

Global Links

Financial Statements and Supplementary Information

Years Ended December 31, 2019 and 2018
with Independent Auditor's Report

MaherDuessel

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GLOBAL LINKS

YEARS ENDED DECEMBER 31, 2019 AND 2018

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Independent Auditor's Report

Board of Directors Global Links

We have audited the accompanying financial statements of Global Links (Organization), a non-profit organization, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the 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 audits 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 estimated 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 Organization as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of activities by asset class is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
May 21, 2020

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STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2019 AND 2018

<u>Assets</u>	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 508,774	\$ 367,066
Investments	622,458	547,155
Contributions receivable	49,737	9,606
Grants receivable	51,000	21,600
Inventory	3,003,688	3,152,718
Prepaid expenses	10,069	10,057
Total current assets	<u>4,245,726</u>	<u>4,108,202</u>
Property and equipment:		
Building and improvements	2,488,800	2,488,800
Furniture, fixtures, and equipment	307,724	202,323
	<u>2,796,524</u>	<u>2,691,123</u>
Less: accumulated depreciation	<u>(580,074)</u>	<u>(524,825)</u>
Property and equipment, net	<u>2,216,450</u>	<u>2,166,298</u>
Total Assets	<u><u>\$ 6,462,176</u></u>	<u><u>\$ 6,274,500</u></u>
Liabilities and Net Assets		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 76,320	\$ 46,544
Refundable advance	89,851	117,799
Line of credit	22,981	-
Current portion of long-term debt	120,000	120,000
Total current liabilities	<u>309,152</u>	<u>284,343</u>
Noncurrent liabilities:		
Long-term debt, net of unamortized loan costs	<u>832,803</u>	<u>952,070</u>
Total Liabilities	<u>1,141,955</u>	<u>1,236,413</u>
Net Assets:		
Without donor restrictions	5,002,901	4,775,440
With donor restrictions	317,320	262,647
Total Net Assets	<u>5,320,221</u>	<u>5,038,087</u>
Total Liabilities and Net Assets	<u><u>\$ 6,462,176</u></u>	<u><u>\$ 6,274,500</u></u>

See accompanying notes to financial statements.

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STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Donated materials and supplies	\$ 3,348,995	\$ -	\$ 3,348,995
Contributions and grants	559,701	-	559,701
Foundation grants	126,834	491,039	617,873
Non-United States government grants	181,446	390,952	572,398
Special events, net of expenses of \$1,774	10,750	-	10,750
In-kind contributions	3,609	-	3,609
Net assets released from restrictions	827,318	(827,318)	-
Total support	<u>5,058,653</u>	<u>54,673</u>	<u>5,113,326</u>
Miscellaneous sales and other income	146,682	-	146,682
Interest and dividends	19,531	-	19,531
Realized and unrealized gain (loss) on investments, net	64,129	-	64,129
Gain (loss) on sale of assets	4,000	-	4,000
Total support and revenue	<u>5,292,995</u>	<u>54,673</u>	<u>5,347,668</u>
Expenses:			
Program services	4,681,095	-	4,681,095
Management and general	248,203	-	248,203
Fundraising	136,236	-	136,236
Total expenses	<u>5,065,534</u>	<u>-</u>	<u>5,065,534</u>
Change in Net Assets	227,461	54,673	282,134
Net Assets:			
Beginning of year	<u>4,775,440</u>	<u>262,647</u>	<u>5,038,087</u>
End of year	<u>\$ 5,002,901</u>	<u>\$ 317,320</u>	<u>\$ 5,320,221</u>

See accompanying notes to financial statements.

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STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Donated materials and supplies	\$ 2,680,530	\$ -	\$ 2,680,530
Contributions and grants	469,383	6,867	476,250
Foundation grants	98,719	232,850	331,569
Non-United States government grants	50,572	326,013	376,585
Special events, net of expenses of \$945	8,328	-	8,328
In-kind contributions	4,634	-	4,634
Net assets released from restrictions	563,162	(563,162)	-
Total support	<u>3,875,328</u>	<u>2,568</u>	<u>3,877,896</u>
Miscellaneous sales and other income	76,507	-	76,507
Interest and dividends	18,257	-	18,257
Realized and unrealized gain (loss) on investments, net	(25,658)	-	(25,658)
Gain (loss) on sale of assets	-	-	-
Total support and revenue	<u>3,944,434</u>	<u>2,568</u>	<u>3,947,002</u>
Expenses:			
Program services	4,182,142	-	4,182,142
Management and general	221,793	-	221,793
Fundraising	175,248	-	175,248
Total expenses	<u>4,579,183</u>	<u>-</u>	<u>4,579,183</u>
Change in Net Assets	(634,749)	2,568	(632,181)
Net Assets:			
Beginning of year	<u>5,410,189</u>	<u>260,079</u>	<u>5,670,268</u>
End of year	<u>\$ 4,775,440</u>	<u>\$ 262,647</u>	<u>\$ 5,038,087</u>

See accompanying notes to financial statements.

