

**GLOBAL FOOTPRINT NETWORK, INC.  
A CALIFORNIA NONPROFIT ORGANIZATION**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

**AND DECEMBER 31, 2017**

## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT .....	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position .....	3
Statement of Activities .....	4-5
Statement of Cash Flows .....	6
Statement of Functional Expenses .....	7-8
NOTES TO FINANCIAL STATEMENTS .....	9-15



*Patricia A. Wintroath, CPA*

Independent Auditor's Report

Board of Directors  
Global Footprint Network, Inc.  
Oakland, CA

I have audited the accompanying financial statements of Global Footprint Network, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, 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**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Footprint Network, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Patricia A. Wintroath, CPA  
Certified Public Accountant  
Walnut Creek, CA

May 14, 2019

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2018**

---

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$571,329	\$1,375,844
Grants and accounts receivable without donor restrictions (Note C)	319,877	37,392
Grants and accounts receivable with donor restrictions (Note C)	192,500	0
Prepaid expenses	<u>19,981</u>	<u>27,157</u>
TOTAL CURRENT ASSETS	1,103,687	1,440,393
PROPERTY AND EQUIPMENT net of accumulated depreciation and amortization at December 31, 2018 and 2017 of \$25,501 and \$54,400, respectively. (Notes B and D)	24,512	73,269
GENEVA GIFT TO BE TRANSFERRED DEPOSITS	106,648 <u>9,020</u>	0 <u>9,020</u>
TOTAL ASSETS	<u>\$1,243,867</u>	<u>\$1,522,682</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$28,137	\$39,720
Accrued vacation (Note E)	<u>24,426</u>	<u>41,921</u>
TOTAL CURRENT LIABILITIES	52,563	81,641
COMMITMENTS AND CONTINGENCIES (Note F)		
NET ASSETS (Notes B & G)		
Without Donor Restrictions	728,792	314,856
With Donor Rstrictions	<u>462,512</u>	<u>1,126,185</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,243,867</u>	<u>\$1,522,682</u>

See Notes to Financial Statements and Accountant's Review Report

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2018**

	Without Donor Restrictions		With Donor Restrictions	Total All Funds 2018
	General Fund	Property and Equipment		
<b>SUPPORT AND REVENUE</b>				
Public Support:				
Foundation grants	\$21,750	\$	\$330,000	\$351,750
Contributions	255,935		85,995	341,930
In-kind contributions	74,272			74,272
<b>Total Support</b>	<b>351,957</b>	<b>0</b>	<b>415,995</b>	<b>767,952</b>
Revenue:				
Fees for services	309,619			309,619
Honorarium	26,647			26,647
License fees	73,090			73,090
Miscellaneous	72,423			72,423
Royalties	123			123
Investment income	16			16
Realized gain (loss) on disposal of assets		(38,868)		(38,868)
Realized gain (loss) on exchange account				0
Unrealized gain (loss) on exchange account	(3,709)			(3,709)
Unrealized gain (loss) on investments	(136)			(136)
<b>Total Revenue</b>	<b>478,073</b>	<b>(38,868)</b>	<b>0</b>	<b>439,205</b>
Net Assets Released From Restrictions	1,089,557	(9,889)	(1,079,668)	0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>1,919,587</b>	<b>(48,757)</b>	<b>(663,673)</b>	<b>1,207,157</b>
<b>EXPENSES</b>				
Program services	1,153,509			1,153,509
Management and general	150,000			150,000
Fundraising	153,385			153,385
<b>Total Expenses</b>	<b>1,456,894</b>	<b>0</b>	<b>0</b>	<b>1,456,894</b>
<b>CHANGE IN NET ASSETS</b>	<b>462,693</b>	<b>(48,757)</b>	<b>(663,673)</b>	<b>(249,737)</b>
NET ASSETS, beginning of year	\$241,587	\$73,269	\$1,126,185	1,441,041
NET ASSETS, end of year (Notes B & G)	\$704,280	\$24,512	\$462,512	\$1,191,304

