

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

REPORT ON AUDIT OF FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

AND DECEMBER 31, 2020

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Patricia A. Wintroath, CPA

Independent Auditor's Report

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

Opinion

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, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Global Footprint Network, Inc. as of December 31, 2021 and 2020, 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.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Global Footprint Network, Inc. (a nonprofit organization) and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date of this report.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Global Footprint Network, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Footprint Network, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Patricia A. Wintroath, CPA

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

June 17, 2022

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$310,756	\$492,771
Grants and accounts receivable without donor restrictions (Note D)	153,390	196,315
Prepaid expenses	<u>32,269</u>	<u>27,114</u>
TOTAL CURRENT ASSETS	496,415	716,200
PROPERTY AND EQUIPMENT net of accumulated depreciation and amortization at December 31, 2021 and 2020 of \$53,709 and \$47,132, respectively (Notes B and E)	5,002	6,881
10% interest in rePLANET (Note F)	62,915	0
GENEVA GIFT TO BE TRANSFERRED	<u>106,648</u>	<u>106,648</u>
TOTAL ASSETS	<u><u>\$670,980</u></u>	<u><u>\$829,729</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$62,028	\$69,298
Accrued unpaid time off (Note G)	<u>20,086</u>	<u>37,515</u>
TOTAL CURRENT LIABILITIES	<u>82,114</u>	<u>106,813</u>
COMMITMENTS AND CONTINGENCIES (Note I)		
TOTAL LIABILITIES	<u>82,114</u>	<u>106,813</u>
NET ASSETS (Notes B & J)		
Without Donor Restrictions	585,533	719,891
With Donor Rstrictions	<u>3,333</u>	<u>3,025</u>
TOTAL NET ASSETS	<u>588,866</u>	<u>722,916</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$670,980</u></u>	<u><u>\$829,729</u></u>

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Public Support:			
Foundation grants	\$204,300	\$25,104	\$229,404
Contributions	115,546		115,546
In-kind contributions	176,939		176,939
 Total Support	 496,785	 25,104	 521,889
 Revenue:			
Fees for services	651,568		651,568
Honorarium	19,618		19,618
License fees	37,550		37,550
Other Income -rePLANET	62,915		62,915
Miscellaneous	1,317		1,317
Royalties	165		165
Investment income	975		975
Realized gain (loss) on disposal of assets			0
Realized gain (loss) on exchange account	34		34
Unrealized gain (loss) on exchange account			0
Unrealized gain (loss) on investments	3,091		3,091
 Total Revenue	 777,233	 0	 777,233
 Net Assets Released From Restrictions	 24,796	 (24,796)	 0
 TOTAL SUPPORT AND REVENUE	 1,298,814	 308	 1,299,122
EXPENSES			
Program services	1,130,127		1,130,127
Management and general	238,772		238,772
Fundraising	40,543		40,543
 Total Expenses	 1,409,442	 0	 1,409,442
 Loss Due to Phishing Fraud (Note L)	 (23,730)		 (23,730)
 CHANGE IN NET ASSETS	 (134,358)	 308	 (134,050)
 NET ASSETS, beginning of year	 \$719,891	 \$3,025	 722,916
 NET ASSETS, end of year (Notes B &J)	 \$585,533	 \$3,333	 \$588,866

