

Global Links

Financial Statements and Supplementary Information

Years Ended December 31, 2020 and 2019
with Independent Auditor's Report

MaherDuessel

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GLOBAL LINKS

YEARS ENDED DECEMBER 31, 2020 AND 2019

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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, 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 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, 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.

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 28, 2021

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STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

Assets	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,962,383	\$ 508,774
Investments	699,078	622,458
Contributions receivable	9,316	49,737
Grants receivable	70,000	51,000
Inventory	2,998,948	3,003,688
Prepaid expenses	11,441	10,069
Total current assets	<u>5,751,166</u>	<u>4,245,726</u>
Property and equipment:		
Building and improvements	2,488,800	2,488,800
Furniture, fixtures, and equipment	391,064	307,724
	<u>2,879,864</u>	<u>2,796,524</u>
Less: accumulated depreciation	(675,439)	(580,074)
Property and equipment, net	<u>2,204,425</u>	<u>2,216,450</u>
Total Assets	<u><u>\$ 7,955,591</u></u>	<u><u>\$ 6,462,176</u></u>
Liabilities and Net Assets		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 302,172	\$ 76,320
Deferred procurement revenue	348,500	-
Refundable advance	167,936	89,851
Line of credit	-	22,981
Current portion of long-term debt	120,000	120,000
Total current liabilities	<u>938,608</u>	<u>309,152</u>
Noncurrent liabilities:		
Long-term debt, net of unamortized loan costs	713,394	832,803
Total Liabilities	<u>1,652,002</u>	<u>1,141,955</u>
Net Assets:		
Without donor restrictions	5,747,967	5,002,901
With donor restrictions	555,622	317,320
Total Net Assets	<u>6,303,589</u>	<u>5,320,221</u>
Total Liabilities and Net Assets	<u><u>\$ 7,955,591</u></u>	<u><u>\$ 6,462,176</u></u>

See accompanying notes to financial statements.

