

GlobalGiving

# 2021 Annual Report



COMMUNITY FORWARD

Photo: *Health center for indigenous women in Mexico* by MANOS QUE RECONSTRUYEN OAXACA A.C.

## A note from GlobalGiving's Interim CEO

**2021 was a year of highs and lows. It was a year that required collective action—and reflection.**

Just as new vaccines gave us hope, new coronavirus variants took it away, stretching one of the worst pandemics in history into a second deadly year. Globally, a mere [3%](#) of people in low-income countries were vaccinated with at least one dose, compared to [65%](#) of people in rich countries.



**With broken social systems exposed in stark ways, you stood up for a better world, a more equitable world.**

Thanks to you, the GlobalGiving community raised \$95 million for people in need, even as “crisis” became a keyword.

The climate crisis caused more powerful storms, pushed a tornado farther across the United States than any other in nearly a century, and prompted a famine in Madagascar. Crisis also described deadly conflicts for migrants at international borders and told the story of many Afghans forced to flee after the Taliban retook control of the country.

**But the heart of the GlobalGiving community spread hope in the most challenging of times.**

[Enayat](#) and [Gene, Joyce, and David](#) kept their commitment to supporting girls' education in Afghanistan.

[Isadora](#) helped families rebuild foundations that powerful earthquakes in Mexico destroyed.

[Kenita](#) stopped at nothing to pursue her education and now provides resources other single parents need to learn and thrive.

And [Donald](#) advocated for Indigenous communities to grow their own

food while guarding their seeds and heritage.

**Along with thousands of others, they made the world a better place in 2021. You fueled their life-changing missions.**

In service of these changemakers, the GlobalGiving team looked inward. In what ways did we need to serve them better? As we approach our 20th anniversary, we have the impetus to look back. Rigorous introspection has strengthened, not wavered, our founding purpose. To transform the world, we must become ever more community led—beginning with ourselves.

**We know that we need to work from the inside out and always put local leaders front and center. Because change happens in community centers in Brazil and classrooms in Haiti. It happens in gardens in Indonesia and hectares of the Peruvian rainforest.**

Focusing on [how and where community-led change](#) happens led to changes inside GlobalGiving in 2021. We found that our nonprofit onboarding process, the Accelerator, brought thousands of incredible organizations into our community but limited countless others. [So we decided to find a better way.](#)

**We're starting small and with ourselves, but our aim is big and boundless: We want to transform aid and philanthropy to accelerate community-led change.** That means, when you share, we'll listen. Show us what you care about, and we'll champion your cause. Set your goals and tell us how we can best help you meet them.

Only when communities are in the driver's seat of change will we be able to solve the world's most entrenched problems—racism, poverty, inequality—and unleash brighter futures for everyone, regardless of the place they call home.

**So this year and the next 20 that follow, lead us to the change you want to see.**

With gratitude for your partnership,



**Donna Callejon**  
*Interim GlobalGiving CEO*  
.....

Here is a look at how you came closer to your vision in 2021.

*Together, we raised more than*

**\$95M**

*from*

**242,979**

*people like you who supported*

**8,912**

*projects in*

**168**

*countries*

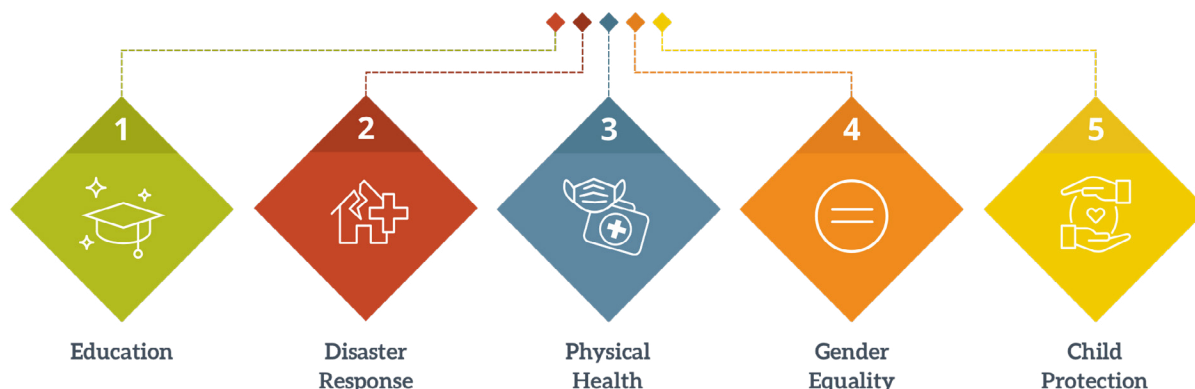


## A Commitment to Communities

The GlobalGiving community—thousands of people that span the globe—was a force for change in 2021. A community that includes you. **Thank you.**

# Top Causes of 2021

These cause areas received the most donations on GlobalGiving in 2021.



The nonprofit leaders you supported understand what it takes to [distribute vaccines](#) to rural residents, [build creative classrooms](#), and [save](#) the world's last two northern white rhinos. They know the solutions to their community's challenges because they are part of their community.

So we listened even more closely to them.

Explore this report to learn more about how GlobalGiving renewed the commitment to letting our community lead us through the obstacles and to the accomplishments ahead.

If ever there was a year that made the case for disrupting the status quo in aid and philanthropy, 2021 was it. That is the mission GlobalGiving was built for 20 years ago and remains primed to achieve—thanks to you.

