
Forgivable loan received under the Small Business Administration Paycheck Protection Program	44,759	-
Total liabilities	101,649	16,938
 Net assets		
Without donor restrictions	506,354	367,668
With donor restrictions	439,133	298,148
Total net assets	945,487	665,816
TOTAL LIABILITIES AND NET ASSETS	\$1,047,136	\$682,754

See accompanying notes and independent accountant's review report.

GLOBAL PARTNERS FOR DEVELOPMENT
STATEMENT OF ACTIVITIES
Year Ended March 31, 2021
(with comparative totals for the year ended March 31, 2020)

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Totals</u>	
			2021	2020
REVENUES AND SUPPORT				
Contributions in cash and other financial assets	\$236,030	\$770,982	\$1,007,012	\$778,956
Contributions in-kind				
Services	-	70,425	70,425	162,300
Goods	-	-	-	35,700
Forgiven loan under the Paycheck Protection Program	45,152	-	45,152	-
Interest income	2,082	-	2,082	3,507
Gains (losses) realized on sales of investments	957	-	957	(111)
Other	494	-	494	54
Service fees	-	-	-	16,850
Special events	-	-	-	15,201
Net assets released from restrictions	700,422	(700,422)	-	-
Total revenues and support	<u>985,137</u>	<u>140,985</u>	<u>1,126,122</u>	<u>1,012,457</u>
EXPENSES				
Program services	733,815	-	733,815	1,002,939
Supporting services:				
General and administrative	74,007	-	74,007	67,542
Fund-raising	38,629	-	38,629	46,715
Total expenses	<u>846,451</u>	<u>-</u>	<u>846,451</u>	<u>1,117,196</u>
CHANGE IN NET ASSETS	138,686	140,985	279,671	(104,739)
BEGINNING NET ASSETS	<u>367,668</u>	<u>298,148</u>	<u>665,816</u>	<u>770,555</u>
ENDING NET ASSETS	<u><u>\$506,354</u></u>	<u><u>\$439,133</u></u>	<u><u>945,487</u></u>	<u><u>\$665,816</u></u>

See accompanying notes and independent accountant's review report.

GLOBAL PARTNERS FOR DEVELOPMENT
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended March 31, 2021
(with comparative totals for the year ended March 31, 2020)

	Program Services	General & Administ- rative	Fund- raising	Totals	
				2021	2020
Grants					
Program grants	\$337,076	\$ -	\$ -	\$337,076	\$358,987
On-site program management in Africa	115,340	-	-	115,340	120,809
Salaries and wages	134,302	20,748	21,141	176,191	186,720
Donated services	70,425	-	-	70,425	162,300
Professional services	21,363	16,799	-	38,162	20,396
Payroll taxes	11,285	997	1,791	14,073	28,496
Rent	7,560	1,890	3,150	12,600	12,600
Employee benefits	8,638	1,258	2,514	12,410	13,190
Office expenses	5,546	4,070	2,633	12,249	11,456
Marketing	250	7,337	4,490	12,077	19,918
Insurance	6,593	2,704	95	9,392	8,848
Employee training	8,257	-	-	8,257	12,691
Bad debts	-	8,175	-	8,175	-
Bank & credit card fees	1,640	4,234	-	5,874	5,641
Telephone	2,135	2,868	306	5,309	7,863
Travel	2,700	2,431	46	5,177	139,066
Event expenses	-	133	2,258	2,391	6,979
Utilities	705	102	205	1,012	1,236
Depreciation	-	261	-	261	-
	<u>\$733,815</u>	<u>\$74,007</u>	<u>\$38,629</u>	<u>\$846,451</u>	<u>\$1,117,196</u>

See accompanying notes and independent accountant's review report.

GLOBAL PARTNERS FOR DEVELOPMENT
STATEMENT OF CASH FLOWS
Year Ended March 31, 2021
(with comparative totals for the year ended March 31, 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$279,671	(\$104,739)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	261	-
Other	(2,016)	-
(Increase) decrease in:		
Receivables	105,394	(68,790)
Prepaid expenses	29,525	(15,597)
Increase (decrease) in:		
Accounts payable, including credit card liabilities	11,716	(15,037)
Accrued employee-related expenses	3,736	(6,737)
Travel advances	-	(16,850)
Net cash from operating activities	428,287	(227,750)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(74,838)	(125,201)
Net cash from investing activities	(74,838)	(125,201)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Economic Injury Disaster Loan	24,500	-
Proceeds from Paycheck Protection Program Loan	44,759	-
Net cash from financing activities	69,259	-
CHANGE IN CASH AND CASH EQUIVALENTS	422,708	(\$352,951)
BEGINNING CASH AND CASH EQUIVALENTS	245,395	598,346
ENDING CASH AND CASH EQUIVALENTS	\$668,103	\$245,395

See accompanying notes and independent accountant's review report.

**GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021**

Note 1 – Organization and Nature of Programs

Formed in 1979, Global Partners for Development works directly with communities in Kenya, Tanzania, and Uganda to identify and implement development projects in the areas of education and public health.

Our mission is to take an authentic and sustainable approach to community-driven development in impoverished regions of East Africa. That means supporting schools and community-based organizations to manage education and public health interventions that generate lasting change for local people.

Our partnerships are essential to the realization of our mission. In our experience, working directly with local communities not only promotes human dignity, but also empowers people to break the vicious cycle of poverty. We value the insight of community leaders and school management committees on the real needs at hand and the best methods for tackling them.

Our vision is grounded in the belief that local people are the key to responsible development. We envision a world where even disenfranchised communities have the capacity to build sustainable solutions to the problems they face.

Our approach is to partner with local communities to identify, implement, and sustain projects that improve education and public health in rural East Africa.

Recent accomplishments – In the fiscal year ended March 31, 2021, we implemented WASH (water, sanitation, and hygiene) and infrastructure projects at 16 East African primary schools and also partnered with community-based organizations in Kenya and Tanzania to install community handwashing stations, disseminate accurate public health information on the prevention of COVID-19, and provide personal protective equipment and other medical supplies to local hospitals and clinics. In Uganda, we provided scholarships for girls who otherwise would be unable to attend school. In addition, we were the fiscal sponsor of WomenSaves, a project providing financial education and access to financial services to local women in Uganda (see Note 8 for subsequent event involving WomenSaves).

COVID-19 pandemic impacts – We traditionally offer educational trips to visit our East African projects, but due to Covid-19, such trips are suspended. Otherwise, our community-led initiatives to improve education and public health in East Africa have continued, only slightly abated by the pandemic.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – Our financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation – We report information regarding financial position and activities in two classes of net assets:

Net Assets without Donor Restrictions: Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

Net Assets with Donor Restrictions: Net assets subject to donor-imposed stipulations that may be fulfilled by actions of Global Partners to meet the stipulations, or that become unrestricted at the date specified by the donor.

Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions.

Contributed Services – Contributed services are recognized when received if such services (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated.

Contributed Goods – Contributed goods are recorded at their estimated fair values.

Cash and Cash Equivalents – For purposes of these statements, we consider all highly liquid investments with a maturity of three months or less to be cash equivalents.

Cash and cash equivalents accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Uninsured cash and cash equivalent balances were \$196,806 as of March 31, 2021.

Receivables - Receivables are reported at net realizable value, management’s estimate of the amount that will ultimately be collected. Uncollectible receivables are charged to operations using the allowance method. The allowance for doubtful accounts is based on the identification of potentially uncollectible accounts, the level of delinquent accounts based on contractual terms, and our historical collection experience. Management performs a review as of the end of each fiscal year to identify delinquent receivables. When efforts to collect delinquent receivables fail, receivables are written off. Management believes receivables at March 31, 2021 will be fully collected. Accordingly, no allowance for doubtful receivables was recorded.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Investments – Investments are stated at fair value with unrealized and realized gains and losses reported in our statement of activities.

Office Equipment and Furniture – We generally capitalize office equipment and furniture if cost equals or exceeds \$1,000. Office equipment and furniture are carried at cost or at estimated fair market value at date of donation. Depreciation is calculated using the straight-line method over the estimated useful life of the asset. The estimated useful life of office equipment and furniture is 5 years.

Office equipment and furniture as of March 31, 2021 is summarized as follows:

Office equipment and furniture	\$17,026
Accumulated depreciation	(17,004)
	<hr/>
Office equipment and furniture, net	\$22
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Income Taxes – Global Partners is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. Management has processes in place to ensure the maintenance of Global Partners’ tax-exempt status. Our federal returns are subject to examination for up to three years, our California returns are subject to examination for up to four years.

Estimates – The preparation of financial statements in conformity of generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Fair Value Measurements – Generally accepted accounting principles classifies fair value measurements within these levels:

- Level 1: Measurement is based on quoted market prices in active markets for identical assets or liabilities.
- Level 2: Measurement is based on observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Measurement is based on unobservable inputs that are not corroborated by market data.

Our fair value measurements for investments are Level 1 measurements. Our fair value measurements for donated services are Level 2 measurements based on costs of similar items.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Functional Expense Allocation - Our expenses are presented on a functional basis (i.e., program, administrative, or fundraising). Certain categories of expenses are attributable to more than one function and must be allocated on a reasonable and consistent basis. Compensation and benefits are allocated on the basis of estimates of time and effort; facilities costs, including utilities, insurance and depreciation are allocated on the basis of estimated usage. The allocations are presented in the accompanying statement of functional expenses.

