



**Financial Statements**  
**December 31, 2020 and 2019**





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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Global School Leaders  
Roseville, California

We have audited the accompanying financial statements of Global School Leaders (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019 and the related statements of activities, functional expenses, and cash flows for the years 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

Our responsibility is to express an opinion on these financial statements based on our audits. 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 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, 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 financial statements.

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 financial statements referred to above present fairly, in all material respects, the financial position of the Global School Leaders as of December 31, 2020 and 2019, 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.

*Grant Bennett Associates*

GRANT BENNETT ASSOCIATES  
A PROFESSIONAL CORPORATION  
Certified Public Accountants

Rancho Cordova, California  
June 29, 2021







## Global School Leaders

### Statement of Financial Position December 31, 2020 and 2019

	2020	2019
<b>ASSETS</b>		
Current Assets		
Cash	\$ 458,598	\$ 257,820
Accounts Receivable	150,000	320,984
Prepaid Expenses	<u>225</u>	<u>337</u>
Total Current Assets	608,823	579,141
<b>TOTAL ASSETS</b>	<b>\$ 608,823</b>	<b>\$ 579,141</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	\$ 13,144	\$ 6,101
Total Current Liabilities	<u>13,144</u>	<u>6,101</u>
Total Liabilities	13,144	6,101
Net Assets		
Without Donor Restrictions	242,938	195,802
With Donor Restrictions	<u>352,741</u>	<u>377,238</u>
Total Net Assets	595,679	573,040
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 608,823</b>	<b>\$ 579,141</b>

The accompanying notes are an integral part of these financial statements.



**Global School Leaders**  
**Statement of Activities**  
**For the Years Ended December 31, 2020 and 2019**

	2020	2019
Revenue Without Donor Restrictions		
Net Assets Released from Restrictions	\$ 484,300	\$ 706,031
Contributions without Donor Restrictions	5,000	-
Grants	<u>44,976</u>	<u>-</u>
Total Revenue Without Donor Restrictions	<u>534,276</u>	<u>706,031</u>
Expenses		
Program Services	478,769	681,565
General and Administrative	<u>8,371</u>	<u>38,668</u>
Total Expenses	<u>487,140</u>	<u>720,233</u>
Change in Net Assets Without Donor Restrictions	47,136	(14,202)
Revenue with Donor Restrictions		
Foundation Grants With Donor Restrictions	459,803	1,083,269
Net Assets Released from Restrictions	<u>(484,300)</u>	<u>(706,031)</u>
Change in Net Assets with Donor Restrictions	<u>(24,497)</u>	<u>377,238</u>
INCREASE (DECREASE) IN NET ASSETS	<u>22,639</u>	<u>363,036</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS, beginning of the year	573,040	210,004
NET ASSETS WITHOUT DONOR RESTRICTIONS, end of the year	<u>\$ 595,679</u>	<u>\$ 573,040</u>

The accompanying notes are an integral part of these financial statements.



**Global School Leaders**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2020**

	Program Expenses	Fundraising Expenses	General & Administrative	Total
Personnel Costs	\$ 227,607	\$ -	\$ -	\$ 227,607
Sub-Contractors & Grants	242,381	-	-	242,381
Occupancy & Office Costs	8,694	-	26	8,720
Travel	-	-	7,840	7,840
Other	87	-	505	592
<b>Total Expenses</b>	<b>\$ 478,769</b>	<b>\$ -</b>	<b>\$ 8,371</b>	<b>\$ 487,140</b>

**Statement of Functional Expenses**  
**For the Year Ended December 31, 2019**

	Program Expenses	Fundraising Expenses	General & Administrative	Total
Personnel Costs	\$ 225,815	\$ -	\$ -	\$ 225,815
Sub-Contractors & Grants	449,312	-	-	449,312
Occupancy and Office Costs	5,621	-	-	5,621
Travel	-	-	38,219	38,219
Other	817	-	449	1,266
<b>Total Expenses</b>	<b>\$ 681,565</b>	<b>\$ -</b>	<b>\$ 38,668</b>	<b>\$ 720,233</b>