## With your help, GlobalGiving:

- **Conducted an internal audit of our systems with help from Race, Equity, Diversity, and Inclusion experts.** Since 2016, GlobalGiving has welcomed new nonprofits onto our platform through the Accelerator, a virtual training program and crowdfunding campaign. As we turned a critical lens inwards, we recognized that this process made it difficult for under-resourced and non-English speaking nonprofit leaders to successfully join the GlobalGiving community—and that had to change.



We hope to address the needs of community-led organizations and prioritize the inclusion of organizations often blocked from traditional funding sources.

— MEGAN DESISTI, SENIOR PROGRAM ASSOCIATE

The new onboarding program will be designed in partnership with nonprofits and will help future partners more easily access GlobalGiving tools and donors, as well as resources outside GlobalGiving.

- **Brought 2,000+ nonprofit leaders representing 112 countries together for peer learning and free skills training opportunities.** Each year, our campaign trainings and [Online Fundraising Academy](#) help our partners build fundraising capacity. This year, the sessions were more community led than ever. More nonprofits were able to access the tools and education they needed to keep working toward their mission thanks to additional Spanish content, peer-led learning sessions, and flexible approaches built to encourage asynchronous collaboration across time zones.

- **Launched [Ethos](#), a free suite of tools to help decision-makers reach more empathetic and creative resolutions to ethical dilemmas.**

Co-created by GlobalGiving and more than 100 other collaborators over the past two years, Ethos is a human-centered approach that helps ensure the people most affected by decisions—including those about who’s on or who’s off the GlobalGiving platform—are involved in reaching a resolution.



We’ve seen just how creative our partners and peers can be when invited to work together with us to identify solutions. And our decisions are much better because we’ve found a way to bring people who disagree together in a safe, creative, and respectful way.

— ALISON CARLMAN, DIRECTOR OF EVIDENCE + LEARNING  
AND INTERIM DIRECTOR OF PROGRAMS

- **Advanced community-led grantmaking practices through our partnerships and research.** The [Human Rights Funders Network](#) included our multi-country research on [what it means to be community led](#) in their new grantmaking principles. Their network includes 450 funders in 70 countries.
- **Helped communities recover from crises and disasters.** People around the world fueled community-led disaster responses through GlobalGiving by raising \$17.4 million in the aftermath of disasters and supporting relief and recovery efforts for 230 disasters in 117 countries.

## Fostering community amid crisis

The Disaster Response Team hoped 2021 would be a year of collective healing. Instead, the year's disasters tipped many communities into crisis. The 7.2 magnitude [earthquake in Haiti](#), [dire famine in Ethiopia](#) and [Madagascar](#), and the massive number of lives lost amid [vaccine hoarding](#) were all part of a larger challenge in responding to and preparing for disasters.

**When people with the most promising solutions are shut out of decision-making, the opportunity to heal and recover from crises dims.**

With your help, we're putting the people closest to their communities in the lead. In 2021, millions of ordinary community members filled critical gaps, advocated for justice, and along the way, found better approaches for their communities to deal with long-term, systemic issues.

Local leaders spent the past year navigating steep [obstacles: deepening poverty](#), political instability, and extreme weather conditions. They continued supporting their communities through it all. **And thousands of people like you directly supported community-led recovery through GlobalGiving.**



## IMPACT STORY



Photo: *Fight Covid and Climate Driven Hunger in Guatemala* by Wuqu' Kawoq

## Powering Indigenous-led recovery

Although many new disasters emerged in 2021, the COVID-19 pandemic remained at the forefront of GlobalGiving's disaster response with more than \$8.5 million delivered for relief efforts. Worldwide, Indigenous communities continued to be [among the hardest hit](#), which is why GlobalGiving designated even more resources to Indigenous-led projects through the [Coronavirus Relief Fund](#).

One of those projects was [Wuqu' Kawoq's partnership with Indigenous Maya families](#) in Guatemala to treat chronically malnourished children and prevent stunting for children under 2.5 years old.

**"In our work with Mayan communities, especially with women, we've found that to listen well, we also need to intentionally center historically disenfranchised people; to see and cultivate their knowledge and make sure they are comfortable speaking and feel heard,"** Wuqu' Kawoq staff members Waleska López Canu and Anne Kraemer [wrote](#).

## Listening to local leaders

In August 2021, hundreds of thousands of Afghans were forced to flee their homes and live in fear. Local leaders who were serving their communities in Afghanistan continued to speak out despite threats to their safety and security. These leaders, such as Sakena Yacoobi of the [Afghan Institute of Learning](#), are shining a light on the humanitarian crisis in the country and how everyday people are affected. And they're telling the world they won't give up.

"Our democracy may have fallen for now. Ideas do not disappear so easily," Sakena [wrote](#).

Photo: *Afghan Institute of Learning Empowers Afghan Women* by Afghan Institute of Learning



**The strength of Afghanistan is our youth, and they are so strong. Dream with us. See us as something more than a nation at war. See us as a nation at peace, working for a world of peace.**

Less than two weeks after the Taliban took control of Afghanistan in August, GlobalGiving's Disaster Response Team had already distributed its first round of grants to local leaders like Sakena through the [Afghanistan Emergency Fund](#). By the end of 2021, the fund raised more than \$1 million to support Afghans in need.