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STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program Services	Management and General	Fundraising	Total
Materials, supplies, and equipment shipped	\$ 3,561,380	\$ -	\$ -	\$ 3,561,380
Salaries	498,683	134,923	89,310	722,916
Payroll taxes and benefits	90,731	13,574	11,552	115,857
Shipping costs	200,101	-	-	200,101
Consulting and professional fees	98,400	38,673	5,782	142,855
Building and warehouse expenses	56,454	5,018	4,391	65,863
Insurance	-	30,950	-	30,950
Office supplies and expenses	18,056	6,252	3,180	27,488
Travel, conferences, and training	13,338	2,090	124	15,552
Printing, dues, and publications	5,044	1,074	11,670	17,788
Outreach activities	11,552	2,363	1	13,916
Postage and delivery	5,450	1,313	6	6,769
Medical equipment refurbishment	5,543	-	-	5,543
Miscellaneous	433	573	-	1,006
Depreciation	75,613	5,719	5,124	86,456
Interest expense	40,317	5,681	5,096	51,094
	<u>\$ 4,681,095</u>	<u>\$ 248,203</u>	<u>\$ 136,236</u>	<u>\$ 5,065,534</u>
Total expenses	<u>\$ 4,681,095</u>	<u>\$ 248,203</u>	<u>\$ 136,236</u>	<u>\$ 5,065,534</u>

See accompanying notes to financial statements.

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STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2018

	Program Services	Management and General	Fundraising	Total
Materials, supplies, and equipment shipped	\$ 3,099,579	\$ -	\$ -	\$ 3,099,579
Salaries	569,202	96,186	127,781	793,169
Payroll taxes and benefits	90,317	13,973	21,709	125,999
Shipping costs	175,203	-	-	175,203
Consulting and professional fees	16,613	43,299	1,844	61,756
Building and warehouse expenses	58,197	10,597	-	68,794
Insurance	-	28,973	-	28,973
Office supplies and expenses	18,306	6,630	126	25,062
Travel, conferences, and training	21,703	1,213	31	22,947
Printing, dues, and publications	178	3,010	17,847	21,035
Outreach activities	11,209	-	-	11,209
Postage and delivery	810	237	203	1,250
Medical equipment refurbishment	3,698	-	-	3,698
Miscellaneous	321	509	16	846
Depreciation	75,028	10,980	-	86,008
Interest expense	41,778	6,186	5,691	53,655
	<u>\$ 4,182,142</u>	<u>\$ 221,793</u>	<u>\$ 175,248</u>	<u>\$ 4,579,183</u>
Total expenses	<u>\$ 4,182,142</u>	<u>\$ 221,793</u>	<u>\$ 175,248</u>	<u>\$ 4,579,183</u>

See accompanying notes to financial statements.

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STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Cash Flows From Operating Activities:		
Change in net assets	\$ 282,134	\$ (632,181)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	86,456	86,008
Amortization	1,526	1,668
Realized and unrealized (gain) loss on investments, net	(64,129)	25,658
Gain on sale of fixed assets	(4,000)	-
Change in:		
Contributions receivable	(40,131)	(9,606)
Grants receivable	(29,400)	105,373
Inventory	149,030	334,784
Prepaid expenses	(12)	8,417
Accounts payable and accrued expenses	29,776	(23,762)
Refundable advance	(27,948)	47,955
Net cash provided by (used in) operating activities	<u>383,302</u>	<u>(55,686)</u>
Cash Flows From Investing Activities:		
Purchase of fixed assets	(137,401)	(3,031)
Proceeds from sale of fixed assets	4,000	-
Proceeds from sale of investments	-	370,930
Purchase of investments	(11,174)	(266,605)
Net cash provided by (used in) investing activities	<u>(144,575)</u>	<u>101,294</u>
Cash Flows From Financing Activities:		
Repayment of long-term debt	(120,000)	(120,000)
Proceeds from line of credit	22,981	-
Net cash provided by (used in) financing activities	<u>(97,019)</u>	<u>(120,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>141,708</u>	<u>(74,392)</u>
Cash and Cash Equivalents:		
Beginning of year	<u>367,066</u>	<u>441,458</u>
End of year	<u>\$ 508,774</u>	<u>\$ 367,066</u>
Supplementary Disclosures of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ 49,568</u>	<u>\$ 51,987</u>

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 AND 2018

1. Organization

Global Links (Organization) is a not-for-profit, medical relief and development organization dedicated to supporting health improvement initiatives in resource-poor communities and promoting environmental stewardship in the U.S. healthcare system.