See Notes to Financial Statements and Accountant's Review Report

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2017**

	Without Donor Restictions		With Donor Restrictions	Total All Funds 2017
	General Fund	Property and Equipment		
<b>SUPPORT AND REVENUE</b>				
Public Support:				
Foundation grants	\$65,000	\$	\$804,745	\$869,745
Contributions	902,901		82,500	985,401
In-kind contributions	123,165			123,165
Total Support	<u>1,091,066</u>	<u>0</u>	<u>887,245</u>	<u>1,978,311</u>
Revenue:				
Fees for services	160,264			160,264
Exchange rate gain (loss) - net				0
Honorarium	17,785			17,785
License fees	29,281			29,281
Reimbursed expenses				0
Miscellaneous	(5)			(5)
Royalties	201			201
Investment income	11			11
Realized gain (loss) on disposal of assets	576			576
Realized gain (loss) on exchange account	(207)			(207)
Unrealized gain (loss) on exchange account	18,747			18,747
Unrealized gain (loss) on investments	(42)			(42)
Total Revenue	<u>226,611</u>	<u>0</u>	<u>0</u>	<u>226,611</u>
Net Assets Released From Restrictions	<u>545,714</u>	<u>(12,195)</u>	<u>(533,519)</u>	<u>0</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,863,391</u>	<u>(12,195)</u>	<u>353,726</u>	<u>2,204,922</u>
<b>EXPENSES</b>				
Program services	1,398,619			1,398,619
Management and general	352,016			352,016
Fundraising	259,618			259,618
Total Expenses	<u>2,010,253</u>	<u>0</u>	<u>0</u>	<u>2,010,253</u>
CHANGE IN NET ASSETS	(146,862)	(12,195)	353,726	194,669
NET ASSETS, beginning of year	<u>\$388,449</u>	<u>\$85,464</u>	<u>\$772,459</u>	<u>1,246,372</u>
NET ASSETS, end of year (Notes B & G)	<u>\$241,587</u>	<u>\$73,269</u>	<u>\$1,126,185</u>	<u>\$1,441,041</u>

See Notes to Financial Statements and Accountant's Review Report

**GLOBAL FOOTPRINT NETWORK, INC.**  
**STATEMENT OF CASH FLOWS**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**YEAR ENDED DECEMBER 31, 2018**

	Total All Funds 2018	Total All Funds 2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	(\$249,737)	\$194,669
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	<u>10,292</u>	<u>25,000</u>
	(239,445)	219,669
<b>CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES</b>		
(Increase) decrease in funding and accounts receivable without donor restrictions	(282,485)	319,354
(Increase) decrease in funding and accounts receivable with donor restrictions		
(Increase) decrease in prepaid expenses	7,176	5,806
(Increase) decrease in gifts from Geneva	(106,648)	0
(Increase) decrease in deposits	0	1,157
Increase (decrease) in accounts payable and accrued liabilities	(11,583)	(46,026)
Increase (decrease) in accrued vacation	<u>(17,495)</u>	<u>7,382</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(842,980)</u>	<u>507,342</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Disposal of assets	38,465	(576)
Purchase of equipment	<u>0</u>	<u>(12,230)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>38,465</u>	<u>(12,806)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(804,515)	494,536
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>1,375,844</u>	<u>881,307</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u><u>\$571,329</u></u>	<u><u>\$1,375,844</u></u>
<b>SUPPLEMENTAL INFORMATION:</b>		
Interest paid	<u>\$0</u>	<u>\$47</u>

See Notes to Financial Statements and Accountant's Review Report



**GLOBAL FOOTPRINT NETWORK, INC.  
A CALIFORNIA NONPROFIT ORGANIZATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

	Programs and Outreach	Research and Standards	Total Program	Management and General	Fundraising	Total Support	Total All Funds 2018
Salaries	\$370,879	\$144,175	\$515,054	\$71,405	\$96,896	\$168,301	\$683,355
Payroll taxes	30,852	11,993	42,845	5,940	8,060	14,000	56,845
Employee benefits	16,033	6,233	22,266	3,087	4,189	7,276	29,542
Total personnel expenses	417,764	162,401	580,165	80,432	109,145	189,577	769,742
Direct program expenses	185,632	33,997	219,629	94	4,591	4,685	224,314
Computer expenses	29,033	10,710	39,743	5,254	11,660	16,914	56,657
Insurance	2,703	1,051	3,754	909	706	1,615	5,369
Interest expense			0			0	0
Bank charges	128		128	1,324	2,339	3,663	3,791
Board expenses			0			0	0
Depreciation	5,586	2,171	7,757	1,076	1,459	2,535	10,292
Licenses, fees, permits	180	70	250	(597)	47	(550)	(300)
Office expense	3,691	1,223	4,914	3,036	1,207	4,243	9,157
Professional development	659	256	915	127	2,222	2,349	3,264
Professional fees	179,139	11,234	190,373	40,267	12,089	52,356	242,729
Recruitment	24	10	34	5	6	11	45
Rent	29,696	11,544	41,240	5,717	7,758	13,475	54,715
Repairs and maintenance			0	36		36	36
Telephone	4,448	1,729	6,177	856	1,162	2,018	8,195
Utilities	1,688	656	2,344	325	441	766	3,110
Travel	24,092	5,210	29,302	8,219	(1,572)	6,647	35,949
Miscellaneous	200		200	2,500	125	2,625	2,825
Bad debt			0			0	0
Intercompany transfers			0			0	0
In kind expenses	896	25,688	26,584	420		420	27,004
Total expenses	\$885,559	\$267,950	\$1,153,509	\$150,000	\$153,385	\$303,385	\$1,456,894