## IMPACT STORY

Photo: *Creating a Just Recovery for Puerto Rico* by La Maraña



### Here for the long haul

After four years of delivering grants to locally led organizations fueling the recovery from Hurricane Maria's damage in Puerto Rico and other Caribbean islands, GlobalGiving closed the [Puerto Rico & Caribbean Hurricane Relief Fund](#) in September 2021. Since 2017, more than 50,000 people and companies have joined in solidarity to raise \$12.4 million to support immediate relief and long-term recovery.



“We have been fortunate to form lifelong bonds with community leaders in the Caribbean. We have learned from—and been inspired by—their amazing commitment to their communities and a just recovery,” Chase Williams, Senior Program Manager of Disaster Response, wrote [in the final fund report](#).

# MEET THE Changemakers



Photo: *Support Education for Girls*  
*Affected by COVID-19* by Freely in Hope

## Alma is patching holes in emergency response.



For 18 years, Alma Bowen worked as a 911 Emergency Service Dispatcher in Sonoma County, California. On the first night of the 2017 Tubbs fire—which killed 22 people and scorched thousands of acres, homes, and businesses—Alma was working the night shift.

Over the phone that night, she heard what it sounds like when communities are unprepared for disasters. She spoke with two migrant workers who needed to escape from the fire but didn't know the address of the vineyard where they worked because they couldn't read English. Alma tried to figure out their location based on letters they could recognize. But by the time she did, it was too late. The men had to flee, and she couldn't send help.

"I really realized that first responders cannot possibly help everyone," Alma told [GlobalGiving](#).

So she took this momentary feeling of helplessness and turned it into a mission. Alma founded [Nuestra Comunidad](#) to ensure no community member has to think about anything except their safety during disasters.

The nonprofit shares disaster information, distributes "go-kits" packed with evacuation essentials, and provides rent abatement in the aftermath of destructive wildfires.

And Alma is determined to reach people in her community who fear being too visible if they ask for help or need information in a language other than English. Many Latino residents don't even call for information or emergency assistance because they fear deportation.

"My position comes from 20 years behind the scenes learning where the holes are," Alma said. "Now, we can help plug them."

## Mrs. Najah is feeding her community.



Mrs. Najah is a grandmother. She can proudly name all 19 of her grandchildren. And if she traces the family line back to her own grandparents, she remembers how they lived off of the oranges, olives, grapes, and figs they planted.

But in 1948, they were among hundreds of thousands of Palestinians forced from their homes during the Arab-Israeli war.

“When the people left their houses, they closed the door and took the keys with them, thinking they would return,” Mrs. Najah said. “They thought it would be days—the days became 70 years.”

From Block J of the Rafah refugee camp in the Gaza Strip, Mrs. Najah saw the conflict over the land. She witnessed how the 14-year blockade Israel and Egypt imposed on Hamas-controlled Gaza limits Palestinians’ movement, stifles the flow of goods, and causes billions of dollars in economic losses.

And now, she’s watching COVID-19 strain what’s left of the struggling economy—but she’s also cooking.

As the Executive Director of the Women’s Programs Center-Rafah, Mrs. Najah manages a

seven-woman team of cooks. In her [kitchen](#), they make hearty meals of chicken and rice with pine nuts mixed in and limes for garnish.

With [two-thirds](#) of Gazans already struggling to get food regularly and unemployment at 45%, the pandemic and the 11-day war between Hamas and Israel in May 2021 made it even tougher for families to make a meal.

So Mrs. Najah serves anyone who needs to eat—cancer patients, people with disabilities, children—not only the refugees that [make up most](#) of Gaza’s population. Since the project started through [Rebuilding Alliance](#) in 2020, her kitchen has fed thousands of people.

“When I go to a house, I ask the woman who lives there what she prepared for lunch,” Mrs. Najah said. “And I feel joy when I give her a good, hot meal after she says she did not prepare anything.”

## Milton is guarding our forests.

“Chaikuni” means “spirit of the forest” in Shipibo-Konibo, an Indigenous language spoken in the Peruvian Amazon. The Chaikuni are the guards of the rainforest—people like Milton López Tarabochia.

Milton protects the communities and natural wonders within the Peruvian Amazon as the Communications Coordinator for [Instituto Chaikuni](#), and as part of the Indigenous cosmovision.



A three-time [Climate Action Fund](#) member, Milton and the Instituto Chaikuni team live up to their namesake by fostering environmental stewardship and Indigenous rights in close partnership with Native leaders, Indigenous youth, and local farmers. Whether they're leading a permaculture training or developing a [short film series](#) featuring Indigenous women, reciprocity between human and natural communities is at the heart of Instituto Chaikuni's work.

“The Amazon is vital for our health and survival, and Indigenous knowledge can help us protect it and use it in a sustainable way for a better quality of life,” Milton said.

Despite recent successes including a new regenerative agriculture workshop series and expanded permaculture training facilities, life on the front lines of protecting our planet isn't easy. In the past few years alone, Milton has experienced unexpected shifts in the Amazon's once predictable climate patterns, seen biodiversity decline, and watched as hectares of pristine rainforest were cut down—all at the expense of the Indigenous communities Instituto Chaikuni works to protect. Nonetheless, Milton remains hopeful for the future of our home.

“It is titanic work trying to change the world,” he said, reflecting on a career that has introduced him to groups and individuals that produced structural changes. “Those real cases are the ones that keep me standing in the fight for a fairer and greener world.”



## Jacqueline is keeping girls in school.



Jacqueline Audige always says she has six children. Five have left the house—her youngest son is now in college. Her sixth child is [Aumazo Inc.](#), a nonprofit organization working against the forces that pushed her out of school.

