

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

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2019**

**AND DECEMBER 31, 2018**

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*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, 2019 and 2018, 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, 2019 and 2018, 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 20, 2020

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2019**

	Without Donor Restrictions		With Donor Restrictions	2019
	General Fund	Property and Equipment		
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$676,630	\$	\$15,683	\$692,313
Grants and accounts receivable without donor restrictions (Note D)	260,599			260,599
Grants and accounts receivable with donor restrictions (Note D)				0
Prepaid expenses	24,512			24,512
<b>TOTAL CURRENT ASSETS</b>	<b>961,741</b>	<b>0</b>	<b>15,683</b>	<b>977,424</b>
PROPERTY AND EQUIPMENT net of accumulated depreciation and amortization at December 31, 2019 of \$39,793. (Notes B and E)		14,220		14,220
GENEVA GIFT TO BE TRANSFERRED	106,648			106,648
<b>TOTAL ASSETS</b>	<b>\$1,068,389</b>	<b>\$14,220</b>	<b>\$15,683</b>	<b>\$1,098,292</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued liabilities	\$39,846	\$	\$	\$39,846
Accrued vacation (Note F)	28,426			28,426
<b>TOTAL CURRENT LIABILITIES</b>	<b>68,272</b>	<b>0</b>	<b>0</b>	<b>68,272</b>
<b>COMMITMENTS AND CONTINGENCIES (Note G)</b>				
<b>NET ASSETS (Notes B &amp; H)</b>				
Without Donor Restrictions	1,000,117	14,220		1,014,337
With Donor Restrictions			15,683	15,683
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$1,068,389</b>	<b>\$14,220</b>	<b>\$15,683</b>	<b>\$1,098,292</b>

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

	Without Donor Restrictions		With Donor Restrictions	2018
	General Fund	Property and Equipment		
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$301,317	\$	\$270,012	\$571,329
Grants and accounts receivable without donor restrictions (Note D)	512,377			512,377
Grants and accounts receivable with donor restrictions (Note D)				0
Prepaid expenses	19,981			19,981
<b>TOTAL CURRENT ASSETS</b>	<b>833,675</b>	<b>0</b>	<b>270,012</b>	<b>1,103,687</b>
PROPERTY AND EQUIPMENT net of accumulated depreciation and amortization at December 31, 2018 of \$25,501. (Notes B and E)		24,512		24,512
GENEVA GIFT TO BE TRANSFERRED DEPOSITS	106,648 9,020			106,648 9,020
<b>TOTAL ASSETS</b>	<b>\$949,343</b>	<b>\$24,512</b>	<b>\$270,012</b>	<b>\$1,243,867</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued liabilities	\$28,137	\$	\$	\$28,137
Accrued vacation (Note F)	24,426			24,426
<b>TOTAL CURRENT LIABILITIES</b>	<b>52,563</b>	<b>0</b>	<b>0</b>	<b>52,563</b>
<b>COMMITMENTS AND CONTINGENCIES (Note F)</b>				
<b>NET ASSETS (Notes B &amp; H)</b>				
Without Donor Restrictions	704,280	24,512		728,792
With Donor Restrictions			462,512	462,512
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$756,843</b>	<b>\$24,512</b>	<b>\$462,512</b>	<b>\$1,243,867</b>

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2019**

	Without Donor Restrictions		With Donor Restrictions	Total All Funds 2018
	General Fund	Property and Equipment		
<b>SUPPORT AND REVENUE</b>				
Public Support:				
Foundation grants	\$3,000	\$	\$136,885	\$139,885
Contributions	146,590			146,590
In-kind contributions	192,200			192,200
Total Support	<u>341,790</u>	<u>0</u>	<u>136,885</u>	<u>478,675</u>
Revenue:				
Fees for services	535,711			535,711
Honorarium	13,958			13,958
License fees	22,593			22,593
Miscellaneous	546			546
Royalties	426			426
Investment income	313			313
Realized gain (loss) on disposal of assets				0
Realized gain (loss) on exchange account	(2,250)			(2,250)
Unrealized gain (loss) on exchange account	5,486			5,486
Unrealized gain (loss) on investments	37			37
Total Revenue	<u>576,820</u>	<u>0</u>	<u>0</u>	<u>576,820</u>
Net Assets Released From Restrictions	<u>594,006</u>	<u>(10,292)</u>	<u>(583,714)</u>	<u>0</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,512,616</u>	<u>(10,292)</u>	<u>(446,829)</u>	<u>1,055,495</u>
<b>EXPENSES</b>				
Program services	1,070,205			1,070,205
Management and general	115,515			115,515
Fundraising	31,059			31,059
Total Expenses	<u>1,216,779</u>	<u>0</u>	<u>0</u>	<u>1,216,779</u>
CHANGE IN NET ASSETS	295,837	(10,292)	(446,829)	(161,284)
NET ASSETS, beginning of year	<u>\$704,280</u>	<u>\$24,512</u>	<u>\$462,512</u>	<u>1,191,304</u>
NET ASSETS, end of year (Notes B & G)	<u>\$1,000,117</u>	<u>\$14,220</u>	<u>\$15,683</u>	<u>\$1,030,020</u>

