

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2021 AND 2020



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**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
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YEARS ENDED JUNE 30, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Global Fund for Children
Washington, DC

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Global Fund for Children and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of The Global Fund for Children UK Trust, a wholly owned affiliate, which statements reflect total assets of \$1,831,073 and \$510,608 as of June 30, 2021 and 2020, respectively, and total revenues of \$5,162,995 and \$874,467, respectively, for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Global Fund for Children UK Trust, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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, we 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 consolidated financial statements.

Board of Directors
The Global Fund for Children

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Global Fund for Children and Affiliates as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with generally accepted accounting principles in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
March 14, 2022

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
ASSETS		
Cash and Cash Equivalents	\$ 4,347,723	\$ 3,822,898
Promises to Give (Net)	4,214,094	2,590,122
Accounts Receivable - Other	23,719	9,475
Prepaid Expenses	116,158	69,922
Investments	2,614,164	2,154,049
Property and Equipment (Net)	208,744	241,233
Deposits	19,461	55,989
	\$ 11,544,063	\$ 8,943,688
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 149,991	\$ 89,003
Grants Payable	355,629	277,517
Accrued Vacation/Payroll	119,724	101,936
Deferred Lease Obligation	304,725	265,629
Deferred Revenue	-	12,324
Note Payable	150,000	305,750
Capital Lease Obligation	238	2,960
Total Liabilities	1,080,307	1,055,119
NET ASSETS		
Without Donor Restrictions	2,476,469	1,874,970
With Donor Restrictions	7,987,287	6,013,599
Total Net Assets	10,463,756	7,888,569
Total Liabilities and Net Assets	\$ 11,544,063	\$ 8,943,688

See accompanying Notes to Consolidated Financial Statements.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE						
Gifts and Grants	\$ 1,159,227	\$ 9,375,043	\$ 10,534,270	\$ 1,024,546	\$ 2,976,125	\$ 4,000,671
Forgiveness of Paycheck Protection Program Loan	305,750	-	305,750	-	-	-
Investment Income (Net)	247,534	266,870	514,404	68,036	46,762	114,798
Other	32,344	27,210	59,554	72,483	-	72,483
Net Assets Released from Restrictions	7,695,435	(7,695,435)	-	4,344,470	(4,344,470)	-
Total Revenue	<u>9,440,290</u>	<u>1,973,688</u>	<u>11,413,978</u>	<u>5,509,535</u>	<u>(1,321,583)</u>	<u>4,187,952</u>
EXPENSES						
Program Services:						
Communications	348,793	-	348,793	321,607	-	321,607
Programs	7,364,891	-	7,364,891	4,628,309	-	4,628,309
Total Program Services	<u>7,713,684</u>	<u>-</u>	<u>7,713,684</u>	<u>4,949,916</u>	<u>-</u>	<u>4,949,916</u>
Supporting Services:						
Management and General	536,576	-	536,576	652,649	-	652,649
Fundraising	588,531	-	588,531	853,795	-	853,795
Total Supporting Services	<u>1,125,107</u>	<u>-</u>	<u>1,125,107</u>	<u>1,506,444</u>	<u>-</u>	<u>1,506,444</u>
Total Expenses	<u>8,838,791</u>	<u>-</u>	<u>8,838,791</u>	<u>6,456,360</u>	<u>-</u>	<u>6,456,360</u>
CHANGE IN NET ASSETS	601,499	1,973,688	2,575,187	(946,825)	(1,321,583)	(2,268,408)
Net Assets - Beginning of Year	<u>1,874,970</u>	<u>6,013,599</u>	<u>7,888,569</u>	<u>2,821,795</u>	<u>7,335,182</u>	<u>10,156,977</u>
NET ASSETS - END OF YEAR	<u>\$ 2,476,469</u>	<u>\$ 7,987,287</u>	<u>\$ 10,463,756</u>	<u>\$ 1,874,970</u>	<u>\$ 6,013,599</u>	<u>\$ 7,888,569</u>