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STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Donated materials and supplies	\$ 2,287,489	\$ -	\$ 2,287,489
Contributions and grants	1,563,810	732,218	2,296,028
United States government grants	153,300	-	153,300
Non-United States government grants	210,826	182,601	393,427
Special events, net of expenses of \$8,621	(2,384)	-	(2,384)
In-kind contributions	2,778	-	2,778
Net assets released from restrictions	676,517	(676,517)	-
Total support	<u>4,892,336</u>	<u>238,302</u>	<u>5,130,638</u>
Procurement	2,217,335	-	2,217,335
Miscellaneous sales and other income	62,186	-	62,186
Interest and dividends	24,317	-	24,317
Realized and unrealized gain (loss)			
on investments, net	61,475	-	61,475
Gain (loss) on sale of assets	-	-	-
Total support and revenue	<u>7,257,649</u>	<u>238,302</u>	<u>7,495,951</u>
Expenses:			
Program services	6,153,762	-	6,153,762
Management and general	210,650	-	210,650
Fundraising	148,171	-	148,171
Total expenses	<u>6,512,583</u>	<u>-</u>	<u>6,512,583</u>
Change in Net Assets	745,066	238,302	983,368
Net Assets:			
Beginning of year	<u>5,002,901</u>	<u>317,320</u>	<u>5,320,221</u>
End of year	<u>\$ 5,747,967</u>	<u>\$ 555,622</u>	<u>\$ 6,303,589</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	686,535	491,039	1,177,574
United States government grants	-	-	-
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>
Procurement	-	-	-
Miscellaneous sales and other income	146,682	-	146,682
Interest and dividends	19,531	-	19,531
Realized and unrealized gain (loss)			
on investments, net	60,560	-	60,560
Gain (loss) on sale of assets	4,000	-	4,000
Total support and revenue	<u>5,289,426</u>	<u>54,673</u>	<u>5,344,099</u>
Expenses:			
Program services	4,677,723	-	4,677,723
Management and general	248,087	-	248,087
Fundraising	136,155	-	136,155
Total expenses	<u>5,061,965</u>	<u>-</u>	<u>5,061,965</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 FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	Program Services	Management and General	Fundraising	Total
Materials, supplies, and equipment shipped	\$ 4,954,023	\$ -	\$ -	\$ 4,954,023
Salaries	545,160	91,863	95,888	732,911
Payroll taxes and benefits	94,547	13,120	12,123	119,790
Shipping costs	135,389	-	-	135,389
Consulting and professional fees	170,397	34,721	6,427	211,545
Building and warehouse expenses	73,472	7,556	6,879	87,907
Insurance	-	32,735	-	32,735
Office supplies and expenses	39,282	11,113	5,030	55,425
Travel, conferences, and training	8,126	131	-	8,257
Printing, dues, and publications	20	1,575	9,868	11,463
Outreach activities	19,322	5,641	-	24,963
Postage and delivery	3,504	1,360	-	4,864
Medical equipment refurbishment	-	-	-	-
Depreciation and amortization	87,350	6,923	6,051	100,324
Interest expense	22,987	3,029	2,888	28,904
Miscellaneous	183	883	3,017	4,083
	<u>\$ 6,153,762</u>	<u>\$ 210,650</u>	<u>\$ 148,171</u>	<u>\$ 6,512,583</u>
Total expenses	<u>\$ 6,153,762</u>	<u>\$ 210,650</u>	<u>\$ 148,171</u>	<u>\$ 6,512,583</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	95,028	38,557	5,701	139,286
Building and warehouse expenses	56,454	5,018	4,391	65,863
Insurance	-	30,950	-	30,950
Office supplies and expenses	18,056	6,204	3,180	27,440
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
Depreciation and amortization	76,984	5,735	5,263	87,982
Interest expense	38,946	5,713	4,957	49,616
Miscellaneous	433	573	-	1,006
Total expenses	<u>\$ 4,677,723</u>	<u>\$ 248,087</u>	<u>\$ 136,155</u>	<u>\$ 5,061,965</u>

See accompanying notes to financial statements.

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STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash Flows From Operating Activities:		
Change in net assets	\$ 983,368	\$ 282,134
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	100,324	87,982
Realized and unrealized (gain) loss on investments, net	(61,475)	(60,560)
Gain on sale of fixed assets	-	(4,000)
Change in:		
Contributions receivable	40,421	(40,131)
Grants receivable	(19,000)	(29,400)
Inventory	4,740	149,030
Prepaid expenses	(1,372)	(12)
Accounts payable and accrued expenses	225,852	29,776
Deferred procurement revenue	348,500	-
Refundable advance	78,085	(27,948)
Net cash provided by (used in) operating activities	<u>1,699,443</u>	<u>386,871</u>
Cash Flows From Investing Activities:		
Purchase of fixed assets	(87,708)	(137,401)
Proceeds from sale of fixed assets	-	4,000
Purchase of investments	(15,145)	(14,743)
Net cash provided by (used in) investing activities	<u>(102,853)</u>	<u>(148,144)</u>
Cash Flows From Financing Activities:		
Repayment of long-term debt	(120,000)	(120,000)
Repayment of line of credit	(22,981)	-
Proceeds from line of credit	-	22,981
Net cash provided by (used in) financing activities	<u>(142,981)</u>	<u>(97,019)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,453,609</u>	<u>141,708</u>
Cash and Cash Equivalents:		
Beginning of year	<u>508,774</u>	<u>367,066</u>
End of year	<u>\$ 1,962,383</u>	<u>\$ 508,774</u>
Supplementary Disclosures of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ 28,904</u>	<u>\$ 49,616</u>

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

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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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, particularly given the significant social and economic disruptions and uncertainties with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

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 \$1,778,738 and \$241,584 at December 31, 2020 and 2019, 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

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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.

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, 2020 and 2019.

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.