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Public Support:			
Foundation grants	\$111,000	\$23,025	\$134,025
Contributions	121,882	0	121,882
PPP Loan forgiveness (Note G)	100,400		100,400
In-kind contributions	194,348		194,348
	<u>527,630</u>	<u>23,025</u>	<u>550,655</u>
Total Support			
Revenue:			
Fees for services	421,323		421,323
Honorarium	6,509		6,509
License fees	44,974		44,974
Miscellaneous	7,587		7,587
Royalties	352		352
Investment income	1		1
Realized gain (loss) on sale of investments	106		106
Realized gain (loss) on exchange account	(187)		(187)
Unrealized gain (loss) on exchange account	25,928		25,928
	<u>506,593</u>	<u>0</u>	<u>506,593</u>
Total Revenue			
Net Assets Released From Restrictions	35,683	(35,683)	0
TOTAL SUPPORT AND REVENUE	<u>1,069,906</u>	<u>(12,658)</u>	<u>1,057,248</u>
EXPENSES			
Program services	1,155,633		1,155,633
Management and general	168,875		168,875
Fundraising	39,844		39,844
	<u>1,364,352</u>	<u>0</u>	<u>1,364,352</u>
Total Expenses			
CHANGE IN NET ASSETS	(294,446)	(12,658)	(307,104)
NET ASSETS, beginning of year	1,014,337	15,683	1,030,020
NET ASSETS, end of year (Notes B & I)	<u>\$719,891</u>	<u>\$3,025</u>	<u>\$722,916</u>

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	(\$134,050)	(\$307,104)
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	<u>6,577</u>	<u>7,339</u>
	(127,473)	(299,765)
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES		
(Increase) decrease in funding and accounts receivable without donor restrictions	42,925	64,284
(Increase) decrease in funding and accounts receivable with donor restrictions	0	0
(Increase) decrease in prepaid expenses	(5,155)	(2,602)
(Increase) decrease in Interest in rePLANET	(62,915)	
Increase (decrease) in accounts payable and accrued liabilities	(7,270)	29,452
Increase (decrease) in accrued vacation	<u>(17,429)</u>	<u>9,089</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(177,317)</u>	<u>(199,542)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	<u>(4,698)</u>	<u>0</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(4,698)</u>	<u>0</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(182,015)	(199,542)
CASH AND CASH EQUIVALENTS, beginning of year	<u>492,771</u>	<u>692,313</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$310,756</u></u>	<u><u>\$492,771</u></u>
SUPPLEMENTAL INFORMATION:		
Interest paid	<u><u>\$0</u></u>	<u><u>\$0</u></u>

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Programs and Outreach	Research and Standards	Total Program	Management and General	Fundraising	Total
Salaries	\$331,836	\$82,807	\$414,643	\$53,462	\$31,148	\$499,253
Payroll taxes	25,917	6,532	32,449	4,733	2,363	39,545
Employee benefits	15,905	3,670	19,575	3,516	1,374	24,465
Total personnel expenses	373,658	93,009	466,667	61,711	34,885	563,263
Direct program expenses	191,809	68,629	260,438	325	151	260,914
Computer expenses	31,178	8,184	39,362	6,986	2,469	48,817
Insurance	4,894	1,314	6,208	839	411	7,458
Bank charges	130		130	3,620	2,033	5,783
Advertising	95		95			95
Board expenses			0	156		156
Depreciation			0	6,577		6,577
Licenses, fees, permits			0	586		586
Office expense	752	196	948	490	61	1,499
Professional development			0	470	100	570
Professional fees	152,141	2,086	154,227	69,515	170	223,912
Recruitment	499	106	605	1,487	33	2,125
Rent	927	249	1,176	36,759	77	38,012
Communications	64,409	476	64,885	359	149	65,393
Travel	6,614	12	6,626	670	4	7,300
Miscellaneous			0	42		42
In kind Expenses	128,760		128,760	48,180		176,940
Total expenses	\$955,866	\$174,261	\$1,130,127	\$238,772	\$40,543	\$1,409,442