See accompanying Notes to Consolidated Financial Statements.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services			Supporting Services			Total Expenses
	Communications	Programs	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 4,798,650	\$ 4,798,650	\$ -	\$ -	\$ -	\$ 4,798,650
Salaries and Benefits	240,122	1,607,174	1,847,296	269,237	396,774	666,011	2,513,307
Consultants and Professional Services	5,951	514,996	520,947	55,462	52,457	107,919	628,866
Intern Program	730	710	1,440	-	402	402	1,842
Staff Development/Activities	-	467	467	8,269	5,327	13,596	14,063
Knowledge Exchanges	-	49,612	49,612	-	-	-	49,612
Fellowships	-	10,290	10,290	-	-	-	10,290
Conferences	-	3,944	3,944	1,294	94	1,388	5,332
Travel	-	40,677	40,677	754	1,600	2,354	43,031
Annual Report	1,145	-	1,145	-	-	-	1,145
Fundraising Events	-	-	-	-	30,970	30,970	30,970
Fall and Spring Appeals	1,638	280	1,918	-	-	-	1,918
Accounting and Auditing	-	3,586	3,586	79,129	-	79,129	82,715
Legal - Donated Services	-	-	-	129,655	1,650	131,305	131,305
Computers, Software, and Technology	32,004	58,183	90,187	54,671	33,165	87,836	178,023
Office Supplies and Stationary	-	5,165	5,165	(962)	385	(577)	4,588
Printing and Photocopying	-	573	573	1,174	21	1,195	1,768
Postage and Shipping	180	329	509	1,503	1,176	2,679	3,188
Equipment Lease and Maintenance	(390)	(1,540)	(1,930)	9,619	(312)	9,307	7,377
Dues and Subscriptions	326	329	655	8,949	7,273	16,222	16,877
Bank and Payroll Processing	489	7,084	7,573	7,692	7,683	15,375	22,948
State Registration Fees	-	-	-	47	10,838	10,885	10,885
Telephone/Fax/Internet	175	5,537	5,712	22,131	476	22,607	28,319
Insurance	-	-	-	22,298	1,598	23,896	23,896
Depreciation	5,358	21,141	26,499	4,042	6,823	10,865	37,364
Gifts and Flowers	-	-	-	1,025	848	1,873	1,873
Rent	29,459	140,884	170,343	40,223	42,348	82,571	252,914
Foreign Exchange Gain	-	(66,019)	(66,019)	(3,451)	(10,354)	(13,805)	(79,824)
Public Relations and Communications	9,200	2,220	11,420	-	4,129	4,129	15,549
Direct Expenses	326,387	7,204,272	7,530,659	712,761	595,371	1,308,132	8,838,791
Indirect Expenses	22,406	160,619	183,025	(176,185)	(6,840)	(183,025)	-
Total Expenses	\$ 348,793	\$ 7,364,891	\$ 7,713,684	\$ 536,576	\$ 588,531	\$ 1,125,107	\$ 8,838,791

See accompanying Notes to Consolidated Financial Statements.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020**

	Program Services			Supporting Services			Total Expenses
	Communications	Programs	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 2,440,818	\$ 2,440,818	\$ -	\$ -	\$ -	\$ 2,440,818
Salaries and Benefits	181,031	1,211,467	1,392,498	327,316	546,214	873,530	2,266,028
Consultants and Professional Services	50,826	312,390	363,216	100,128	86,905	187,033	550,249
Intern Program	680	6,734	7,414	210	-	210	7,624
Staff Development/Activities	152	2,648	2,800	8,016	1,680	9,696	12,496
Knowledge Exchanges	-	143,026	143,026	-	1,547	1,547	144,573
Conferences	-	9,394	9,394	6,307	958	7,265	16,659
Travel	2,424	131,829	134,253	18,574	25,441	44,015	178,268
Fundraising Events	-	-	-	5,495	11,529	17,024	17,024
Fall and Spring Appeals	6,774	599	7,373	-	-	-	7,373
Accounting and Auditing	-	-	-	62,969	-	62,969	62,969
Legal - Donated Services	-	-	-	143,483	-	143,483	143,483
Computers, Software, and Technology	20,566	46,909	67,475	44,960	42,990	87,950	155,425
Office Supplies and Stationary	54	280	334	3,345	132	3,477	3,811
Printing and Photocopying	367	532	899	13	75	88	987
Postage and Shipping	298	184	482	1,434	-	1,434	1,916
Equipment Lease and Maintenance	98	297	395	18,188	(518)	17,670	18,065
Dues and Subscriptions	94	884	978	9,331	5,576	14,907	15,885
Bank and Payroll Processing	-	1,089	1,089	12,823	3,336	16,159	17,248
State Registration Fees	-	-	-	-	11,693	11,693	11,693
Telephone/Fax/Internet	2,853	4,581	7,434	23,546	500	24,046	31,480
Insurance	-	-	-	33,558	-	33,558	33,558
Depreciation	5,018	28,385	33,403	9,672	11,292	20,964	54,367
Gifts and Flowers	-	81	81	106	438	544	625
Rent	22,879	124,682	147,561	46,912	52,848	99,760	247,321
Foreign Exchange Gain	-	6,838	6,838	2,186	-	2,186	9,024
Public Relations and Communications	5,331	2,060	7,391	-	-	-	7,391
Direct Expenses	299,445	4,475,707	4,775,152	878,572	802,636	1,681,208	6,456,360
Indirect Expenses	22,162	152,602	174,764	(225,923)	51,159	(174,764)	-
Total Expenses	\$ 321,607	\$ 4,628,309	\$ 4,949,916	\$ 652,649	\$ 853,795	\$ 1,506,444	\$ 6,456,360

