GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Financial Statements

For the Year Ended June 30, 2013

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Certified Public
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Independent Auditors' Report

Board of Directors
Global Partnerships
Seattle, Washington

We have audited the accompanying financial statements of Global Partnerships and its subsidiaries (collectively "the Organization"), which comprise the consolidated statement of financial position as of June 30, 2013, and the related consolidated statement of activities and consolidated cash flows for the year 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2013, and the consolidated change in its net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CLARK NUBER

Certified Public Accountants and Consultants

Report on Summarized Comparative Information

We have previously audited the Organization's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 11, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 15 and the consolidating information in the consolidated statement of financial position and the consolidated statement of activities 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.

Clark Nuber PS

Certified Public Accountants
September 9, 2013

CONSOLIDATED FINANCIAL STATEMENTS

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statement of Financial Position with Consolidating Information
June 30, 2013
(With Comparative Totals for 2012)

	Global Partnerships	*Global Partnerships Social Investment Fund 5.0, LLC*	*Global Partnerships Social Investment Fund 2010, LLC*	*Global Partnerships Microfinance Fund 2008, LLC*	*Global Partnerships Microfinance Fund 2006, LLC*	*GP Fund Management, LLC*	*Eliminations*	*2013 Consolidated Total*	*2012 Consolidated Total*
Assets									
Current Assets:									
Cash and cash equivalents	$ 2,727,371	$ 9,879,722	$ 3,101,017	$ 808,827	$ 790	$ 15,717	$ -	$ 16,533,444	$ 8,602,554
Pledges receivable, current portion, net (Note 2)	1,008,558							1,008,558	886,703
Social investment loans receivable current portion, net (Note 3)			12,821,977	2,855,000	108			15,677,085	17,992,058
Interest receivable	406	45,285	283,313	64,577				393,581	326,823
Other receivables	75,803	40	6,223			61,315	(137,420)	5,961	4,492
Other assets	18,963							18,963	38,690
Total Current Assets	**3,831,101**	**9,925,047**	**16,212,530**	**3,728,404**	**898**	**77,032**	**(137,420)**	**33,637,592**	**27,851,320**
Pledges receivable, long-term portion, net (Note 2)	45,000							45,000	739,546
Social investment loans receivable, long-term portion, net (Note 3)		5,586,000	8,782,049	17,361,250				31,729,299	21,275,859
Investment in subsidiaries and other	5,258,334						(5,194,575)	63,759	63,759
Property and equipment, net (Note 4)	125,133							125,133	155,068
Total Assets	**$ 9,259,568**	**$ 15,511,047**	**$ 24,994,579**	**$ 21,089,654**	**$ 898**	**$ 77,032**	**$ (5,331,995)**	**$ 65,600,783**	**$ 50,085,552**
Liabilities and Net Assets									
Current Liabilities:									
Accounts payable	$ 24,547	$ 85,394	$ 20,475	$ 3,971	$ -	$ 61,310	$ (137,113)	$ 58,584	$ 93,229
Accrued liabilities	155,819	128,342	111,654	2,213		20,070	(307)	417,791	288,068
Total Current Liabilities	**180,366**	**213,736**	**132,129**	**6,184**		**81,380**	**(137,420)**	**476,375**	**381,297**
Deferred rent liability	86,828							86,828	79,688
Long-term debt (Note 5)	1,500,000	13,950,000	23,500,000	18,516,533		1,000	(82,250)	57,385,283	41,935,283
Total Liabilities	**1,767,194**	**14,163,736**	**23,632,129**	**18,522,717**		**82,380**	**(219,670)**	**57,948,486**	**42,396,268**
Net Assets/Equity:									
Members' equity		2,000,000	1,500,000	1,500,000	112,225	100	(5,112,325)		
Accumulated earnings (deficit)		(652,689)	(137,550)	1,066,937	(111,327)	(5,448)		159,923	(358,924)
Unrestricted net assets	5,859,727							5,859,727	6,028,457
Temporarily restricted net assets (Note 6)	1,632,647							1,632,647	2,019,751
Total Net Assets and Equity	**7,492,374**	**1,347,311**	**1,362,450**	**2,566,937**	**898**	**(5,348)**	**(5,112,325)**	**7,652,297**	**7,689,284**
Total Liabilities, Net Assets and Equity	**$ 9,259,568**	**$ 15,511,047**	**$ 24,994,579**	**$ 21,089,654**	**$ 898**	**$ 77,032**	**$ (5,331,995)**	**$ 65,600,783**	**$ 50,085,552**