Comparative Totals - The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with our financial statements for the year ended March 31, 2020 from which the summarized information was derived. Certain amounts have been reclassified to conform to the 2021 presentation.

Date of Management’s Review - Subsequent events were evaluated through January 18, 2022, which is the date the financial statements were available to be issued.

Note 3 – Contributions Receivable

Contributions receivable are scheduled to be collected as follows:

Receivable in less than one year	\$56,600
Receivable in one to five years	<u>1,000</u>
	<u><u>\$57,600</u></u>

As of March 31, 2021, 80% of contributions receivable were concentrated in four donors.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 4 – Investments

Our investments consisted of the following:

	March 31, 2021	
	Fair Value	Cost
Certificates of deposit	\$300,039	\$300,000
Equity securities	1,990	4,286
Total	\$302,029	\$304,286

Certificates of deposit consisted of the following:

	Fair Value	Interest Rate	Maturity Date
SAFRA National Bank	\$150,039	0.10%	November 2, 2021
Southeast Bank	150,000	0.05%	April 15, 2021
	\$300,039		

Note 5 – Accrued Employee Vacation Benefits

Accumulated unpaid employee vacation benefits are recognized as liabilities. The value of accrued vacation at March 31, 2021 was \$11,440.

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated sick leave benefits are not recognized as liabilities since payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenses in the period taken.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 6 – Economic Injury Disaster Loan

In May 2020, we obtained a \$24,500 Economic Injury Disaster Loan (EIDL) provided for by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Monthly payments of \$105 including 2.75% interest begin May 2021 and continue for 30 years.

Future maturities are as follows:

Fiscal year ending March 31,	
2022	\$500
2023	600
2024	600
2025	600
2026	600
Thereafter	21,600
	\$24,500

Note 7 – Forgivable Loans Under Paycheck Protection Program

On April 22, 2020, we received loan proceeds in the amount of \$45,152 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying entities for amounts up to 2.5 times of an entity’s average monthly payroll expenses. The loan and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness is reduced if the borrower terminates employees or reduces salaries during the eight-week period. We used our PPP loan for eligible purposes and were notified March 1, 2021 that our initial loan was fully forgiven.

On February 16, 2021, we received a second Paycheck Protection Program (“PPP”) loan of \$44,759. It was also used for eligible purposes and we were notified on September 13, 2021 that it was fully forgiven.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 8 – Net Assets With Donor Restrictions

Net assets released from donor restrictions either by incurring expenses that satisfied restricted purposes or by occurrence of the passage of time specified by donors totaled \$700,422 in the fiscal year ended March 31, 2021. It primarily consists of amounts expended on our educational projects.

As of March 31, 2021, net assets with donor restrictions were comprised of the following purpose or time restrictions:

Educational projects	\$372,200
Water projects	23,760
WomenSaves	18,304
Scholarships	5,514
Health projects	2,475
Permanently restricted endowment, investment earnings are appropriated by Global Partners' board of directors	16,880
	\$439,133

Following the fiscal year ended March 31, 2021, WomenSaves obtained its 501(c)(3) tax-exempt status becoming an autonomous entity with no financial or administrative ties to Global Partners. Global Partners distributed its WomenSaves net assets with donor restrictions to the newly-formed entity.

Note 9 – Office Lease

Our office lease requires monthly payments of \$1,050, adjusted annually by the higher of 3% or the US Consumer Price Index for the San Francisco Bay Area. The lease expires May 31, 2022. Future minimum lease payments are as follows:

	Year ending March 31,	
	2022	\$12,600
	2023	2,100
	Total	\$14,700

Rent expense for the year ended March 31, 2021 was \$12,600.

GLOBAL PARTNERS FOR DEVELOPMENT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Note 10 – Major Donor

For the year ended March 31, 2021, 48% of contributions in cash and other financial assets were concentrated in one major donor.

Note 11 – Contributed Services

For the year ended March 31, 2021, contributed services consisted of engineering services on rural East African communities' construction projects.

Note 12 – Related Party Transactions

For the year ended March 31, 2021, board members contributed \$62,500 in cash and other financial assets and \$70,425 in services.

Note 13 – Liquidity Management

The following information reflects our financial assets reduced by amounts not available for general expenditures within one year due to either contractual or donor-imposed restrictions or board designations.

Financial assets at March 31, 2021	
Cash and cash equivalents	\$668,103
Investments	302,029
Receivables:	
Contributions due in less than one year	56,600
Other receivables	10,881
Total financial assets	<u>1,037,613</u>
Less those unavailable for general expenditures within one year due to:	
Donor restrictions	<u>(439,133)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$598,480</u></u>

Global Partners operates with a balanced budget and anticipates covering general expenditures by maintaining and expanding existing relationships with donors who have provided donations without restrictions and are willing to continue their support.