See accompanying Notes to Consolidated Financial Statements.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 2,575,187	\$ (2,268,408)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	37,364	54,367
Unrealized (Gain) Loss on Investments	(196,597)	31,407
Realized Gain on Investments	(206,317)	(47,033)
Forgiveness of Paycheck Protection Program Loan	(305,750)	-
Changes in Assets and Liabilities:		
Accounts Receivable - Promises to Give and Other	(1,638,216)	2,637,557
Prepaid Expenses	(46,236)	(44,484)
Deposits	36,528	(10,478)
Accounts Payable and Accrued Expenses	60,988	16,514
Grants Payable	78,112	178,517
Accrued Vacation/Payroll	17,788	21,748
Deferred Lease Obligation	39,096	(26,301)
Deferred Revenue	(12,324)	12,324
Contributions Restricted for Long Term Purposes:		
Contributions	(61,700)	(68,344)
Net Cash Provided by Operating Activities	377,923	487,386
CASH FROM INVESTING ACTIVITIES		
Purchases of Investments	(1,278,099)	(734,814)
Sale of Investments	1,220,898	1,492,501
Purchases of Property and Equipment	(4,875)	(9,237)
Net Cash Provided (Used) by Investing Activities	(62,076)	748,450
CASH FROM FINANCING ACTIVITIES		
Proceeds from Note Payable	150,000	305,750
Collection of Contributions Restricted for Long Term Purposes	61,700	68,344
Principal Payments on Capital Lease Obligation	(2,722)	(2,490)
Net Cash Provided by Financing Activities	208,978	371,604
NET INCREASE IN CASH AND CASH EQUIVALENTS	524,825	1,607,440
Cash and Cash Equivalents - Beginning of Year	3,822,898	2,215,458
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 4,347,723	\$ 3,822,898
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		
Donated Securities Received	\$ 27,864	\$ 63,807

See accompanying Notes to Consolidated Financial Statements.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GFC

The Global Fund for Children (GFC) is an international nonprofit organization that envisions a future where all children and youth enjoy equal resources and opportunities in society, and live free from violence, discrimination, and exploitation. GFC's mission is to partner with community-based organizations around the world to help children and youth reach their full potential and advance their rights.

The Global Fund for Children UK Trust (UK Trust) is a charity organization that exists to improve the lives of millions of children and youth facing poverty, injustice, and discrimination. The UK Trust was officially incorporated as a private limited company in December 2006 and received charity registration in the United Kingdom in June 2007. GFC is the sole member of the UK Trust and appoints the trustees; therefore the organizations are consolidated.

The Global Fund for Children HK Limited (HK Limited) is a charity organization that exists to advance education of children and young people through promotion and funding of community education and outreach programs primarily in Hong Kong. HK Limited was officially incorporated as a private limited company in May 2016. As of June 30, 2019, HK Limited received its tax-exempt charitable status. GFC is the founding member of HK Limited, and the HK Limited board consists of the President and CEO and VP of Programs of GFC; therefore the organizations are consolidated. The financial position and results of operations of HK Limited were not presented in these consolidated financial statements as the activity was not material. In June 2020, GFC decided to wind down and dissolve HK Limited due to inactivity. HK Limited completed the deregistration process on December 31, 2021.

Principles of Consolidation

The consolidated financial statements include the accounts of The Global Fund for Children and The Global Fund for Children UK Trust. Significant inter-company accounts and transactions have been eliminated in consolidation.

Basis of Presentation

GFC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Income Tax Status

GFC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Internal Revenue Service has classified GFC as a publicly supported foundation under sections 509(a)(1) and 170(b)(1)(A)(VI) of the IRC. The Global Fund for Children UK Trust is exempt from tax in the UK under Section 505 of the Taxes Act of 1988. As of June 30, 2021, HK Limited received its charity registration. GFC HK Limited is exempt from tax under Section 88 of Inland Revenue Ordinance.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (Continued)

GFC has adopted the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The implementation of this guidance had no impact on GFC's financial statements. GFC believes it has appropriate support for unrelated trade or business positions and, as a result, does not have uncertain income tax positions that have a material impact on the financial statements. GFC files as a tax-exempt organization.

Use of Estimates

Management used estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash Equivalents

For consolidated financial statement purposes, GFC considers its money market funds to be cash equivalents. Restricted cash is maintained in a separate bank account as a depository for donor-restricted contributions and grants. These funds are released after satisfying the purposes and conditions of the restrictions.

Accounts Receivable

Accounts receivable are recorded at their net realizable value. Accounts 90 days past due are analyzed for collectability and when all collection efforts have been exhausted, the account is written off to bad debts.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received. Conditional promises to give are recognized only when the conditions on which they depend are met and the promises become unconditional. There were no conditional promises to give at June 30, 2021 and 2020.