See Notes to Financial Statements and Accountant's Review Report

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2017**

	Programs and Outreach	Research and Standards	Total Program	Management and General	Fundraising	Total Support	Total All Funds 2017
Salaries	\$344,834	\$201,520	\$546,354	\$186,719	\$169,694	\$356,413	\$902,767
Payroll taxes	26,694	15,600	42,294	14,454	13,136	27,590	69,884
Employee benefits	14,175	8,285	22,460	7,725	6,976	14,701	37,161
Total personnel expenses	<u>385,703</u>	<u>225,405</u>	<u>611,108</u>	<u>208,898</u>	<u>189,806</u>	<u>398,704</u>	<u>1,009,812</u>
Direct program expenses	187,237	52,132	239,369	574	5,580	6,154	245,523
Computer expenses	23,378	9,490	32,868	9,392	7,850	17,242	50,110
Insurance	3,412	1,994	5,406	1,847	1,679	3,526	8,932
Interest expense			0	47		47	47
Bank charges	50		50	2,540	1,607	4,147	4,197
Board expenses			0			0	0
Depreciation	9,396	5,492	14,888	5,489	4,623	10,112	25,000
Licenses, fees, permits	306	179	485	326	151	477	962
Office expense	7,566	4,572	12,138	6,218	3,654	9,872	22,010
Professional development	3,000	35	3,035		1,634	1,634	4,669
Professional fees	223,904	14,026	237,930	64,134	21,963	86,097	324,027
Recruitment	1,233	257	1,490	155	166	321	1,811
Rent	37,603	21,975	59,578	21,131	18,505	39,636	99,214
Repairs and maintenance	84	57	141	143	41	184	325
Telephone	4,982	2,911	7,893	2,698	2,452	5,150	13,043
Utilities	3,579	2,091	5,670	1,938	1,761	3,699	9,369
Travel	22,972	887	23,859	5,518	(1,854)	3,664	27,523
Bad debt	20,000	16,281	36,281			0	36,281
Intercompany transfers			0	5,000	0	5,000	5,000
In kind expenses	99,748	6,682	106,430	15,968		15,968	122,398
Total expenses	<u>\$1,034,153</u>	<u>\$364,466</u>	<u>\$1,398,619</u>	<u>\$352,016</u>	<u>\$259,618</u>	<u>\$611,634</u>	<u>\$2,010,253</u>

See Notes to Financial Statements and Accountant's Review Report

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

NOTE A - ORGANIZATION

General - The Global Footprint Network, Inc. is a California non-profit corporation incorporated under the laws of California in 2003. The Organization's purpose is to help organizations around the world track the extent of society's environmental impact through the use of a resource management tool, known as the "ecological footprint," that measures how much land and water area a human population requires to produce resources it consumes and to absorb its wastes, taking into account prevailing technology.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Reporting - The Organization maintains its accounting records on the accrual basis of accounting.

Use of Estimates - In preparing financial statements in conformity with Generally Accepted Accounting Principles, management must make estimates based on future events that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities as of the date of the financial statements; and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents - The Organization's cash and cash equivalents balance consists of amounts held in checking and savings accounts in large financial institutions.

Furniture and Equipment - Furniture and equipment are stated at cost. Expenditures for furniture and equipment, in amounts greater than \$1,000, are capitalized and depreciated over three to five years using the straight-line method. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss arising from such disposition is included as income or expense. Expenditures for repairs and maintenance are charged to expense as incurred. Donated equipment is recorded at its fair market value at the date of the donation.

Fair Value Measurements – Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability. Unobservable inputs reflect the Organization's own assumptions about the assumption market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Organization's own data.

Functional Allocation of Expenses - Costs of providing the programs, administrative duties and fundraising activities have been summarized on a functional basis in the accompanying statement of functional expenses. Certain indirect costs have been allocated directly to programs and administration based upon ratios determined by management. These costs primarily include salaries, fringe benefits, occupancy and other expenses.

Income Taxes - The Organization is a Section 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. There was no taxable unrelated business income during the year ended December 31, 2018.

Contributions and Grant Revenue – Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in the net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

All other contributions are recognized upon receipt. Amounts received but not yet earned are reported as advances.

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Materials and Services - Donated materials are recorded at their fair value at the date of donation. In addition, a substantial number of individuals have donated significant amounts of their time to the Organization, primarily through program activities. These services are reflected in the accompanying financial statements using a valuation of the services based on an estimate of the fair value at the time of the donation. Donated services by individuals providing specialized volunteer services are valued at \$21.50 per hour based estimates. Donated services by individuals providing administration services are not recorded as donated services as there are no special skills required for these services.