Global Links' collaborative efforts include:

- Redirecting still-useful materials away from U.S. landfills to support public health programs in targeted communities throughout the hemisphere.
- Sharing expertise and technical knowledge with international and domestic partners.
- Educating partners, volunteers, and the community on issues of global health and environmental stewardship.

Founded in 1989, the Organization provides U.S. healthcare institutions and manufacturers with an environmentally and socially responsible alternative for the disposal of surplus medical materials, while simultaneously aiming to ensure that one hundred percent of the materials it provides through the programs are needed and can be used. The Organization is committed to collaborative, transparent engagement with the U.S. community and with international partners in all aspects of its programs.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues and support are recorded when earned and expenses are recognized when the liabilities are incurred.

Net Asset Classes

Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

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

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 AND 2018

of the organization. These net assets may be used at the discretion of the Organization's management and its Board of Directors.

With Donor Restrictions - Net assets 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, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of 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 amount of assets and liabilities and disclosures 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 may differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments purchased with an original maturity of three months or less and cash held in checking, savings and money market accounts.

The Organization maintains cash and cash equivalents at financial institutions, which may at times exceed federally insured amounts. The amount in excess of the FDIC limit totaled \$241,584 and \$136,851 at December 31, 2019 and 2018, respectively.

Investments

Investments are reported at fair value. Those investments received as gifts or donations are recorded at their fair value on the date received.

Dividends, interest, and other investment income or losses, including realized gains and losses and unrealized appreciation and depreciation, are reported in the period earned as increases or decreases in net assets without donor restrictions unless the use of the assets received is limited by donor-imposed restrictions or by law. Donor-restricted investment income would be reported as an increase in net assets with donor restrictions.

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Cash and cash equivalents, reported with investments on the statements of financial position, are available to be invested, with the assistance of external advisors, in equity or longer-term debt instruments. Since there is no intent to liquidate the cash and cash equivalents for short-term operating needs, they are presented as investments.

The Organization has investments in mutual funds and exchange traded funds. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect the amounts reported in the statements of financial position.

Contributions and Grants Receivable

Contributions and grants receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. All contributions and grants receivable are expected to be collected within one year.

Contributions and grants receivable are written off when deemed uncollectible. Management has determined that no allowance was considered necessary at December 31, 2019 and 2018.

Inventory

Inventory consists of undistributed in-kind materials at-year end. The Organization receives a substantial amount of in-kind goods from various regional donors, primarily consisting of medical supplies and equipment. Upon receipt of the materials, a value is assigned and recorded in an inventory management software program. These materials are included in the financial statements at amounts that approximate net realizable value on the date of donation. In accordance with accounting principles generally accepted in the United States of America, net realizable value was determined using transactional data in similar markets.

Prepaid expenses

Prepaid expenses include prepaid insurance.

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Property and Equipment

Building and improvements, furniture, fixtures, and equipment are stated at cost (or estimated fair value for donated items). Depreciation is computed on the straight-line method over an estimated useful life of forty years for buildings and four to seven years for furniture, fixtures, and equipment. When equipment is sold or otherwise disposed of, the asset and related accumulated depreciation accounts are relieved, and any resulting gain or loss is reflected in the statements of activities.

In 2019, the Organization entered into agreements to install a reflective roof surface and solar power plant on its premises to generate electricity. The Organization contributed \$137,401 under these agreements in the form of a forgivable loan to commence installation. The Organization will be the sole owner of the roof and solar power plant at the end of the five-year initial period and has therefore, included the cost of the loan in furniture, fixtures, and equipment.

Refundable Advance

Refundable advance consists of conditional contributions received in advance of the condition being met.

Liquidity and Availability

The Organization manages its liquid resources by focusing on both fundraising efforts to ensure the entity has adequate contributions and grants to cover the programs that are being conducted. The Organization prepares very detailed budgets and has been very active in monitoring costs to ensure the entity remains liquid.

As discussed in Note 4, the Organization maintains a line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payment of costs.