Investments

Investments consist of equity securities, equity mutual funds and fixed income mutual funds. These investments are recorded in the accompanying financial statements at fair market value. Interest, dividends and realized gains or losses are recorded when earned. Fluctuations in the fair value of the portfolio are recorded as unrealized gains or losses.

Fair Value of Financial Instruments

GFC accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. GFC accounts for certain financial assets and liabilities at fair value under various accounting literature. GFC also accounts for certain assets at fair value under applicable industry guidance.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments (Continued)

GFC has categorized its consolidated financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the consolidated statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that GFC has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include among others, quoted prices for similar assets or liabilities in active market or non-active market.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Property and Equipment

Property and equipment are recorded at cost and depreciated on the straight-line basis over the estimated useful lives of the assets of three to five years. Leasehold improvements are amortized over the life of the lease. GFC capitalizes all purchases of long-lived assets in excess of \$1,000, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Net Assets

Net assets are classified for accounting and reporting purposes according to their nature and purpose and based upon the existence or absence of any restrictions thereon. A description of each net asset group is as follows:

Net Assets Without Donor Restrictions – represent funds presently available for use by GFC at its discretion.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Net Assets With Donor Restrictions – represent funds subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The corpus of these donations is invested and the earnings are recorded in nets assets with donor restrictions until appropriated for spending and utilized for the intended purpose.

Grants Payable

Grants payable are recorded when committed by the board of directors.

Contributions and Grants

Contributions and grants are recorded as revenue in the year notification is received from the donor. Support that is donor-restricted, either by program or by time, is reported as an increase in net assets with donor restrictions. When the restriction expires, that is, when a time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions as net assets released from restrictions.

Contributed Services

Contributed services are recorded at their fair market value.

Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, salary and other overhead costs have been allocated among the programs and supporting services benefited based on time expended.

Foreign Exchange Transactions

Assets, liabilities, and transactions related to the Global Fund for Children UK Trust, which is included in the consolidated financial statements, are converted to U.S. dollars. Assets and liabilities are converted at year-end using the spot exchange rate. Operations throughout the year are converted using the average exchange rate.

Concentration of Credit Risk

GFC maintains demand deposits which may, at times, exceed federally insured limits.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these consolidated financial statements, GFC has evaluated events and transactions for potential recognition or disclosure through March 14, 2022, the date the consolidated financial statements were available to be issued.

On September 8, 2021, GFC amended its Economic Injury Disaster Loan (EIDL) from the Small Business Administration by increasing the amount from \$150,000 to \$500,000. The loan is secured by the assets of GFC and requires monthly principal and interest payments of \$2,213 at 2.75% starting in July 2022. Principal and interest is payable over a thirty-year period.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 4,347,723	\$ 3,822,898
Promises to Give (Net)	4,214,094	2,590,122
Accounts Receivable - Other	23,719	9,475
Investments	2,614,164	2,154,049
Subtotal	<u>11,199,700</u>	<u>8,576,544</u>
Less: Donor Restricted Funds	<u>(7,987,287)</u>	<u>(6,013,599)</u>
Total	<u>\$ 3,212,413</u>	<u>\$ 2,562,945</u>

As part of its liquidity management, GFC structures its financial assets to be available as its general expenditures and liabilities come due. GFC also has available a line of credit in the amount of \$750,000, if needed.

NOTE 3 PROMISES TO GIVE

Promises to give as of June 30, 2021 and 2020, are unconditional. Amounts due after one year are discounted at the rate of 3.84%. Promises to give are considered fully collectible and are due as follows at June 30:

	<u>2021</u>	<u>2020</u>
Promises to Give Due in Less Than One Year	\$ 2,889,268	\$ 1,399,509
Promises to Give Due in One to Five Years	1,375,744	1,212,397
Subtotal	<u>4,265,012</u>	<u>2,611,906</u>
Less: Present Value Discount	<u>(50,918)</u>	<u>(21,784)</u>
Net Promises to Give	<u>\$ 4,214,094</u>	<u>\$ 2,590,122</u>

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 3 PROMISES TO GIVE (CONTINUED)

As of June 30, 2021 and 2020, promises to give consist of pledges from three donors, representing approximately 75% and 94%, respectively, of the net pledges.

NOTE 4 INVESTMENTS

Investments are recorded at fair value and are comprised of the following at June 30:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Fixed Income Mutual Funds	\$ 1,573,245	\$ 1,597,889	\$ 745,478	\$ 799,518
Equity Mutual Funds	787,935	1,016,275	1,352,184	1,354,531
Total	<u>\$ 2,361,180</u>	<u>\$ 2,614,164</u>	<u>\$ 2,097,662</u>	<u>\$ 2,154,049</u>

Investment income consisted of the following for the years ended June 30:

	2021	2020
Interest and Dividends	\$ 131,087	\$ 122,334
Realized Gain	206,317	47,033
Unrealized Gain (Loss)	196,597	(31,407)
Investment Expenses	(19,597)	(23,162)
Total Investment Income, Net	<u>\$ 514,404</u>	<u>\$ 114,798</u>

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect amounts reported in future consolidated statements of activities.