See accompanying notes.

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statement of Activities with Consolidating Information
For the Year Ended June 30, 2013
(With Comparative Totals for 2012)

	Global Partnerships	*Global Partnerships Social Investment Fund 5.0, LLC*	*Global Partnerships Social Investment Fund 2010, LLC*	*Global Partnerships Microfinance Fund 2008, LLC*	*Global Partnerships Microfinance Fund 2006, LLC*	*GP Fund Management, LLC*	*Eliminations*	*2013 Consolidated Total*	*2012 Consolidated Total*
Unrestricted Revenue and Other Support:									
Contributions	$ 643,723	$ -	$ -	$ -	$ -	$ -	$ -	$ 643,723	$ 820,654
In-kind contributions	693,211							693,211	410,923
Earned income	1,031,688	99,698	1,762,436	1,595,075		869,132	(1,740,702)	3,617,327	3,264,727
Other income	207,140	6,109	34,237	13,794		8	(153,490)	107,798	77,990
Net assets released from restrictions	1,709,961							1,709,961	1,369,989
Total Unrestricted Revenue and Other Support	**4,285,723**	**105,807**	**1,796,673**	**1,608,869**		**869,140**	**(1,894,192)**	**6,772,020**	**5,944,283**
Expenses:									
Program services	3,247,610	758,496	1,218,601	1,033,319	(18,693)	869,919	(1,894,192)	5,215,060	3,824,651
Management and general	359,315							359,315	281,232
Fundraising	847,528							847,528	801,319
Total Expenses	**4,454,453**	**758,496**	**1,218,601**	**1,033,319**	**(18,693)**	**869,919**	**(1,894,192)**	**6,421,903**	**4,907,202**
Change in Unrestricted Net Assets	**(168,730)**	**(652,689)**	**578,072**	**575,550**	**18,693**	**(779)**		**350,117**	**1,037,081**
Changes in Temporarily Restricted Net Assets									
Contributions	1,322,857							1,322,857	2,491,860
Net assets released from restrictions	(1,709,961)							(1,709,961)	(1,369,989)
Change in Temporarily Restricted Net Assets	**(387,104)**							**(387,104)**	**1,121,871**
Changes in Net Assets	**(555,834)**	**(652,689)**	**578,072**	**575,550**	**18,693**	**(779)**		**(36,987)**	**2,158,952**
Beginning of Year Net Assets / Equity:									
Members' equity			1,500,000	1,500,000	140,000	100	(3,140,100)		
Accumulated earnings (deficit)			(715,622)	491,387	(130,020)	(4,669)		(358,924)	(1,233,107)
Unrestricted net assets	6,028,457							6,028,457	5,865,559
Temporarily restricted net assets	2,019,751							2,019,751	897,880
Total	**8,048,208**		**784,378**	**1,991,387**	**9,980**	**(4,569)**	**(3,140,100)**	**7,689,284**	**5,530,332**
End of Year Net Assets / Equity:									
Members' equity		2,000,000	1,500,000	1,500,000	140,000	100	(5,140,100)		
Members' equity return of capital					(27,775)		27,775		
Total member's equity		2,000,000	1,500,000	1,500,000	112,225	100	(5,112,325)		
Accumulated earnings (deficit)		(652,689)	(137,550)	1,066,937	(111,327)	(5,448)		159,923	(358,924)
Unrestricted net assets	5,859,727							5,859,727	6,028,457
Temporarily restricted net assets	1,632,647							1,632,647	2,019,751
Total	**$ 7,492,374**	**$ 1,347,311**	**$ 1,362,450**	**$ 2,566,937**	**$ 898**	**$ (5,348)**	**$ (5,112,325)**	**$ 7,652,297**	**$ 7,689,284**

See accompanying notes.