**Global School Leaders  
Statement of Cash Flows  
For the Years Ended December 31, 2020 and 2019**

	2020	2019
Cash Flows from Operating Activities		
Cash Received from Donors and Others	\$ 705,260	\$ 762,285
Cash Paid to Suppliers and Employees	<u>(479,985)</u>	<u>(721,322)</u>
Net Cash Flows from Operating Activities	<u>225,275</u>	<u>40,963</u>
Cash Flows from Investing Activities		
Cash Flows From Financing Activities:		
NET CHANGE IN CASH	225,275	40,963
CASH AT BEGINNING OF YEAR	<u>257,820</u>	<u>216,857</u>
CASH AT END OF THE YEAR	<u>\$ 483,095</u>	<u>\$ 257,820</u>

The accompanying notes are an integral part of these financial statements.

**Global School Leaders**  
**Notes to the Financial Statements**  
**December 31, 2020 and 2019**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:**

A. Organization Activities:

Global School Leaders is a not-for-profit California corporation organized primarily to advance the education of children by training and preparing school leaders, teachers and other educators. The Organization is supported primarily through contributions and grants.

B. Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Functional Expense Allocation:

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly certain costs have been allocated among the programs and support services benefited.

D. Basis of Accounting:

The Organization prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid at that time. Any unearned amount is recorded as deferred revenue.

E. Revenue Recognition:

The Organization receives the majority of its support from grants and contracts. These funds are deemed to be earned and are reported as support subject to the specific requirements of the grant or contract.

F. Cash Equivalents:

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.



**Global School Leaders**  
**Notes to the Financial Statements**  
**December 31, 2020 and 2019**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued):**

G. Income Taxes:

Global School Leaders is a nonprofit corporation exempt from federal and state income taxes under Internal Revenue Code (IRC) section 501(c)(3) and the corresponding provisions of the California Franchise Tax Code. However, it is subject to federal and California income tax on unrelated business income (UBI), if any, as stipulated in IRC Section 511.

Global School Leaders evaluates uncertain tax positions through its review of the sources of income to identify UBI and certain other matters, including those which may affect its tax exempt status. The effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of December 31, 2020, Global School Leaders had no uncertain tax positions requiring accrual. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years after they are filed. There are currently no examinations being conducted of any of the Agency's previously filed income tax returns.

H. Contributions:

All contributions are considered to be available without donor restrictions unless specifically restricted by the donor.

I. Concentrations:

Approximately 90% of total revenues were earned from the three contracts during the year ended December 31, 2020.

J. Functional Expenses:

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses are allocated on the basis of estimates of time and effort.

**Global School Leaders  
Notes to the Financial Statements  
December 31, 2020 and 2019**

**NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES:**

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short investments, primarily, a sweep account.

The following reflects the Organization's financial assets as of the balance sheet date, including amounts not available within one year of the balance sheet date.

The Association's financial assets due within one year of the balance sheet date for general expenditures are as follows:

Cash and Cash Equivalents	\$ 458,598
Accounts Receivable	150,000
Financial Assets, as of December 31, 2020	608,598
<hr/>	
Financial assets available within one year to meet cash needs for general expenditures within one year	\$ 608,598

**NOTE 3 - ECONOMIC DEPENDENCY:**

The Organization's ability to continue in existence is dependent upon its ability to solicit and obtain contributions and grant funds from various individuals and agencies.

**NOTE 4 - SUBSEQUENT EVENTS:**

Events subsequent to December 31, 2020 have been evaluated through June 29, 2021, the date these statements were available to be issued, to determine whether they should be disclosed to keep the financial statements from being misleading. The Organization is responding to the COVID-19 outbreak with a measured, practical response. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration. Therefore, while the Organization expects this matter to negatively impact its operating results, the related financial impact duration cannot be reasonably estimated at this time.