NOTE 5 FAIR VALUE MEASUREMENTS

The following tables present GFC's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30:

	2021			
	Level 1	Level 2	Level 3	Total
Fixed Income Mutual Funds	\$ 1,597,889	\$ -	\$ -	\$ 1,597,889
Equity Mutual Funds	1,016,275	-	-	1,016,275
Total	<u>\$ 2,614,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,614,164</u>

	2020			
	Level 1	Level 2	Level 3	Total
Fixed Income Mutual Funds	\$ 799,518	\$ -	\$ -	\$ 799,518
Equity Mutual Funds	1,354,531	-	-	1,354,531
Total	<u>\$ 2,154,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,154,049</u>

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 6 NOTES PAYABLE

In April 2020, GFC received a loan from a financial institution in the amount of \$305,750 to fund payroll, rent, and utilities through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over twenty-four months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration (SBA). Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if GFC fails to apply for forgiveness within ten months after the covered period, then payment of principal and interest shall begin on that date. The submission of loan forgiveness to the financial institution was made during fiscal year 2021 and, in April 2021, the PPP Loan was forgiven in full and paid by the SBA to the financial institution. The recognition of debt forgiveness is presented as Forgiveness of Paycheck Protection Loan Program in the accompanying consolidated statement of activities for the year ended June 30, 2021.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on GFC's financial position.

In July 2020, GFC received an Economic Injury Disaster Loan (EIDL) in the amount of \$150,000, authorized by the SBA. The EIDL bears interest at a fixed rate of 2.75% per annum and requires payment of monthly principal and interest twelve months from the date of the promissory note. The loan is secured by the assets of GFC and has a term of thirty years.

Subsequent to June 30, 2021, GFC increased their EIDL by \$350,000 under the same original terms.

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

At June 30, net assets with donor restrictions consist of the following:

	2021	2020
Subject to Expenditure for Specific Purpose:		
Grantmaking	\$ 2,732,779	\$ 2,343,251
Subject to Spending Policy and Appropriation:		
Donor-restricted Gifts that Allow for Draws Against the Original Corpus	1,199,772	1,133,210
Accumulated Endowment Earnings Subject to Spending Policy	178,103	4,862
Time Restricted	3,876,633	2,532,276
Total	\$ 7,987,287	\$ 6,013,599

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 8 ENDOWMENT

Net assets with donor restrictions include endowment funds in which donors placed restrictions that stipulate the original principal of the gift is to be held and invested by GFC indefinitely and spent in accordance with a spending policy for two funds. At June 30, 2021 and 2020, funds totaling \$1,377,875 and \$1,138,072, respectively, were available and represent contributions and investment earnings including matching funds received to assist in establishing and maintaining an endowment fund.

The endowment funds are subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Under UPMIFA, all unappropriated endowment fund assets are considered restricted. The board of directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, GFC considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gifts donated to the permanent endowment, and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The unspent earnings are available for expenditure in subsequent years following appropriation by GFC's board of directors in a manner consistent with the standard of prudence prescribed by UPMIFA to support activities as specified by the donor.

In accordance with UPMIFA, GFC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of GFC and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of GFC.
- The investment policies of GFC.

GFC has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to increase its endowment while seeking to maintain the purchasing power of endowment assets. Endowment assets include those assets of donor-restricted funds that GFC must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to preserve principal while earning as much income as possible assuming a conservative level of investing risk.

GFC has also established a spending policy for its endowment funds that allows it to draw 5% of the fund's total market value based on the three-year average balance of the portfolio at the end of each calendar year.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 8 ENDOWMENT (CONTINUED)

Composition of and changes in endowment net assets are as follows:

	<u>With Donor Restrictions</u>
Net Assets - June 30, 2019	\$ 1,064,866
Contributions	68,344
Investment Income	46,762
Appropriations	(41,900)
Net Assets - June 30, 2020	<u>1,138,072</u>
Contributions	61,700
Investment Income, Net	259,203
Appropriations	(81,100)
Net Assets - June 30, 2021	<u><u>\$ 1,377,875</u></u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires GFC to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2021 and 2020.

NOTE 9 PROGRAM SERVICES

Program services are segregated by type of activity within the consolidated statements of activities. The specific activities that are included in each program area are as follows:

Programs

Grantmaking

The Global Fund for Children identifies and invests in courageous grassroots organizations that advance children’s rights around the world. Run by dedicated local leaders, these grassroots partners empower young people facing poverty and injustice to reach their full potential. GFC’s goal is to help these organizations deepen their impact and build their capacity for social change. GFC carries out this work across four core focus areas: Education; Gender Equity; Youth Empowerment; and Freedom from Violence and Exploitation.