The following reflects the Organization's financial assets (cash and cash equivalents, receivables, and investments) as of December 31, 2019 and 2018 expected to be available within one year to meet the cash needs for general ongoing operational expenditures:

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	<u>2019</u>	<u>2018</u>
Financial assets, at year-end	\$ 1,231,969	\$ 945,427
Less: those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	<u>(317,320)</u>	<u>(262,647)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 914,649</u>	<u>\$ 682,780</u>

Fair Value Measurement

The Organization measures its investments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The levels of fair value hierarchy are as follows:

- Level 1 - Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities. These generally provide the most reliable evidence and are used to measure fair value whenever available.
- Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the same term of the asset or liability through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets, and other observable inputs.
- Level 3 - Fair value is based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and other similar techniques.

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Revenue and Support

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contributions whose restrictions have been met in the same year are reported as without donor restrictions. Conditional promises are recorded as revenue when the conditions are substantially met.

Allocation of Functional Expenses

The Organization charges expenses that are directly identifiable to program, management and general, and fundraising. Expenses related to more than one function are allocated to programs and supporting services on the basis of estimates made by management. Management and general expenses include those expenses that are not directly identifiable with any other functional classification but provide overall support and direction for the Organization.

Shipping and Handling Costs

The Organization records the costs of shipping and handling in program services.

Donated Materials, Supplies, and Equipment

Donations include materials, supplies, and equipment donated for use in resource-poor communities. The dollar value of such donations and the related “materials and supplies shipped” expense can fluctuate significantly from year to year. The Organization reports gifts of materials and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

Donated Services

The Organization recognizes donated services in accordance with accounting principles generally accepted in the United States of America if the services create or enhance non-financial assets, require specialized skills, and are preformed by individuals with those skills, or if the services would otherwise be purchased by the Organization. A variety of unpaid volunteers provide services in support of the Organization. No amounts have been

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recognized in the accompanying statements of activities for such volunteer efforts, because the criteria for recognition of such efforts have not been met.

Income Taxes

The Organization is tax exempt under Section 501(c)(3) of the United States Internal Revenue Code and, therefore, is not subject to income tax under present laws. Accordingly, no provisions for income taxes has been included. In addition, the Organization annually files a Form 990 as applicable. Management asserts that they have no uncertain tax positions.

Adopted Accounting Standards Updates

The provisions of these Standard Updates have been adopted and incorporated into these financial statements:

ASU 2014-09, *“Revenue from Contracts with Customers (Topic 606).”* The amendment provides guidance for revenue recognition related to contracts involving the transfer of promised goods or services to customers and the related disclosures.

ASU 2016-18, *“Statement of Cash Flows (Topic 230): Restricted Cash.”* The amendment requires that the statement of cash flows explains the change during the period in the total cash and cash equivalents including the changes of those amounts generally described as restricted cash or restricted cash equivalents.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

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3. Investments and Fair Value Measurements

Fair values of assets measured on a recurring basis at December 31, 2019 are as follows:

	Fair Value as of December 31, 2019			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 8,184	\$ 8,184	\$ -	\$ -
Exchange traded funds	499,586	499,586	-	-
Mutual funds	114,688	114,688	-	-
Total	<u>\$ 622,458</u>	<u>\$ 622,458</u>	<u>\$ -</u>	<u>\$ -</u>

Fair values of assets measured on a recurring basis at December 31, 2018 are as follows:

	Fair Value as of December 31, 2018			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 6,387	\$ 6,387	\$ -	\$ -
Exchange traded funds	249,833	249,833	-	-
Mutual funds	290,935	290,935	-	-
Total	<u>\$ 547,155</u>	<u>\$ 547,155</u>	<u>\$ -</u>	<u>\$ -</u>

The following is a description of the valuation methodologies used for assets measured at fair value, on a recurring basis:

- Mutual and exchange traded funds are valued at the net asset value of shares held by the Organization at December 31 (Level 1).

4. Line of Credit

The Organization maintains a line of credit with a regional bank that has a borrowing limit of \$100,000, with interest payable monthly on any outstanding balance. The annual rate of interest is based on the bank's prime rate (5.75% and 5.50% at December 31, 2019 and 2018, respectively) plus 1.00 percentage point. This agreement is secured by all deposits the Organization maintains at the bank. The line of credit expires on June 30, 2021. The

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outstanding balance on this line of credit was \$22,981 and \$0 at December 31, 2019 and 2018, respectively.