The village where Jacqueline grew up in Cameroon didn't have a high school, so she had no choice but to attend a school in the city, away from her home and family. Eventually, she ran out of money and was faced with offering sexual favors to afford school supplies or dropping out.

Jacqueline dropped out.

"That's my motivation: to give back and prevent any other girls dropping out because of financial issues and being coerced into sex," Jacqueline said.

After immigrating to the US with her husband and children in 1991, Jacqueline was eventually able to get her high school diploma. And a bachelor's degree. And a master's degree. During a trip back to Cameroon more than a decade later, Jacqueline saw that level of education was still out of reach for many girls in her childhood village.

Without access to a private toilet and sanitary products—and with the stigma surrounding menstruation—many girls were forced to stay at home. Some had to repeat middle school classes two or three times. The vast majority weren't even making it to high school.

Moved by the challenges girls continued to face and unwilling to let history repeat itself, Jacqueline talked with the students to understand their needs and started the nonprofit Aumazo. From supplying period pads to coordinating a local peer-to-peer tutoring program, Aumazo is giving girls more chances to complete their education and build bright futures than Jacqueline had.

Before Aumazo's tutoring program started, only 25% of middle school girls enrolled in the program passed their high school entrance exam. After its first year, that number climbed to 45%.

In 2021, 100% of girls in the program passed.

"People need to understand that there is a big need out there, and it doesn't take much to make a difference," Jacqueline said. "I'm running the organization on shoestrings, but those shoestrings have a lot of value, a lot of weight."

## Rima is building a team.



Rima Yacoub's jiu-jitsu skills have earned her gold medals and gratifying moments around the globe. She's a woman and professional athlete living in Jordan—two things that don't always play well together.

"A girl, refugee, or Jordanian alike looking for physical activity in Jordan will face male-only gyms, fields that have never hosted women's games, and a lack of programming and teams that they can join," Rima explained.

This lack of opportunity and access, Rima said, adds to the challenges girls and women face as they build their lives in Amman, Jordan's capital.

So as Jordan Program Director for [Reclaim Childhood, Inc.](#), an organization run by women for women, Rima works to open doors and fields. Reclaim Childhood creates safe and inclusive spaces for underserved girls in Jordan—many of whom are refugees—and uses sport to develop their confidence, leadership, and teamwork skills.

Reclaim Childhood staff members focus on helping girls form friendships across different national, economic, and religious backgrounds. And they help girls build their self-esteem and integrate into local communities.

"Reclaim Childhood gets girls out of the house and onto the field, providing a safe space to play, learn, and build community," Rima said.

She wants them to know there is more to life than they thought—and then have the chance to go out and get it.

"I always dreamt of being an Olympian," Rima said. And as she trains for another jiu-jitsu match, she teaches the girls she works with that: "There is no expiration date to childhood dreams."

## Companies fueled community-led change in 2021:

- **We partnered with Airbnb and its Hosts to launch the Airbnb Community Fund.** GlobalGiving awarded much of Airbnb’s \$10 million in grants to more than 150 nonprofit organizations on six continents. Our Airbnb partnership is one of 101 corporate partnerships that helped bring \$56 million in funding to 3,600+ nonprofit partners in 2021.



The Airbnb grant is coming at the right moment to reboot our educational and international activities. We are incredibly honored and grateful for this!”

— CATHARINA KAHANE, CO-FOUNDER OF ECHO100PLUS

- **Last Week Tonight with John Oliver decided to feature the human rights issues in Belarus in their first episode back in the studio.** But they wanted to do more than raise awareness. Partnering with GlobalGiving, Last Week Tonight rallied 7,500+ donors and sold 10,000 teddy bears. The [Belarus Bear Force](#) effort raised more than \$475,000 to support brave advocates working toward change.



Photo: Dana Rivera

- **We grew and expanded opportunities for giving globally through one of our newest products, [GlobalGiving Atlas](#).** This product is forming a new backbone for community-led, worldwide giving, and opening new windows to give more easily to nonprofits large and small in 80 countries.



The reach of GlobalGiving's corporate grants in 2021

### Thanks to our biggest corporate contributors of 2021:

3M, Airbnb, Benevity, Bright Funds, Christian Louboutin, Corteva, Cummins, Fidelity Charitable, Ford Motor Company Fund, ImpactAssets, Meta, Riot Games

### Thanks also to new partners including:

Airbnb, Avery Dennison, Twitch, Workhuman, Christian Louboutin, Zendesk, Zoom, Last Week Tonight, Fortive Foundation, Johnson & Johnson

### And new partners using GlobalGiving Atlas to overcome red tape and give to nonprofit organizations more easily than ever before:

Percent, Salesforce.org

## GlobalGiving Foundation Board of Directors:

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Group Head of Sustainability, TP ICAP

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**Twesigye Jackson Kaguri**

Founder, Nyaka AIDS Orphans Project

**Mari Kuraishi**

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**Ben Tarbell**

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**CONSOLIDATED FINANCIAL STATEMENTS**

**GLOBALGIVING FOUNDATION, INC.  
AND SUBSIDIARY**

**FOR THE YEAR ENDED DECEMBER 31, 2021  
WITH SUMMARIZED CONSOLIDATED  
FINANCIAL INFORMATION FOR 2020**



**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**

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**CPAs & ADVISORS**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
GlobalGiving Foundation, Inc. and Subsidiary  
Washington, D.C.