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statement of Cash Flows
For the Year Ended June 30, 2013
(With Comparative Totals for 2012)

	2013 Consolidated Total	*2012 Consolidated Total*
Cash Flows from Operating Activities:		
Change in net assets	$ (36,987)	$ 2,158,952
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation and amortization	38,072	38,335
Social investment loan loss allowance	24,007	(82,007)
Loss on disposal of asset		390
Changes in assets and liabilities:		
Pledges receivable	572,691	(1,170,619)
Interest receivable	(66,758)	(116,125)
Other receivables	(1,469)	16,371
Other assets	19,727	(29,965)
Accounts payable	(34,645)	41,944
Accrued liabilities	129,723	53,616
Deferred rent liability	7,140	19,344
Net Cash Provided by Operating Activities	**651,501**	**930,236**
Cash Flows from Investing Activities:		
Issuance of social investment loans	(19,563,766)	(13,146,648)
Principal repayments on social investment loans	11,401,292	9,110,081
Purchase of property and equipment	(8,137)	(26,849)
Net Cash Used in Investing Activities	**(8,170,611)**	**(4,063,416)**
Cash Flows from Financing Activities:		
Issuance of long-term debt instruments	15,450,000	
Principal repayments on long-term debt instruments		(2,197,803)
Net Cash Provided by (Used In) Financing Activities	**15,450,000**	**(2,197,803)**
Net Change in Cash	**7,930,890**	**(5,330,983)**
Cash balance, beginning of year	8,602,554	13,933,537
Cash Balance, End of Year	**$ 16,533,444**	**$ 8,602,554**
Supplemental Information:		
Cash paid for interest	**$ 1,672,917**	**$ 1,652,158**

See accompanying notes.

Note 1 - Nature of Operations and Significant Accounting Policies

Organization and Program Services - The consolidated financial statements include the activities of Global Partnerships (GP) and its subsidiaries, Global Partnerships Social Investment Fund 5.0, LLC (SIF5.0), Global Partnerships Social Investment Fund 2010, LLC (SIF2010), Global Partnerships Microfinance Fund 2008, LLC (MFF2008), Global Partnerships Microfinance Fund 2006, LLC (MFF2006), and GP Fund Management, LLC (the Fund Manager) (collectively, the Organization). Global Partnerships is a nonprofit impact investor whose mission is to expand opportunity for people living in poverty. Through our innovative and efficient funding model, we invest in and develop sustainable strategies to help people living in poverty in Latin America and the Caribbean earn a living, provide for their families and improve their lives. As of June 30, 2013, GP had more than $48.4 million invested in 37 partner organizations in eleven countries. GP raises money from mission-aligned investors and donors, and invests this capital - in the form of low-cost loans and start-up grants - in a select group of partner organizations in Latin America and the Caribbean. With these mission-aligned partners, GP supports programs that deliver high social impact in the areas of health services, micro entrepreneurship education, rural livelihoods and green technology.

Investment funds SIF5.0, SIF2010, MFF2008, MFF2006 (collectively, the Funds) were formed in December 2012, August 2010, October 2008, and March 2007, respectively, to serve as investment vehicles to make secured and unsecured loans to qualified partner institutions in Latin America and the Caribbean. Investors in the Funds, who purchased notes payable from the Funds or made loans to the Funds, include accredited private investors, development banks, and institutions. At the time of formation, GP contributed $2,000,000 in cash to SIF5.0, $1,500,000 in cash to SIF2010, $1,500,000 in cash to MFF2008, and $255,000 in cash to MFF2006 as capital contributions.