From time to time, the Organization will purchase materials as needed and those items are recorded at cost. The ending inventory consists of approximately \$416,000 and \$0 of purchased materials at December 31, 2020 and 2019, respectively.

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Prepaid expenses

Prepaid expenses include prepaid insurance.

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.

Reclassifications

Certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

Deferred Procurement Revenue

Deferred procurement revenue represents payments received from procurement contracts in advance of meeting its performance obligations.

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

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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, 2020 and 2019 expected to be available within one year to meet the cash needs for general ongoing operational expenditures:

	<u>2020</u>	<u>2019</u>
Financial assets, at year-end	\$ 2,740,777	\$ 1,231,969
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>(555,622)</u>	<u>(317,320)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,185,155</u>	<u>\$ 914,649</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.

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- 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.

Revenue and Revenue Recognition

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 to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the Organization's revenue is derived from cost-reimbursable Non-United States government grants, which are conditioned upon certain performance requirements. Amounts received are recognized as revenue when conditions have been substantially met. Amounts received prior to meeting certain performance requirements are reported as refundable advances in the statement of financial position.

In response to the COVID-19 pandemic and the abundant need for supplies and the difficulties faced in obtaining those supplies, various entities utilized the Organization's capacity to procure necessary medical supplies. The Organization procured the requested items in bulk and was paid for the cost of the supplies plus an administrative fee, as negotiated with each entity. The revenue earned under these arrangements is recorded as procurement. The Organization recognizes procurement revenue at the time the procured items are shipped to the customer, as that is when the performance obligations are met. At December 31, 2020, the Organization had received payments related to this activity in the amount of \$348,500 in advance of meeting its obligations, which is recorded as deferred

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procurement revenue. There are no amounts owed to the Organization as of December 31, 2020 for obligations met but not yet reimbursed.

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 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

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files a Form 990 as applicable. Management asserts that they have no uncertain tax positions.

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.

3. Investments and Fair Value Measurements

Fair values of assets measured on a recurring basis at December 31, 2020 are as follows:

	Fair Value as of December 31, 2020			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 5,719	\$ 5,719	\$ -	\$ -
Exchange traded funds	604,416	604,416	-	-
Mutual funds	88,943	88,943	-	-
Total	<u>\$ 699,078</u>	<u>\$ 699,078</u>	<u>\$ -</u>	<u>\$ -</u>

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>

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).

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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 5.75% at December 31, 2020 and 2019, 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 outstanding balance on this line of credit was \$0 and \$22,981 at December 31, 2020 and 2019, 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 \$6,606 and \$7,197 as of December 31, 2020 and 2019, 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 (2.64% and 4.19% as of December 31, 2020 and 2019, respectively). The note is secured by real estate and investments held by the Organization. As of December 31, 2020 and 2019, the total note balance was \$840,000 and \$960,000, respectively.

The aggregate payments required for annual periods subsequent to December 31, 2020 are as follows:

Year Ending December 31,	
2021	\$ 120,000
2022	120,000
2023	120,000
2024	120,000
2025	120,000
2026-2027	240,000
	<u>\$ 840,000</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

Total interest expense on this note was \$28,876 and \$49,568 for the years ended December 31, 2020, and 2019, respectively.

6. Net Assets

Net assets with donor restrictions are available for the following purposes as of December 31, 2020 and 2019:

	2020	2019
COVID 19 response	\$ 320,218	\$ -
Hurricane relief	99,576	98,576
Community Partners program	60,825	45,351
Volunteers with disabilities	20,444	40,000
Solar agreement	13,740	13,740
IT improvements	40,819	119,653
Total	<u>\$ 555,622</u>	<u>\$ 317,320</u>

Net assets released from donor restrictions for the program purposes during the years ended December 31, 2020 and 2019 were \$676,517 and \$827,318, respectively.