See Notes to Financial Statements

**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 *
Total Support	<u>351,957</u>	<u>0</u>	<u>415,995</u>	<u>767,952</u>
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				
Unrealized gain (loss) on exchange account	(3,709)			(3,709) *
Unrealized gain (loss) on investments	(136)			(136) *
Total Revenue	<u>478,073</u>	<u>(38,868)</u>	<u>0</u>	<u>439,205</u>
Net Assets Released From Restrictions	<u>1,089,557</u>	<u>(9,889)</u>	<u>(1,079,668)</u>	<u>0</u>
TOTAL SUPPORT AND REVENUE	<u>1,919,587</u>	<u>(48,757)</u>	<u>(663,673)</u>	<u>1,207,157</u>
<b>EXPENSES</b>				
Program services	1,153,509			1,153,509
Management and general	150,000			150,000
Fundraising	153,385			153,385
Total Expenses	<u>1,456,894</u>	<u>0</u>	<u>0</u>	<u>1,456,894</u>
CHANGE IN NET ASSETS	462,693	(48,757)	(663,673)	(249,737)
NET ASSETS, beginning of year	<u>\$241,587</u>	<u>\$73,269</u>	<u>\$1,126,185</u>	<u>1,441,041</u>
NET ASSETS, end of year (Notes B & G)	<u>\$704,280</u>	<u>\$24,512</u>	<u>\$462,512</u>	<u>\$1,191,304</u>

See Notes to Financial Statements



**GLOBAL FOOTPRINT NETWORK, INC.**  
**STATEMENT OF CASH FLOWS**  
A CALIFORNIA NONPROFIT ORGANIZATION  
YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restictions</u>		<u>With</u>	<u>Total</u>
	<u>General</u>	<u>Property</u>	<u>Donor</u>	<u>All</u>
	<u>Fund</u>	<u>and</u>	<u>Restrictions</u>	<u>Funds</u>
		<u>Equipment</u>		<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in Net Assets	\$295,837	(\$10,292)	(\$446,829)	(\$161,284)
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:				
Depreciation		10,292		10,292
	295,837	0	(446,829)	(150,992)
<b>CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES</b>				
(Increase) decrease in funding and accounts receivable without donor restrictions	59,278		0	59,278
(Increase) decrease in funding and accounts receivable with donor restrictions			192,500	
(Increase) decrease in prepaid expenses	(4,530)			(4,530)
(Increase) decrease in gifts from Geneva	0			0
(Increase) decrease in deposits	9,020			9,020
Increase (decrease) in accounts payable and accrued liabilities	11,709			11,709
Increase (decrease) in accrued vacation	4,000			4,000
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>375,314</u>	<u>0</u>	<u>(254,329)</u>	<u>120,985</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Disposal of assets				0
Purchase of equipment		0		0
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	375,314	0	(254,329)	120,985
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>\$301,317</u>	<u>\$0</u>	<u>\$270,012</u>	<u>571,329</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u><u>\$676,631</u></u>	<u><u>\$0</u></u>	<u><u>\$15,683</u></u>	<u><u>\$692,314</u></u>
<b>SUPPLEMENTAL INFORMATION:</b>				
Interest paid				<u><u>\$0</u></u>

See Notes to Financial Statements

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

	<u>Without Donor Restictions</u>		<u>Total</u>
	<u>General</u>	<u>Property</u>	<u>All</u>
	<u>Fund</u>	<u>and</u>	<u>Funds</u>
		<u>Equipment</u>	<u>2018</u>
		<u>With</u>	
		<u>Donor</u>	
		<u>Restrictions</u>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Change in Net Assets	\$462,693	(\$48,757)	(\$663,673)
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:			
Depreciation		10,292	10,292
	462,693	(38,465)	(663,673)
			(239,445)
<b>CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES</b>			
(Increase) decrease in funding and accounts receivable without donor restrictions	(474,985)		0
(Increase) decrease in funding and accounts receivable with donor restrictions			0
(Increase) decrease in prepaid expenses	7,176		7,176
(Increase) decrease in gifts from Geneva	(106,648)		(106,648)
(Increase) decrease in deposits	0		0
Increase (decrease) in accounts payable and accrued liabilities	(11,583)		(11,583)
Increase (decrease) in accrued vacation	(17,495)		(17,495)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(140,842)</u>	<u>(38,465)</u>	<u>(663,673)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Disposal of assets		38,465	38,465
Purchase of equipment		0	0
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>0</u>	<u>38,465</u>	<u>0</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(140,842)	0	(663,673)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>\$249,659</u>	<u>\$0</u>	<u>\$1,126,185</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$108,817</u>	<u>\$0</u>	<u>\$462,512</u>
<b>SUPPLEMENTAL INFORMATION:</b>			
Interest paid			<u>\$0</u>