The Fund Manager was formed in June 2005 to provide investment fund management services. Wholly owned by GP, the management responsibilities for the Fund Manager are assigned to GP according to the Investment Advisory Services Agreement. GP contributed $100 in capital contributions at the formation.

Principles of Consolidation - The consolidated financial statements of GP include the accounts of the Funds and the Fund Manager. All inter-company transactions have been eliminated.

Basis of Presentation - Net assets, revenues, expenses, gains and losses 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:

> <u>Unrestricted Net Assets</u> - Represents resources, which have met all applicable donor restrictions and are considered to be available for unrestricted use.
>
> <u>Temporarily Restricted Net Assets</u> - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization or the passage of time.
>
> <u>Permanently Restricted Net Assets</u> - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2013 and 2012, the Organization had no permanently restricted net assets.

Note 1 - Continued

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions that the donor requires to be used to acquire long-lived assets (e.g., building improvements, furniture, fixtures and equipment) are reported as temporarily restricted. When the long-lived assets are acquired, the Organization reflects the expiration of the donor-imposed restriction as a reclassification included in net assets released from restrictions.

Cash Equivalents - The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Pledges Receivable - Unconditional promises to give (pledges) are recognized as revenues in the period they are received. Pledges receivable over periods in excess of one year are recorded net of discounts (the present value component) to reflect the time value of money. Amortization of discounts is included in contribution revenue.

The allowance for doubtful pledges receivable is maintained at a level considered adequate to provide for potential uncollected past due pledges. The adequacy of the allowance is based upon management's evaluation of the quality, character, and inherent risks associated with the pledges.

Social Investment Loan Losses - The Organization has established an allowance for loan losses through a provision for loan losses charged to expenses. The allowance is an amount that management believes will be adequate to absorb possible losses on existing loans that may become uncollectible. This allowance is determined based upon a quarterly review of each loan, including age of the balance, historical experience with the customer and the risk of the institution and country.

Investment in Other Entity - GP's investment in another entity is carried at cost. The cost of this investment totaled $50,000 at June 30, 2013 and 2012. GP did not identify any events or changes in circumstances that may have had a significant adverse effect on the value of this investment and therefore, no impairment has been recorded for the years ended June 30, 2013 and 2012.

Property and Equipment - The Organization capitalizes assets with a cost greater than $1,000 and an estimated useful life of one or more years. Purchased property is carried at cost. Donated property is recorded at fair value when received. Depreciation is computed using the straight-line method based on estimated useful lives as follows:

Furniture and fixtures	7 years
Computers and equipment	5 years
Software	5 years
Leasehold improvements	Shorter of term of lease or economic life

Note 1 - Continued

Federal Income Tax - The Internal Revenue Service has determined that GP is exempt from federal income tax under Internal Revenue Code Section 501(c)(3); accordingly, no provision has been made for federal income tax in the accompanying consolidated financial statements. The four investment funds and Fund Management LLC are single member limited liability companies and are disregarded for federal tax purposes. The Organization files income tax returns with the U.S. government. The Organization is subject to income tax examinations for the current year and certain prior years based on the applicable laws and regulations.

Concentrations - Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and loans receivable. The Organization maintains its cash and cash equivalents in depository institution accounts that, at times, may exceed federally insured limits.

At June 30, 2013, the Organization had pledges receivable from three donors which represents approximately 48 percent of total pledges receivable. At June 30, 2012, the Organization had pledges receivable from three donors which represented approximately 59 percent of total pledges receivable. At June 30, 2013, the Organization had contributions from one donor representing 19 percent of total contributions. At June 30, 2012, the Organization had contributions from two donors representing 38 percent of total contributions. At June 30, 2013, the Organization had in-kind contributions from two law firms representing 90 percent of total in-kind contributions. At June 30, 2012, the Organization had in-kind contributions from three law firms representing 75 percent of total in-kind contributions.