7. Paycheck Protection Program Loan

In May 2020, the Organization received a \$153,300 United States Small Business Administration (SBA) loan through the Federal Government's Paycheck Protection Program (PPP) that resulted from the COVID-19 pandemic. The loan is eligible for 100% forgiveness if certain criteria are met. The Organization is utilizing the allowable 24-week period to spend the PPP loan for expenditures that meet the full forgiveness criteria. The interest rate for any unforgiven portion is 1%, with the first ten months of interest deferred. If the application for forgiveness is not made within 10 months of the end of the covered period, payments of principal and interest will be required through the maturity date in May 2022.

The Organization intends to apply for forgiveness and anticipates that the full amount of the loan has met the conditions for forgiveness as the proceeds were used for eligible costs. Therefore, the Organization has recorded the full \$153,300 as a United States government grant as of December 31, 2020.

GLOBAL LINKS

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

8. Risks and Uncertainties

The coronavirus pandemic remains a rapidly evolving situation. The extent of the impact of the coronavirus on the Organization's business and financial results will depend on future developments, including the duration and spread of the outbreak within the markets in which the Organization operates, and its impact on the Organization's employees and donors, all of which, at present, cannot be determined.

SUPPLEMENTARY INFORMATION

GLOBAL LINKS

SCHEDULE OF ACTIVITIES BY ASSET CLASS

YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions			With Donor Restrictions	Total
	Cash and Other	Donated Materials and Supplies	Total		
Support and Revenue:					
Donated materials, supplies, and services	\$ -	\$ 2,287,489	\$ 2,287,489	\$ -	\$ 2,287,489
Contributions and grants	1,563,810	-	1,563,810	732,218	2,296,028
United States government grants	153,300	-	153,300	-	153,300
Non-United States government grants	210,826	-	210,826	182,601	393,427
Special events, net of expenses of \$8,621	(2,384)	-	(2,384)	-	(2,384)
In-kind contributions	2,778	-	2,778	-	2,778
Net assets released from restriction	676,517	-	676,517	(676,517)	-
Total support	<u>2,604,847</u>	<u>2,287,489</u>	<u>4,892,336</u>	<u>238,302</u>	<u>5,130,638</u>
Procurement	2,217,335	-	2,217,335	-	2,217,335
Miscellaneous sales and other income	62,186	-	62,186	-	62,186
Interest and dividends	24,317	-	24,317	-	24,317
Realized and unrealized gain (loss) on investments, net	61,475	-	61,475	-	61,475
Gain (loss) on sale of assets	-	-	-	-	-
Total support and revenue	<u>4,970,160</u>	<u>2,287,489</u>	<u>7,257,649</u>	<u>238,302</u>	<u>7,495,951</u>
Expenses and Losses:					
Program expenses:					
Materials, supplies, and equipment shipped	2,245,957	2,708,066	4,954,023	-	4,954,023
Personnel and other operating expenses	639,707	-	639,707	-	639,707
Shipping costs	135,389	-	135,389	-	135,389
Building and warehouse expenses	73,472	-	73,472	-	73,472
Travel, conferences, and training	8,126	-	8,126	-	8,126
Medical equipment refurbishment	-	-	-	-	-
Other expenses	232,708	-	232,708	-	232,708
Depreciation and amortization	87,350	-	87,350	-	87,350
Interest expense	22,987	-	22,987	-	22,987
Total program expenses	<u>3,445,696</u>	<u>2,708,066</u>	<u>6,153,762</u>	<u>-</u>	<u>6,153,762</u>
Management and general	210,650	-	210,650	-	210,650
Fundraising	148,171	-	148,171	-	148,171
Total expenses and losses	<u>3,804,517</u>	<u>2,708,066</u>	<u>6,512,583</u>	<u>-</u>	<u>6,512,583</u>
Change in Net Assets	<u>\$ 1,165,643</u>	<u>\$ (420,577)</u>	<u>\$ 745,066</u>	<u>\$ 238,302</u>	<u>\$ 983,368</u>