Financial Statement Presentation – The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions:

Net assets that are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations – The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organizations ongoing operations and interest and dividends earned on investments. Non-operating activities are limited to resources that generate returns from investments and other activities considered to be of a more unusual or nonrecurring nature.

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications - Certain reclassifications have been made in the 2017 comparative totals to conform to the classifications used in 2018.

New Accounting Pronouncements – On August 18, 2016, FASB issued ASU 2016-14, Not-for-profit Entities (Topic 958) – *Presentation of Financial Statements of Not for Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE C – GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable consisted of the following amounts as of December 31, 2018:

	<u>Amount</u>
Grants and accounts receivable without donor restrictions:	
Biotope	\$ 9,815
Deutsches Institut fur Entwicklungspoliti	916
Flora Family Foundation	5,000
InnoEnergy SE	1,641
IUCN	67,348
Mava Stiftung fur Naturschutz	137,500
MDPI Sustainability Foundation	1,869
New Society Publishers Ltd	2,000
Schneider Electric Industries	87,538
WWF Japan	<u>6,250</u>
Total grants and accounts receivable without donor restrictions	<u>\$319,877</u>
Grants and accounts receivable with donor restrictions:	
Mava Stiftung fur Naturschutz	<u>\$192,500</u>
Total grants and accounts receivable with donor restrictions	<u>\$192,500</u>
Total grants and accounts receivable	<u>\$512,377</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of December 31, 2018.

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

NOTE C – GRANTS AND ACCOUNTS RECEIVABLE (Continued)

Grants and accounts receivable consisted of the following amounts as of December 31, 2017:

	<u>Amount</u>
Unrestricted grants and accounts receivable:	
ETH Zurich	\$ 1,200
Lucas Torner	956
Novartis International	11,393
Stirling Council	4,443
World Resources Forum	2,000
WWF China	<u>17,400</u>
Total unrestricted grants and accounts receivable	<u>\$37,392</u>
Total grants and accounts receivable	<u>\$37,392</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of December 31, 2017.

NOTE D - PROPERTY AND EQUIPMENT

Property and Equipment as of December 31, 2018, consisted of the following:

Furniture & Equipment	\$ 19,703
Software & Website	<u>34,310</u>
Total Property and Equipment	54,013
Less: Accumulated Depreciation	<u>(29,501)</u>
Net Property and Equipment	<u>\$ 24,512</u>

Property and Equipment as of December 31, 2017, consisted of the following:

Furniture & Equipment	\$ 88,964
Software & Website	<u>38,705</u>
Total Property and Equipment	127,669
Less: Accumulated Depreciation	<u>54,400</u>
Net Property and Equipment	<u>\$ 73,269</u>

Total depreciation expense for the years ended December 31, 2018 and 2017 was \$10,292 and \$25,001, respectively.

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018

---

**NOTE E – ACCUMULATED VACATION AND SICK LEAVE**

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Organization. The liability is recognized in the program to which the liability relates, and is consolidated with accounts payable and accrued liabilities in the financial statements. At December 31, 2018 and 2017, the accumulated accrued vacation totaled \$24,426 and \$41,921, respectively.

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

**NOTE F – COMMITMENTS AND CONTINGENCIES**

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the Organization to the provisions of the grant. Management is of the opinion that the Organization has complied with the terms of all grants.

**NOTE G – NET ASSETS WITH DONOR RESTRICTIONS**

At December 31, 2018, the net assets with donor restrictions consisted of the following funding:

Daniela Schlettwein-Gsell Legacy Gift	\$216,679
Mava Stiftung fur Naturschutz – Core Support	192,500
Schneider Electric Industries	<u>53,333</u>
	<u>\$462,512</u>

At December 31, 2017, the temporarily restricted net assets consisted of the following funding:

Daniela Schlettwein-Gsell Legacy Gift	\$ 550,012
Mava Stiftung fur Naturschutz - Mava Med	2,630
Mava Stiftung fur Naturschutz – Core Support	304,262
Mava Stiftung fur Naturschutz – Fisheries	254,406
Footprint Calculator	<u>14,875</u>
	<u>\$1,126,185</u>



**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2018**

---

NOTE H – CONCENTRATION OF RISK

The Organization places its temporary cash investments with high-credit, high quality financial institutions, and by policy, limits the amount of credit exposure to any one financial institution. The Organization maintains three of its cash accounts in three such financial institutions. Cash balances held at these financial institutions were in excess of federally insured limits. The Organization believes no significant concentration of credit risk exists with respect to these cash investments.

NOTE I – SUBSEQUENT EVENTS

These financial statements were approved by the management of the Organization and available for issuance on May 14, 2019. The Organization has evaluated subsequent events through May 14, 2019.