### **Opinion**

We have audited the accompanying consolidated financial statements of the GlobalGiving Foundation, Inc. and Subsidiary, which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the GlobalGiving Foundation, Inc. and Subsidiary as of December 31, 2021, and the consolidated change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of GlobalGiving, UK, whose statements reflect total assets of \$1,738,265, as of December 31, 2021, and total support and revenues of \$4,755,887 for the year then ended. Those statements, which were prepared in accordance with generally accepted accounting principles in the United Kingdom (United Kingdom GAAP), were audited by other auditors, whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included for GlobalGiving, UK prior to these conversion adjustments is based solely on the report of the other auditors.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the GlobalGiving Foundation, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the GlobalGiving Foundation, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the GlobalGiving Foundation, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

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

### **Report on Summarized Comparative Information**

We have previously audited the GlobalGiving Foundation, Inc. and Subsidiary's 2020 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated February 5, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



September 2, 2022

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2021**  
**WITH SUMMARIZED CONSOLIDATED FINANCIAL INFORMATION FOR 2020**

<b>ASSETS</b>		<u>2021</u>	<u>2020</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$	45,932,337	\$ 49,041,943
Investments		-	2,624,239
Accounts and pledges receivables		5,413,428	3,170,562
Grants receivable		-	300,000
Prepaid expenses and other assets		<u>321,716</u>	<u>282,013</u>
Total current assets		<u>51,667,481</u>	<u>55,418,757</u>
<b>FIXED ASSETS</b>			
Fixed assets, net of accumulated depreciation and amortization of \$202,098 and \$1,187,511 for 2021 and 2020, respectively		<u>260,850</u>	<u>352,277</u>
<b>OTHER ASSETS</b>			
Other assets - Trademark		311,487	311,487
Right-of-use asset		<u>7,809,149</u>	<u>-</u>
Total other assets		<u>8,120,636</u>	<u>311,487</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>60,048,967</u></b>	<b>\$ <u>56,082,521</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Line of credit	\$	321,908	\$ -
Operating lease liability		888,767	-
Loan payable		-	880,000
Accounts payable and accrued expenses		513,852	168,584
Accrued payroll liabilities		208,684	112,161
Project distributions payable		935,799	838,304
Deferred revenue		836,670	394,337
Deferred rent		-	281,264
Other current liabilities		<u>4,006</u>	<u>4,006</u>
Total current liabilities		<u>3,709,686</u>	<u>2,678,656</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred rent, net of current portion		-	224,335
Operating lease liability, net of current portion		<u>7,427,056</u>	<u>-</u>
Total liabilities		<u>11,136,742</u>	<u>2,902,991</u>
<b>NET ASSETS</b>			
Without donor restrictions		10,405,231	10,321,068
With donor restrictions		<u>38,506,994</u>	<u>42,858,462</u>
Total net assets		<u>48,912,225</u>	<u>53,179,530</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u>60,048,967</u></b>	<b>\$ <u>56,082,521</u></b>

See accompanying notes to consolidated financial statements.

## GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
WITH SUMMARIZED CONSOLIDATED FINANCIAL INFORMATION FOR 2020**

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>SUPPORT AND REVENUE</b>				
Grants	\$ 1,479,926	\$ 375,022	\$ 1,854,948	\$ 2,322,419
Project contributions	5,672,936	89,791,498	95,464,434	106,281,708
Professional services	4,429,659	-	4,429,659	4,579,264
Investment (loss) income, net of fees	(16,828)	-	(16,828)	61,226
Interest income	4,808	-	4,808	22,328
Other revenue	176,537	-	176,537	103,039
Net assets released from donor restrictions	<u>94,509,479</u>	<u>(94,509,479)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>106,256,517</u>	<u>(4,342,959)</u>	<u>101,913,558</u>	<u>113,369,984</u>
<b>EXPENSES</b>				
Program Expenses	99,322,132	-	99,322,132	97,193,630
Management and General	7,437,422	-	7,437,422	4,845,575
Fundraising	<u>286,294</u>	<u>-</u>	<u>286,294</u>	<u>347,663</u>
Total expenses	<u>107,045,848</u>	<u>-</u>	<u>107,045,848</u>	<u>102,386,868</u>
Change in net assets before other item	<u>(789,331)</u>	<u>(4,342,959)</u>	<u>(5,132,290)</u>	<u>10,983,116</u>
<b>OTHER ITEM</b>				
Extinguishment of debt	880,000	-	880,000	-
Currency exchange rate gain	<u>(6,506)</u>	<u>(8,509)</u>	<u>(15,015)</u>	<u>39,765</u>
Total other items	<u>873,494</u>	<u>(8,509)</u>	<u>864,985</u>	<u>39,765</u>
Change in net assets	84,163	(4,351,468)	(4,267,305)	11,022,881
Net assets at beginning of year	<u>10,321,068</u>	<u>42,858,462</u>	<u>53,179,530</u>	<u>42,156,649</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 10,405,231</u></b>	<b><u>\$ 38,506,994</u></b>	<b><u>\$ 48,912,225</u></b>	<b><u>\$ 53,179,530</u></b>