For the year ended June 30, 2021, GFC awarded 460 grants to 316 community-based organizations. In addition to these program grants, grantee partners were also able to access other GFC capacity-development support, such as site visit consultations, assistance with applying to other donors, and access to networking and capacity-development initiatives like knowledge exchange workshops.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 9 PROGRAM SERVICES (CONTINUED)

Programs (Continued)

Communications

Through its communications outreach, GFC uses digital media, photography and stories to tell about its efforts dedicated to identifying, funding, advising, mentoring and partnering with organizations that empower children and youth. By using its website, online outreach and social media, GFC highlights its ability to take smart risks that others won't, partnering with innovative organizations that are fighting the odds in places like slums, refugee camps, and rural villages. GFC provides a crucial link, connecting community leaders with the professional services and support they need to succeed.

NOTE 10 CONTRIBUTED SERVICES

During June 30, 2021 and 2020, GFC and the UK Trust received services with an estimated fair value of \$132,081 and \$179,386, respectively, in the form of pro bono professional and legal services. The legal services were dedicated to administrative legal advice.

NOTE 11 OFFICE LEASE

In March 2018, GFC entered into an 89-month noncancelable operating lease for office space commencing July 2018. In February 2021, the term of the lease was amended. The amendment extends the lease to March 31, 2029 and includes scheduled rental increases from a monthly base rent of \$22,130, which is being recognized ratably over the lease term. The amendment also includes free rent for the period March 1, 2021 through May 31, 2021, as well as a refurbishment allowance or credit against base rent in the amount of \$25,535 that is to be used by February 2022. Rent expense related to this office space and the UK Trust totaled \$252,914 and \$247,321 for the years ended June 30, 2021 and 2020, respectively. Rent expense reflected in the consolidated statements of functional expenses and the statements of activities – U. S. Operations for the years ended June 30, 2021 and 2020, includes the expense of storage space. The original lease includes tenant move-in and leasehold improvements allowances in the amount of \$311,527, which were paid by the landlord, for the build-out of the office space and purchase of furniture and is being recognized ratably over the lease term. The tenant allowances have been capitalized as property and equipment and depreciated over the lease term. In conformity with accounting principles generally accepted in the United States of America, tenant allowances are being recognized on a straight-line basis over the term of the lease. The difference between actual cash payments made and the straight-line expense is recognized as deferred lease obligation in the consolidated statements of financial position, which is amortized over the term of the lease. Deferred lease obligation was \$304,725 and \$265,629 at June 30, 2021 and 2020, respectively.

**THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 11 OFFICE LEASE (CONTINUED)

Future minimum payments on the office lease are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 242,240
2023	274,471
2024	281,333
2025	288,367
2026	295,576
Thereafter	850,916
Total	<u>\$ 2,232,903</u>

NOTE 12 TAX SHELTERED ANNUITY PLAN

GFC maintains a contributory defined contribution plan under Section 403(b) of the Internal Revenue Code for the benefit of its employees. All employees, except for part-time employees who normally work less than 20 hours per week, may participate in the Plan. Following three months of service, GFC is required to match participant contributions as defined in the agreement, but not to exceed 4% of total gross salary. In addition, GFC may choose to make a discretionary contribution to the Plan. In order to be eligible to receive a discretionary contribution, an employee must complete two years of service.

Pension expense for the Plan totaled \$61,752 and \$53,291 for the years ended June 30, 2021 and 2020, respectively.

NOTE 13 CONTINGENCIES AND COMMITMENTS

Collectability of Revenue

GFC receives a portion of its revenue from grants and contracts. The ultimate determinations of amounts received under these programs often are based upon allowable costs, reported to the donor. In some instances, the donor reserves the right to audit the program costs. Until the final settlement is reached with each donor, there exists a contingency to refund any amount received for costs deemed unallowable in an audit conducted by a donor. Such settlements, if any, will be recognized as revenue or expense in the period the amount is determined.

Employment Agreement

GFC has an employment agreement with an executive that includes severance payments upon termination without cause.

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 13 CONTINGENCIES AND COMMITMENTS (CONTINUED)

COVID-19

During March 2020, the World Health Organization declared the spread of coronavirus disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to GFC, COVID-19 may impact various parts of its 2022 operations and financial results, including, but not limited to, loss of revenue due to cancellation of certain events, and other reductions in certain revenue streams. Management believes GFC is taking appropriate actions to mitigate the negative impact of the COVID-19 pandemic, including pursuing financial relief from the federal government (see Note 6). As of March 14, 2022, the amount and likelihood of loss relating to these events is not determined and cannot be reasonably estimated as these events are still developing.