See Notes to Financial Statements

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2019**

	Programs and Outreach	Research and Standards	Total Program	Management and General	Fundraising	Total Support	Total All Funds 2019
Salaries	\$277,111	\$100,768	\$377,879	\$54,185	\$14,023	\$68,208	\$446,087
Payroll taxes	20,961	7,622	28,583	3,796	1,061	4,857	33,440
Employee benefits	14,456	5,256	19,712	1,838	731	2,569	22,281
<b>Total personnel expenses</b>	<b>312,528</b>	<b>113,646</b>	<b>426,174</b>	<b>59,819</b>	<b>15,815</b>	<b>75,634</b>	<b>501,808</b>
Direct program expenses	185,677	24,238	209,915	53	283	336	210,251
Computer expenses	30,453	10,611	41,064	5,113	1,845	6,958	48,022
Insurance	4,163	1,514	5,677	754	211	965	6,642
Interest expense			0			0	0
Bank charges	66	61	127	1,845	3,741	5,586	5,713
Board expenses			0			0	0
Depreciation			0	10,292		10,292	10,292
Licenses, fees, permits			0	556		556	556
Office expense	2,053	782	2,835	663	108	771	3,606
Professional development	27		27			0	27
Professional fees	333,546	2,076	335,622	13,815	8,353	22,168	357,790
Recruitment			0			0	0
Rent	12,902	4,692	17,594	20,636	653	21,289	38,883
Repairs and maintenance			0			0	0
Telephone	491	179	670	89	25	114	784
Utilities			0			0	0
Travel	11,831	1,589	13,420	766		766	14,186
Miscellaneous			0	97	25	122	122
In kind expenses	8,032	9,048	17,080	1,017		1,017	18,097
<b>Total expenses</b>	<b>\$901,769</b>	<b>\$168,436</b>	<b>\$1,070,205</b>	<b>\$115,515</b>	<b>\$31,059</b>	<b>\$146,574</b>	<b>\$1,216,779</b>

**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
<b>Total personnel expenses</b>	<b>417,764</b>	<b>162,401</b>	<b>580,165</b>	<b>80,432</b>	<b>109,145</b>	<b>189,577</b>	<b>769,742</b>
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
In kind expenses	896	25,688	26,584	420		420	27,004
<b>Total expenses</b>	<b>\$885,559</b>	<b>\$267,950</b>	<b>\$1,153,509</b>	<b>\$150,000</b>	<b>\$153,385</b>	<b>\$303,385</b>	<b>\$1,456,894</b>

**GLOBAL FOOTPRINT NETWORK, INC.**  
**A CALIFORNIA NONPROFIT ORGANIZATION**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

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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, 2019

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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, 2019.

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, 2019

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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.

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications - Certain reclassifications have been made in the 2018 comparative totals to conform to the classifications used in 2019.

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 – LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs, liabilities and other obligations as they become due. As of December 31, 2019, the Organization has ample cash and cash equivalents to cover operating expenses. The following assets could be readily made available within one year of the statement of financial position to meet general expenditures:

Financial assets:

Cash	\$692,313
Interest receivable	<u>16</u>
Financial assets available within one year	<u>\$692,329</u>

The Organization does not have an operating reserve.

NOTE D – GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable consisted of the following amounts as of December 31, 2019:

	<u>Amount</u>
Grants and accounts receivable without donor restrictions:	
British Columbia	\$ 1,695
California State University	5,753
Erasmus +	61,290
Foster + Partners	1,276
IBLA Luxemburg	11,300
Mava Stiftung fur Naturschutz	44,000
Museum of Tomorrow	10,000
Novartis International	4,453



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NOTE D – GRANTS AND ACCOUNTS RECEIVABLE (Continued)

Salesforce	250
Schneider Electric Industries	80,000
Swiss Confederation/BAFU	<u>40,582</u>
Total grants and accounts receivable without donor restrictions	<u>\$260,599</u>
Total grants and accounts receivable	<u>\$260,599</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of December 31, 2019.

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.

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NOTE E - PROPERTY AND EQUIPMENT

Property and Equipment as of December 31, 2019

, consisted of the following:

Furniture & Equipment	\$ 19,703
Software & Website	<u>34,310</u>
Total Property and Equipment	54,013
Less: Accumulated Depreciation	<u>(39,793)</u>
Net Property and Equipment	<u>\$ 14,220</u>

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>

Total depreciation expense for the years ended December 31, 2019 and 2018 was \$10,292 and \$10,292, respectively.

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, 2019 and 2018, the accumulated accrued vacation totaled \$28,426 and \$24,426, 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.

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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, 2019, the net assets with donor restrictions consisted of the following funding:

Mava Stiftung fur Naturschutz – Core Support	<u>\$15,683</u>
	<u>\$15,683</u>

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>

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 20, 2019. The Organization has evaluated subsequent events through May 20, 2019.