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**WITH SUMMARIZED CONSOLIDATED FINANCIAL INFORMATION FOR 2020**

	<b>2021</b>			<b>2020</b>	
	<b>Program Expenses</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>	<b>Total Expenses</b>
Grant expense (Project disbursements)	\$ 93,420,610	\$ -	\$ -	\$ 93,420,610	\$ 91,876,677
Salary and benefits	3,819,719	4,729,134	163,278	8,712,131	7,106,175
Professional fees	868,678	908,218	61,600	1,838,496	1,422,599
Systems, domains and connectivity	336,938	427,338	16,984	781,260	777,270
Rent	163,259	208,885	8,302	380,446	421,045
Other expenses	271,559	346,140	13,755	631,454	280,840
Legal	-	254,751	-	254,751	181,846
Depreciation and amortization	35,231	45,077	1,792	82,100	119,941
Meetings and conventions	43,129	55,182	2,193	100,504	67,552
Travel	7,411	9,482	377	17,270	45,877
Insurance	22,756	29,115	1,157	53,028	36,597
Subscriptions and publications	11,498	14,711	585	26,794	26,701
Office supplies, printing and reproduction	23,380	28,955	1,151	53,486	23,534
Equipment	297,964	380,434	15,120	693,518	-
Field services	-	-	-	-	214
<b>TOTAL</b>	<b>\$ 99,322,132</b>	<b>\$ 7,437,422</b>	<b>\$ 286,294</b>	<b>\$ 107,045,848</b>	<b>\$ 102,386,868</b>

See accompanying notes to consolidated financial statements.

## GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**WITH SUMMARIZED CONSOLIDATED FINANCIAL INFORMATION FOR 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (4,267,305)	\$ 11,022,881
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	82,100	119,941
Loss on disposal of fixed assets	191,341	-
Change in measurement of operating lease	506,674	-
Donated securities	(624,531)	(280,831)
Realized and unrealized loss (gain) on investments	48,788	(22,304)
Extinguishment of debt	(880,000)	-
(Increase) decrease in:		
Accounts and pledges receivable	(2,242,866)	(1,759,586)
Grants receivable	300,000	(285,000)
Prepaid expenses and other assets	(39,703)	(189,242)
Increase (decrease) in:		
Accounts payable and accrued expenses	345,268	(116,614)
Accrued payroll liabilities	96,523	31,770
Project distributions payable	97,495	115,129
Deferred revenue	442,333	86,919
Deferred rent	(505,599)	(24,596)
Other current liabilities	-	(1,661)
Net cash (used) provided by operating activities	<u>(6,449,482)</u>	<u>8,696,806</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(182,014)	(51,735)
Purchase of investments	(22,982)	(38,522)
Sales of investments	<u>3,222,964</u>	<u>280,831</u>
Net cash provided by investing activities	<u>3,017,968</u>	<u>190,574</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loan payable	-	880,000
Proceeds from line of credit	325,000	-
Payments on line of credit	<u>(3,092)</u>	<u>-</u>
Net cash provided by financing activities	<u>321,908</u>	<u>880,000</u>
Net (decrease) increase in cash and cash equivalents	(3,109,606)	9,767,380
Cash and cash equivalents at beginning of year	<u>49,041,943</u>	<u>39,274,563</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 45,932,337</u></b>	<b><u>\$ 49,041,943</u></b>
<b>SUPPLEMENTAL INFORMATION</b>		
Taxes Paid	<u>\$ -</u>	<u>\$ 130</u>
Right-of-Use Asset	<u>\$ 8,109,479</u>	<u>\$ -</u>
Operating Lease Liability or Right-of-Use Asset	<u>\$ 8,171,770</u>	<u>\$ -</u>

See accompanying notes to consolidated financial statements.

## GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2021

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

##### Organizations -

The GlobalGiving Foundation, Inc. (the Foundation) helps U.S. and non-U.S. based entities access philanthropic capital by making the connections between donors and implementers of charitable programs more efficient, more transparent, and therefore more likely. By providing a secure and transparent environment for giving, the Foundation simultaneously fosters social innovation by enabling new and unproven ideas to have a chance at success, and enables individuals and corporations to maximize their global philanthropy. The Foundation functions as a charitable, not-for-profit, non-stock corporation and has one class of voting members, which comprise the Board of Directors, consisting of ten members. The affairs and management of the Foundation are under the control of the Board of Directors.

GlobalGiving UK (GG UK) is an England and Wales registered charity under the English law and is limited by guarantee. GG UK's charitable objectives are to advance any purpose which is deemed to be exclusively charitable under English law. GG UK's principal activity is working in partnership with GlobalGiving Foundation, Inc. in supporting the platform [globalgiving.org](http://globalgiving.org) which enables individuals, companies, and foundations to support a range of vetted charitable projects from all over the world. Donors to a specific project are automatically updated with the latest progress reports, therefore able to see the direct impact on the communities concerned. Included in the consolidated accompanying financial statements are the amounts from financial statements for GG UK, which were audited by other auditors, whose reports have been furnished to the Foundation.

##### Principles of consolidation -

The accompanying consolidated financial statements reflect the activities of the GlobalGiving Foundation, Inc. and Subsidiary for the year ended December 31, 2021. The financial statements of the Foundation and GG UK are in accordance with FASB Accounting Standards Codification (ASC) 958-810, *Not-for-Profit Entities, Consolidation*. The Foundation is the sole company law member of GG UK, and as such, it has the right to change GG UK's constitution (known as its Memorandum and Articles of Association) and to appoint and remove trustees of GG UK. All intercompany transactions have been eliminated during consolidation.

##### Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions.



GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)

Basis of presentation (continued) -

- **Net Assets with Donor Restrictions (continued)** - When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the GlobalGiving Foundation, Inc. and Subsidiary's consolidated financial statements for the year ended December 31, 2020, from which the summarized information was derived.