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

	Programs and Outreach	Research and Standards	Total Program	Management and General	Fundraising	Total
Salaries	\$363,760	\$106,042	\$469,802	\$58,778	\$30,468	\$559,048
Payroll taxes	26,885	8,417	35,302	4,177	2,214	41,693
Employee benefits	15,341	5,168	20,509	1,522	1,157	23,188
Total personnel expenses	405,986	119,627	525,613	64,477	33,839	623,929
Direct program expenses	238,002	32,154	270,156			270,156
Computer expenses	35,979	10,330	46,309	5,367	2,858	54,534
Insurance	4,875	1,463	6,338	(122)	412	6,628
Bank charges	33	53	86	1,753	3,725	5,564
Advertising	1,512		1,512			1,512
Depreciation			0	7,339		7,339
Licenses, fees, permits			0	163		163
Office expense	638	144	782	230	41	1,053
Professional development	32	10	42	475	3	520
Professional fees	66,852	7,456	74,308	14,993	274	89,575
Recruitment	22	7	29	3	2	34
Rent	1,753	526	2,279	21,653	148	24,080
Communications	82,751	150	82,901	80	42	83,023
Travel	1,894		1,894	0	(1,750)	144
Bad debt			0	1,276	250	1,526
Miscellaneous			0	224		224
In kind expenses	124,384	19,000	143,384	50,964		194,348
Total expenses	\$964,713	\$190,920	\$1,155,633	\$168,875	\$39,844	\$1,364,352

See Notes to Financial Statements

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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.

Property 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
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, based upon detailed estimates prepared by management personnel and on the basis of direct hours charged to each program. 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. The Organization believe that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's federal and state information returns for the years 2017 through 2020 are subject to examination by regulatory agencies, generally for three years and four years after they have been filed with the federal and state governments, respectively. There was no taxable unrelated business income during the year ended December 31, 2021.

Advertising Costs – Advertising costs are expensed as incurred, the costs incurred during the years ended December 31, 2021 and 2020 were \$160 and \$1,512, respectively. In-kind advertising costs incurred during the years ended December 31, 2021 and 2020 were \$128,759 and \$124,139, respectively.

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

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Performance revenue is recognized as earned. Amounts received but not yet earned are reported as advances.

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.

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Reclassifications - Certain reclassifications have been made in the 2020 comparative totals to conform to the classifications used in 2021.

New Accounting Pronouncements – On June 21, 2018, FASB issued ASU 2018-08, Not-for-profit Entities (Topic 605) – *Clarifying the Scope and the Accounting guidance for Contributions Received and Contributions Made*. This standard is intended to address questions stemming from ASU No. 2014-09 – *Revenue from Contracts with Customers*, issued on May 28, 2014, regarding its implications on the grants and contracts of not-for-profit organizations. These updates address the issue of whether non-for-profit grants and contracts fit the definition of a contract with a customer, or are they more appropriately classified as contributions, which would exclude them from the scope of ASI 2014-09. 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, 2021, 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	\$310,756
Accounts receivable	<u>153,390</u>
Financial assets available within one year	<u>\$464,146</u>

The Organization does not have an operating reserve.

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE D – GRANTS AND ACCOUNTS RECEIVABLE

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

	<u>2021</u>	<u>2020</u>
Grants and accounts receivable without donor restrictions:		
Amazon Smile	\$ 0	\$ 127
Aristotle University of Thessaloniki	0	12,519
Bullfrog Films	94	114
Centro Global CAD 3.0 SL	1,130	0
Codice Edizioni	0	840
DestiMED Plus	11,300	33,300
Earth Mind	1,271	0
Eilene Ayala	0	-46
Erasmus +	20,430	61,290
GFN - Switzerland	21,935	0
Institute for Health & Environment-EUR	10,522	0
Jean Hauss-Meyer	7,468	8,016
Justin Smith	0	120
Mava Learning Grant	7,080	21,240
Mava Stiftung fur Naturschutz	44,000	47,025
Universitat de Vic	0	11,770
Urban Sustainability Directors Network	20	0
Volans Ventures	9,529	0
WWF Mediterranean	<u>18,611</u>	<u>0</u>
Total grants and accounts receivable without donor restrictions	<u>153,390</u>	<u>196,315</u>
Total grants and accounts receivable	<u>\$153,390</u>	<u>\$196,315</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of December 31, 2021.

Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable.