NOTE 14 LINE OF CREDIT

GFC has a revolving line of credit in the amount of \$750,000. The line of credit is due on demand. The interest rate on funds borrowed is prime plus 0.54% (3.79%) at June 30, 2021. GFC is subject to certain covenants as defined in the agreement. GFC did not draw down on its line of credit during the years ended June 30, 2021 or 2020.

NOTE 15 RELATED PARTY TRANSACTIONS

During the years ended June 30, 2021 and 2020, GFC received contributions from board members totaling \$296,832 and \$410,460, respectively.



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
The Global Fund for Children
Washington, DC

We have audited the consolidated financial statements of The Global Fund for Children and Affiliates as of and for the years ended June 30, 2021 and 2020, and our report thereon dated March 14, 2022, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 21 through 24, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
March 14, 2022

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS	<u>GFC</u>	<u>UK Trust</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS				
Cash and Cash Equivalents	\$ 2,888,552	\$ 1,459,171	\$ -	\$ 4,347,723
Accounts Receivable:				
Promises to Give (Net)	3,876,633	337,461	-	4,214,094
Other	19,771	21,054	(17,106)	23,719
Prepaid Expenses	102,771	13,387	-	116,158
Investments	2,614,164	-	-	2,614,164
Property and Equipment (Net)	208,744	-	-	208,744
Deposits	19,461	-	-	19,461
	<u>\$ 9,730,096</u>	<u>\$ 1,831,073</u>	<u>\$ (17,106)</u>	<u>\$ 11,544,063</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 96,064	\$ 71,033	\$ (17,106)	\$ 149,991
Grants Payable	355,629	-	-	355,629
Accrued Vacation/Payroll	119,724	-	-	119,724
Deferred Lease Obligation	304,725	-	-	304,725
Note Payable	150,000	-	-	150,000
Capital Lease Obligation	238	-	-	238
Total Liabilities	<u>1,026,380</u>	<u>71,033</u>	<u>(17,106)</u>	<u>1,080,307</u>
NET ASSETS				
Without Donor Restriction	2,127,600	348,869	-	2,476,469
With Donor Restriction	6,576,116	1,411,171	-	7,987,287
Total Net Assets	<u>8,703,716</u>	<u>1,760,040</u>	<u>-</u>	<u>10,463,756</u>
	<u>\$ 9,730,096</u>	<u>\$ 1,831,073</u>	<u>\$ (17,106)</u>	<u>\$ 11,544,063</u>

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	GFC			UK Trust			Elimination	Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		Without Donor Restrictions	With Donor Restrictions	Total
REVENUE										
Gifts and Grants	\$ 1,285,859	\$ 4,649,427	\$ 5,935,286	\$ 408,572	\$ 4,725,616	\$ 5,134,188	\$ (535,204)	\$ 1,159,227	\$ 9,375,043	\$ 10,534,270
Forgiveness of Paycheck										
Protection Program Loan	305,750	-	305,750	-	-	-	-	305,750	-	305,750
Investment Income (Net)	247,425	266,870	514,295	109	-	109	-	247,534	266,870	514,404
Other	30,856	-	30,856	1,488	27,210	28,698	-	32,344	27,210	59,554
Net Assets Released from Restrictions	4,014,941	(4,014,941)	-	3,680,494	(3,680,494)	-	-	7,695,435	(7,695,435)	-
Total Revenue	5,884,831	901,356	6,786,187	4,090,663	1,072,332	5,162,995	(535,204)	9,440,290	1,973,688	11,413,978
EXPENSES										
Program Services:										
Communications	348,793	-	348,793	-	-	-	-	348,793	-	348,793
Programs	4,206,020	-	4,206,020	3,694,075	-	3,694,075	(535,204)	7,364,891	-	7,364,891
Total Program Services	4,554,813	-	4,554,813	3,694,075	-	3,694,075	(535,204)	7,713,684	-	7,713,684
Supporting Services:										
Management and General	487,464	-	487,464	49,112	-	49,112	-	536,576	-	536,576
Fundraising	532,654	-	532,654	55,877	-	55,877	-	588,531	-	588,531
Total Supporting Services	1,020,118	-	1,020,118	104,989	-	104,989	-	1,125,107	-	1,125,107
Total Expenses	5,574,931	-	5,574,931	3,799,064	-	3,799,064	(535,204)	8,838,791	-	8,838,791
CHANGE IN NET ASSETS	309,900	901,356	1,211,256	291,599	1,072,332	1,363,931	-	601,499	1,973,688	2,575,187
Net Assets - Beginning of Year	1,817,700	5,674,760	7,492,460	57,270	338,839	396,109	-	1,874,970	6,013,599	7,888,569
NET ASSETS - END OF YEAR	\$ 2,127,600	\$ 6,576,116	\$ 8,703,716	\$ 348,869	\$ 1,411,171	\$ 1,760,040	\$ -	\$ 2,476,469	\$ 7,987,287	\$ 10,463,756