New accounting pronouncements adopted -

During 2021, the Foundation early adopted ASU 2019-01, *Leases* (Topic 842), which changed the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. The Foundation applied the new standard at the inception of a new lease that began in 2021 and also the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. See note 10 for further details.

Cash and cash equivalents -

The GlobalGiving Foundation, Inc. and Subsidiary consider all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, the Foundation maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

The Foundation receives website donations designated to over 7,500 pre-screened projects and makes remittances to those organizations as appropriate. These funds are segregated from the Foundation's other funds and as of December 31, 2021, totaled \$41,241,207.

At December 31, 2021, the Foundation had \$1,376,472 of cash and cash equivalents held at financial institutions in foreign countries. The majority of funds held in foreign countries is uninsured.

Investments -

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in investment income, which is presented net of investment expenses paid by external investment advisors in the accompanying Consolidated Statement of Activities and Change in Net Assets.

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Investments (continued) -

Investments acquired by gift are recorded at their fair value at the date of the gift. The Foundation's policy is to liquidate all gifts of investments as soon as possible after the gift.

Accounts, pledges, and grants receivable -

Accounts and pledges receivables are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established. Pledges receivable that are expected to be collected in future years are recorded at their fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and gifts revenue.

Grants receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the grant agreements. Grant funding received in advance of incurring the related expenses is recorded as deferred revenue.

Fixed assets -

Fixed assets in excess of \$5,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2021 totaled \$82,100.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Consolidated Statement of Activities and Change in Net Assets, to its current fair value.

Income taxes -

The Foundation -

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is only subject to tax on unrelated business income. The Foundation is not a private foundation.

GlobalGiving UK -

GG UK is exempt from United Kingdom income tax and corporation tax, provided that the money is used solely for charitable purposes. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements.

Uncertain tax positions -

For the year ended December 31, 2021, the GlobalGiving Foundation, Inc. and Subsidiary have documented their consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Project distributions payable -

Project distributions payable represent funds collected by GlobalGiving UK that are transferred to the Foundation to be disbursed to various charitable organizations. The revenue and expense are recorded within GlobalGiving UK's income statement and the Foundation serves as a pass-through organization.

Contributions and grants -

The majority of the Foundation's revenue is received through contributions and grants. Contributions and grants are recognized in the appropriate category of net assets in the period received. The Foundation performs an analysis of the individual contribution, grant to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For contributions and grants qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions and grants and contracts qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Contributions and grants agreements qualifying as conditional contributions contain a right of return and a barrier. As such, the Foundation recognizes revenue for these conditional contributions when the related barrier has been overcome. For contributions and grants treated as contributions, the Foundation had approximately \$1,778,560 in unrecognized conditional awards as of December 31, 2021.

Contracts classified as exchange transactions for professional services follow ASU 2014-09, *Revenue from Contracts With Customers*, and record revenue when the performance obligations are met. The Foundation has elected to opt out of all (or certain) disclosures not required for nonpublic entities. The revenue is recorded directly to without donor restrictions and the transaction price is based on expenses incurred in compliance with the criteria stipulated in the grant or contract agreements. Grants and contracts receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the grant and contract agreements. Funding received in advance of incurring the related expenses is recorded as deferred revenue.

The Foundation recognizes management fees on a pro-rata basis over the annual management period. The Foundation recognizes setup fees when the services are performed. Revenue recognized for these fees are included in professional services on the Consolidated Statement of Activities and Change in Net Assets.

Foreign currency translation -

The U.S. Dollar (Dollars) is the functional currency for the Foundation's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into Dollars.

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Foreign currency translation (continued) -

Current assets and liabilities denominated in non-U.S. currency are translated into Dollars at the exchange rate in effect at the date of the Consolidated Statement of Financial Position. Fluctuations in currency are reported on the Consolidated Statement of Activities and Change in Net Assets as (loss) income and included in contributions.

Use of estimates -

The preparation of the consolidated 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 at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Foundation are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

Risks and uncertainties -

The GlobalGiving Foundation, Inc. and Subsidiary depend primarily on donations and grants to carry on their charitable activities; consequently, any change in giving patterns would affect the GlobalGiving Foundation, Inc. and Subsidiary's ability to fund their operations.

Fair value measurements -

The Foundation adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Foundation accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

New accounting pronouncement not yet adopted -

ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, improves generally accepted accounting principles (GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this ASU address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities. The ASU should be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022.

**GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

New accounting pronouncement not yet adopted (continued) -

Early adoption is permitted. The amendment will not change the recognition and measurement requirements for those contributed nonfinancial assets.

The Foundation plans to adopt the new ASU at the required implementation date and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying consolidated financial statements.

**2. FIXED ASSETS**

Fixed assets consisted of the following for the year ended December 31, 2021:

Furniture, fixtures and computers	\$ 284,489
Software	<u>178,459</u>
Subtotal	462,948
Less: Accumulated depreciation and amortization	<u>(202,098)</u>
<b>FIXED ASSETS, NET</b>	<b><u>\$ 260,850</u></b>

**3. LOAN PAYABLE**

On April 20, 2020, the Foundation received loan proceeds in the amount of \$880,000 under the Paycheck Protection Program. The promissory note calls for monthly principal and interest payments amortized over the term of the promissory note with a deferral of payments for the first ten months after the last day of the covered period. Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note may be forgiven by the Small Business Administration in whole or in part. The Foundation used the proceeds for purposes consistent with the Paycheck Protection Program. The Foundation was granted forgiveness on June 21, 2021. Accordingly, \$880,000 of extinguishment of debt is included as an "Other Item" on the accompanying Consolidated Statement of Activities and Change in Net Assets.