5. Long-Term Debt

Long-term debt consists of a mortgage note in the amount of \$1,800,000 payable to a local bank. Costs to issue the loan totaled \$11,484 during 2012. The unamortized portion of these costs totaled \$7,197 and \$7,930 as of December 31, 2019 and 2018, respectively, and are shown as a reduction of the recorded amount of the debt. The note requires 180 monthly payments of principal (\$10,000) plus interest, which is based on the one-month LIBOR rate plus 2.5 percentage (4.19% and 4.85% as of December 31, 2019 and 2018, respectively). The note is secured by real estate and investments held by the Organization. As of December 31, 2019 and 2018, the total note balance was \$960,000 and \$1,080,000, respectively.

The aggregate payments required for annual periods subsequent to December 31, 2019 are as follows:

Year Ending December 31,	
2020	\$ 120,000
2021	120,000
2022	120,000
2023	120,000
2024	120,000
2025-2027	360,000
	<u>\$ 960,000</u>

Total interest expense on this note was \$49,568 and \$51,987 for the years ended December 31, 2019, and 2018, respectively.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 AND 2018

6. Net Assets

Net assets with donor restrictions are available for the following purposes as of December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Hurricane relief in Cuba	\$ 98,576	\$ 105,772
Community Partners program	45,351	108,125
Volunteers with disabilities	40,000	48,750
Solar agreement	13,740	-
IT improvements	119,653	-
Total	<u>\$ 317,320</u>	<u>\$ 262,647</u>

Net assets released from donor restrictions for the program purposes during the years ended December 31, 2019 and 2018 were \$827,318 and \$563,162, respectively.

7. Subsequent Event

In early 2020, an outbreak of a novel strain of coronavirus was identified and infections have been found in a number of countries around the world, including the United States. The coronavirus and its associated impacts on supply chains, travel, employee productivity and other economic activities has had, and may continue to have, a material effect on financial markets and economic activity. The extent of the negative impact of the coronavirus on Global Links' operational and financial performance is currently uncertain and cannot be predicted and will depend on certain developments, including, among others, the duration and spread of the outbreak, its impact on the Global Links' funders, employees and vendors, and governmental, regulatory and other responses to the coronavirus.

SUPPLEMENTARY INFORMATION

GLOBAL LINKS

SCHEDULE OF ACTIVITIES BY ASSET CLASS

YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions			With Donor Restrictions	Total
	Cash and Other	Materials and Supplies	Total		
Support and Revenue:					
Donated materials, supplies, and services	\$ -	\$ 3,348,995	\$ 3,348,995	\$ -	\$ 3,348,995
Contributions and grants	559,701	-	559,701	-	559,701
Foundation grants	126,834	-	126,834	491,039	617,873
Non-United States government grants	181,446	-	181,446	390,952	572,398
Special events, net of expenses of \$1,774	10,750	-	10,750	-	10,750
In-kind contributions	3,609	-	3,609	-	3,609
Net assets released from restriction	827,318	-	827,318	(827,318)	-
Total support	<u>1,709,658</u>	<u>3,348,995</u>	<u>5,058,653</u>	<u>54,673</u>	<u>5,113,326</u>
Miscellaneous sales and other income	146,682	-	146,682	-	146,682
Interest and dividends	19,531	-	19,531	-	19,531
Realized and unrealized gain (loss) on investments, net	64,129	-	64,129	-	64,129
Gain (loss) on sale of assets	4,000	-	4,000	-	4,000
Total support and revenue	<u>1,944,000</u>	<u>3,348,995</u>	<u>5,292,995</u>	<u>54,673</u>	<u>5,347,668</u>
Expenses and Losses:					
Program expenses:					
Materials, supplies, and equipment shipped	63,355	3,498,025	3,561,380	-	3,561,380
Personnel and other operating expenses	589,414	-	589,414	-	589,414
Shipping costs	200,101	-	200,101	-	200,101
Building and warehouse expenses	56,454	-	56,454	-	56,454
Travel, conferences, and training	13,338	-	13,338	-	13,338
Medical equipment refurbishment	5,543	-	5,543	-	5,543
Other expenses	138,935	-	138,935	-	138,935
Depreciation and amortization	75,613	-	75,613	-	75,613
Interest expense	40,317	-	40,317	-	40,317
Total program expenses	<u>1,183,070</u>	<u>3,498,025</u>	<u>4,681,095</u>	<u>-</u>	<u>4,681,095</u>
Management and general	248,203	-	248,203	-	248,203
Fundraising	136,236	-	136,236	-	136,236
Total expenses and losses	<u>1,567,509</u>	<u>3,498,025</u>	<u>5,065,534</u>	<u>-</u>	<u>5,065,534</u>
Change in Net Assets	<u>\$ 376,491</u>	<u>\$ (149,030)</u>	<u>\$ 227,461</u>	<u>\$ 54,673</u>	<u>\$ 282,134</u>