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
STATEMENT OF FUNCTIONAL EXPENSES – U.S. OPERATIONS
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Program Services			Supporting Services			Total Expenses
	Communications	Programs	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 1,971,249	\$ 1,971,249	\$ -	\$ -	\$ -	\$ 1,971,249
Salaries and Benefits	240,122	1,414,575	1,654,697	250,527	340,643	591,170	2,245,867
Consultants and Professional Services	5,951	375,831	381,782	51,120	39,432	90,552	472,334
Intern Program	730	710	1,440	-	402	402	1,842
Staff Development/Activities	-	467	467	6,554	181	6,735	7,202
Knowledge Exchanges	-	49,612	49,612	-	-	-	49,612
Fellowships	-	10,290	10,290	-	-	-	10,290
Conferences	-	3,588	3,588	1,204	94	1,298	4,886
Travel	-	38,058	38,058	754	40	794	38,852
Annual Report	1,145	-	1,145	-	-	-	1,145
Fundraising Events	-	-	-	-	9,704	9,704	9,704
Fall and Spring Appeals	1,638	280	1,918	-	-	-	1,918
Accounting and Auditing	-	-	-	41,056	-	41,056	41,056
Legal - Donated Services	-	-	-	129,105	-	129,105	129,105
Computers, Software, and Technology	32,004	56,154	88,158	54,467	32,552	87,019	175,177
Office Supplies and Stationary	-	304	304	(1,090)	-	(1,090)	(786)
Printing and Photocopying	-	565	565	1,167	-	1,167	1,732
Postage and Shipping	180	172	352	1,503	1,119	2,622	2,974
Equipment Lease and Maintenance	(390)	(1,540)	(1,930)	9,619	(312)	9,307	7,377
Dues and Subscriptions	326	329	655	8,640	6,345	14,985	15,640
Bank and Payroll Processing	489	7,043	7,532	7,216	5,969	13,185	20,717
State Registration Fees	-	-	-	-	10,838	10,838	10,838
Telephone/Fax/Internet	175	5,537	5,712	21,978	17	21,995	27,707
Insurance	-	-	-	21,765	-	21,765	21,765
Depreciation	5,358	21,141	26,499	4,042	6,823	10,865	37,364
Gifts and Flowers	-	-	-	782	119	901	901
Rent	29,459	140,884	170,343	40,223	42,348	82,571	252,914
Public Relations and Communications	9,200	2,220	11,420	-	4,129	4,129	15,549
Direct Expenses	326,387	4,097,469	4,423,856	650,632	500,443	1,151,075	5,574,931
Indirect Expenses	22,406	108,551	130,957	(163,168)	32,211	(130,957)	-
Total Expenses	\$ 348,793	\$ 4,206,020	\$ 4,554,813	\$ 487,464	\$ 532,654	\$ 1,020,118	\$ 5,574,931

THE GLOBAL FUND FOR CHILDREN AND AFFILIATES
STATEMENTS OF CASH FLOWS – U.S. OPERATIONS
YEARS ENDED JUNE 30, 2021 AND 2020
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	2021	2020
CASH FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,211,256	\$ (2,552,540)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	37,364	54,367
Unrealized (Gain) Loss on Investments	(196,597)	31,407
Realized Gain on Investments	(206,317)	(47,033)
Forgiveness of Paycheck Protection Loan Program	(305,750)	-
Changes in Assets and Liabilities:		
Accounts Receivable - Promises to Give and Other	(1,344,357)	2,700,094
Prepaid Expenses	(32,849)	(45,091)
Deposits	23,417	1,418
Accounts Payable and Accrued Expenses	19,812	18,697
Grants Payable	147,129	109,500
Accrued Vacation/Payroll	21,089	18,447
Deferred Lease Obligation	39,096	(26,301)
Contributions Restricted for Long Term Purposes:		
Contributions	(61,700)	(68,344)
Net Cash Provided (Used) by Operating Activities	(648,407)	194,621
CASH FROM INVESTING ACTIVITIES		
Purchases of Investments	(1,278,099)	(734,814)
Proceeds from Sale of Investments	1,220,898	1,492,501
Purchases of Property and Equipment	(4,875)	(9,237)
Net Cash Provided (Used) by Investing Activities	(62,076)	748,450
CASH FROM FINANCING ACTIVITIES		
Proceeds from Note Payable	150,000	305,750
Collection of Contributions Restricted for Long Term Purposes	61,700	68,344
Principal Payments on Capital Lease Obligation	(2,722)	(2,490)
Net Cash Provided by Financing Activities	208,978	371,604
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(501,505)	1,314,675
Cash and Cash Equivalents - Beginning of Year	3,390,057	2,075,382
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,888,552	\$ 3,390,057
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		
Donated Securities Received	\$ 27,864	\$ 63,807