GLOBAL FOOTPRINT NETWORK, INC.
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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE E - PROPERTY AND EQUIPMENT

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

	<u>2021</u>	<u>2020</u>
Furniture & Equipment	\$24,401	\$19,703
Software & Website	<u>34,310</u>	<u>34,310</u>
Total Property and Equipment	58,711	54,013
Less: Accumulated Depreciation	<u>(53,709)</u>	<u>(47,132)</u>
Net Property and Equipment	<u>\$ 5,002</u>	<u>\$6,881</u>

Total depreciation expense for the years ended December 31, 2021 and 2020 was \$6,577 and \$7,339, respectively.

NOTE F – LONG TERM INVESTMENTS

Investments as of the year ended June 30, 2021, consisted of the following:

The following table presents assets measured at fair value on a recurring basis, except those measured at cost per share as a practical expedient as identified in the following, at December 31, 2021 (see Note B).

Fair Value Measurements at Report Date Using

<u>Type</u>	<u>Total</u>	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 2)
Unrestricted:				
10% interest in rePlanet	<u>\$62,915</u>	<u>\$0</u>	<u>\$0</u>	<u>\$62,915</u>
Total Unrestricted	<u>\$62,915</u>	<u>\$0</u>	<u>\$0</u>	<u>\$62,915</u>

There were no investments as of the year ended December 31, 2020.

NOTE G – ACCRUED UNPAID TIME OFF

Accrued unpaid employee paid time off benefits are recognized as liabilities of the Organization. The liability is recognized in the program to which the liability relates. At December 31, 2021 and 2020, the accumulated accrued unpaid time off totaled \$20,086 and \$37,515, respectively.

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE H – PPP LOAN FORGIVENESS

As of December 31, 2021 and 2020, advances consisted of the following:

The Organization obtained a Paycheck Protection Program loan, in the amount of \$100,400, from the Small Business Association which was made available as part of the federal Coronavirus Relief package in May 2020. As of December 31, 2021, funds in the amount of \$100,400 have been used in compliance with the loan requirements, which allows the loan to be forgiven. As of July 21, 2021, the bank has forgiven the loan with no interest charged.

NOTE I – 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 J – NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2021</u>	<u>2020</u>
Specific Purpose:		
Weeden Foundation – Core Support	\$3,333	\$ 0
Mava Stiftung fur Naturschutz – Lessons	<u>0</u>	<u>3,025</u>
	<u>\$3,333</u>	<u>\$3,025</u>

Net Assets released from restrictions during the year ended December 31, consisted of the following:

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restriction:		
Mava Stiftung fur Naturschutz – Core Support	\$ 0	\$15,683
Mava Stiftung fur Naturschutz – Lessons	3,129	0
Clif Bar Family Foundation-100 Days of Possibility	5,000	0
Weeden Foundation	<u>16,667</u>	<u>20,000</u>
Total net assets released from donor restrictions	<u>\$24,796</u>	<u>\$35,683</u>

GLOBAL FOOTPRINT NETWORK, INC.
A CALIFORNIA NONPROFIT ORGANIZATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE K – 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 L – UNUSUAL EVENT

In May of 2020, Global Footprint Network was the victim of a Phishing scam whereby the hackers used an organization e-mail to request payment for two outstanding invoices, from a vendor in Spain, be sent to a “new” bank account via wire transfers. Making international payments via wire transfers has been a normal practice of the organization. The vendor remitted the payments to the “new” bank account as requested. The proper authorities were alerted in both countries; however, it was determined during 2021 that the funds were unlikely to be recovered. Global Footprint Network and the vendor agreed to split the loss. Global Footprint Network’s portion of the loss was \$23,720.

NOTE M – SUBSEQUENT EVENTS

These financial statements were approved by the management of the Organization and available for issuance on June 17, 2022. The Organization has evaluated subsequent events through June 17, 2022.

The Covid-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Organization is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of the COVID-19 on the Organization’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization’s customers, participants, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization’s financial position, changes in net assets, and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.