**4. LINE OF CREDIT**

The Foundation has a \$325,000 bank line of credit. Amounts borrowed under this agreement bear interest at a rate of 3.50% and matures on May 21, 2028. As of December 31, 2021, there was an outstanding balance totaling \$321,908. The line is secured by cash held in accounts at the same financial institution.

**5. NET ASSETS WITH DONOR RESTRICTIONS**

The GlobalGiving Foundation, Inc. and Subsidiary's net assets with donor restrictions are mostly comprised of donations received that will be used to provide benefits to specific charitable projects and have not yet been distributed to the sponsoring organizations.

GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021

5. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions consist of the following at December 31, 2021:

Subject to expenditure for specified purpose:	
Foundation projects	\$ 37,756,262
Guarantee reserve	4,467
GG UK projects	<u>746,265</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 38,506,994</u></b>

6. NET ASSETS RELEASED FROM RESTRICTIONS

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Purpose restrictions accomplished:	
Foundation project distributions	\$ 90,171,295
GG UK projects	<u>4,338,184</u>
<b>TOTAL NET ASSETS RELEASED FROM RESTRICTIONS</b>	<b><u>\$ 94,509,479</u></b>

7. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Consolidated Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 45,932,337
Accounts and pledges receivables	<u>5,413,428</u>
Subtotal financial assets available within one year	51,345,765
Less: Donor restricted funds	<u>(38,506,994)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 12,838,771</u></b>

The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation defines operating expenses as total expenses less grant expenses, expenses required to satisfy restricted revenue, and less short-term extraordinary expenditure developmental initiatives. The Foundation invests cash in excess of daily requirements in short-term investments. In the event of an unanticipated liquidity need, the Foundation also could draw upon \$325,000 of available line of credit (as further discussed in Note 4).

## GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2021

#### 8. COMMITMENTS

**Outsourced Services** - The Foundation contracts with Insuperity as a full-service, outsourced human resources provider for the Foundation. The agreement will remain in effect until terminated. Either party may cancel this Agreement at any time by giving the other party thirty (30) days prior written notice.

#### 9. RETIREMENT PLAN

The Foundation established the GlobalGiving Foundation, Inc. 401(k) Plan for the exclusive benefit of all eligible employees and their beneficiaries. To be eligible to make a salary deferral contribution and to receive a matching contribution, an employee must have completed a minimum of three months of service with 160 hours in each month.

Each year, at the Foundation's discretion, a match may be a discretionary percentage allocated proportionate to an employee salary deferrals, flat dollar amount, or tiered formula, as the Foundation elects each year. The safe harbor contribution will be a match of 100% of the first 3% of salary deferral plus 50% of the next 2% of salary deferral. The total safe harbor match for the year ended December 31, 2021 was \$196,280.

Additionally, the Foundation, at its discretion, may make a profit sharing contribution to the Plan. To be eligible to receive an allocation of the discretionary employer profit sharing contributions an employee must complete 1,000 hours of service during the Plan year and be employed the last day of the Plan year. The Foundation did not make a profit sharing contribution for the year ended December 31, 2021.

#### 10. LEASE COMMITMENT

In 2014, the Foundation entered into a lease agreement for office space. The lease commenced on August 1, 2014 and terminates on July 31, 2024. Base rent is \$26,971 per month, with annual set escalations, plus a proportionate share of expenses. The Foundation terminated the lease effective July 31, 2021.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Consolidated Statement of Financial Position.

In 2020, the Foundation entered into a lease agreement for new office space. The lease commenced on July 1, 2021 and terminates on December 31 2032. Base rent is \$74,460 per month, with annual set escalations, plus a proportionate share of operating expenses.

ASU 2019-01, *Leases* (Topic 842), changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. During 2021, the Foundation elected to early implement the ASU and elected the practical expedient package to not reassess at adoption expired or existing contracts for whether they are or contain a lease, the lease classification of any existing leases or initial indirect costs for existing leases. The Foundation also elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes.

GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2021

10. LEASE COMMITMENT (Continued)

The Foundation adopted the package of practical expedients to not perform any lease reclassification, did not reevaluate embedded leases and did not reassess initial direct costs. As a result, the Foundation recorded a right-of-use asset in the amount of \$8,109,479. The Foundation recorded an operating lease liability in the amount of \$8,171,770 by calculating the present value using the discount rate of 3.5%.

The following is a schedule of the future minimum lease payments:

**Year Ending December 31,**

2022	\$	-
2023		821,374
2024		950,497
2025		974,259
2026		998,616
Thereafter		<u>6,538,367</u>
		10,283,113
Less: Imputed interest		<u>(1,967,290)</u>
		8,315,823
Less: Current portion		<u>(888,767)</u>
<b>LONG-TERM PORTION</b>	<b>\$</b>	<b><u>7,427,056</u></b>

Lease expense, net of cash incentive of \$225,000 for the year ended December 31, 2021 totaled \$380,446, which is included in rent expense on the accompanying Consolidated Statement of Functional Expenses.

11. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the GlobalGiving Foundation, Inc. and Subsidiary have evaluated events and transactions for potential recognition or disclosure through September 2, 2022, the date the consolidated financial statements were issued.