In-Kind Contributions - The Organization periodically receives donated materials and services. Donated goods are recorded at fair market value at the date of receipt. Donated services are recorded only if specific professional expertise is provided or the services are for constructing a fixed asset, in accordance with generally accepted accounting principles. Donated goods and services included in the consolidated statement of activities were made up of the following at June 30:

	2013	*2012*
Professional services	$ 681,151	$ 379,838
Advertising	9,660	24,003
Event expenses	2,400	7,082
Total In-Kind Contributions	**$ 693,211**	**$ 410,923**

Earned Revenue - In addition to philanthropic support, GP earns revenue through the creation and management of its investment funds. Fund management fees are earned in each fund for which GP provides servicing and monitoring. Fund closing fees are earned upon each investor capital call of a new fund. These fund management and closing fees are eliminated in consolidation. In addition, GP and SIF 5.0 receives loan and commitment fees from partner organizations and these are recognized at the time of loan commitment since the loan origination costs directly related to these fees generally exceed the fee income.

Allocation of Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 1 - Continued

Advertising - Advertising costs are expensed the first time the advertisement appears in the specified media. All other costs are expensed as they are incurred. For the years ended June 30, 2013 and 2012, advertising expenses totaled $13,278 and $31,449, respectively.

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. These affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Comparative Amounts for 2012 - For comparative purposes, the financial statements include certain prior-year summarized information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2012, from which the summarized information was derived.

Subsequent Events - The Organization's management has evaluated subsequent events through September 9, 2013, the date on which the financial statements were available to be issued.

Note 2 - Pledges Receivable

Pledges receivable consist of the following unconditional promises to give by donors at June 30:

	2013	*2012*
Receivables due in one year	$ 1,013,558	$ 893,568
Receivables due in two to three years	45,000	746,500
Gross Pledges Receivable	**1,058,558**	**1,640,068**
Less allowance for uncollectible pledges	(5,000)	(6,864)
Less unamortized discount to present value		(6,955)
Less current portion, net	(1,008,558)	(886,703)
Total Long-Term Pledges Receivable	**$ 45,000**	**$ 739,546**

Note 3 - Social Investment Loans Receivable

GP provides loans to a select group of partner organizations in Latin America and the Caribbean. These organizations in turn serve people in need with microloans and essential services that help them improve their livelihoods and lives. These loans mature at various times over the life of the fund and are disbursed and repaid in either U.S. Dollars or the local currency of the respective country. Interest income is recognized when earned based on rates established in the underlying loan agreements.

Loans receivable are due as follows at June 30:

For the Year Ending June 30,	*2013*	*2012*
2013	$ -	$ 18,494,051
2014	16,030,085	11,466,302
2015	26,749,140	10,271,557
2016	4,448,492	
Due thereafter	1,166,667	
	48,394,384	40,231,910
Less current maturities, net of allowance	(15,677,085)	(17,992,058)
Less allowance for loan losses (current portion)	(353,000)	(501,993)
Less allowance for loan losses (long-term portion)	(635,000)	(462,000)
Total Long-Term Social Investment Loans Receivable	**$ 31,729,299**	**$ 21,275,859**

During the year ended June 30, 2013, no direct write-downs were charged against the allowance for loan losses with the change in the allowance for loan losses representing a decrease in the estimated, uncollectible loans receivable plus the addition of an allowance for SIF5.0. All loans are reserved based on management's estimates of its borrower's credit-worthiness, current economic conditions, and historical information.

Social investment loans receivable by the Organization's credit risk rating and allowance for loan losses were as follows at June 30, 2013:

	Allowance for Loan Losses	*Outstanding Loans Receivable by Credit Risk Rating*
Credit risk rating-		
Sound credit	$ 755,000	$ 48,161,276
Watch credit		
Possible loss		
Doubtful	233,000	233,108
	$ 988,000	**$ 48,394,384**

Note 4 - Property and Equipment

Property and equipment consists of the following at June 30:

	2013	*2012*
Furniture and fixtures	$ 39,270	$ 39,270
Computers and equipment	106,844	114,549
Software	73,044	73,044
Leasehold improvements	29,674	29,674
	248,832	256,537
Less accumulated depreciation and amortization	(123,699)	(101,469)
Total Property and Equipment, Net	**$ 125,133**	**$ 155,068**

Note 5 - Long-Term Debt

Long-term debt consists of the following at June 30:

	2013	*2012*
Global Partnerships		
Limited recourse notes issued in March and June, 2013 to provide capital for GP's equity contribution in SIF5.0. These notes have only limited recourse to the performance of SIF5.0 and have no claim on GP's general resources for repayment. The notes accrue interest annually at a rate of 5%, but payment is only made at the maturity date and is dependent on surplus cash from SIF5.0 that is returned to GP for its equity in the Fund. The notes mature in March 2023. As of June 30, 2013, the contingent interest liability and contingent principal repayment amounts to be paid at maturity cannot be reasonably estimated by management.	$ 1,500,000	$ -
Global Partnerships Microfinance Fund 2008		
Unsecured notes in MFF2008 issued October 2008 with interest payable quarterly at rates of 3.00%, 3.25%, 4.00%, 4.69% and 4.75% per annum, maturity date of October 2014.	18,516,533	18,516,533

Note 5 - Continued

	2013	*2012*
Global Partnerships Social Investment Fund 2010 Unsecured notes in SIF2010 issued October 2010, and April and May 2011 with interest payable quarterly at rates ranging between 2.715% and 4.59% per annum, maturity dates of October 2015 and June 2016. Included in unsecured notes is a note where terms of the agreement require the payment of additional interest contingent on surplus cash remaining at the close of SIF2010. As of June 30, 2013, the contingent interest liability cannot be reasonably estimated by management.	23,418,750	23,418,750
Global Partnerships Social Investment Fund 5.0 Unsecured notes in SIF5.0 issued in March and June, 2013 with interest rates ranging between 2.00% and 4.00% per annum, maturity dates of March, 2016, March 2018 and March 2023.	13,950,000	
Total	**$ 57,385,283**	**$ 41,935,283**

Debt maturities consist of the following at June 30:

For the Year Ending June 30,	
2014	$ -
2015	18,516,533
2016	24,018,750
2017	
2018	4,900,000
Thereafter	9,950,000
Total	**$ 57,385,283**

Investors in the Funds purchased unsecured notes and provided loans to the Funds for the purpose of providing the resources for making secured and unsecured loans to qualified partner institutions in Latin America and the Caribbean. In fiscal year 2011, GP purchased an unsecured note of $281,250 in SIF2010, of which $81,250 of the original balance was outstanding at June 30, 2013 and 2012. This note held by GP is presented as an elimination in the consolidated statement of financial position.

Note 6 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30:

	2013	*2012*
Pledges - time restriction	$ 1,053,558	$ 1,626,251
Health services - purpose restriction	410,589	225,000
Synergy Capital Fund - time and purpose restrictions	168,500	168,500
Total Temporarily Restricted Net Assets	**$ 1,632,647**	**$ 2,019,751**

For the year ended June 30, 2013, net assets were released from donor restrictions by the passage of time.

Note 7 - Commitments

Operating Leases - The Organization leases office space under a noncancelable lease agreement that expires in October 2020. The lease calls for minimum lease payments of $10,373 per month.

The Organization also leases office equipment under noncancelable operating leases that expire in June 2016. The equipment leases call for monthly payments of $228.

Future minimum rentals under noncancelable operating leases are as follows at June 30, 2013:

For the Year Ending June 30,

2014	$ 137,962
2015	142,310
2016	146,232
2017	148,023
2018	152,371
Thereafter	413,220
Total Minimum Rental Payments	**$ 1,140,118**

Rent expense for operating leases totaled $169,502 and $174,618 for the years ended June 30, 2013 and 2012, respectively.

Note 8 - Retirement Plan

The Organization has a 401(k) retirement plan (the Plan) available to all eligible employees. The Organization makes contributions to the Plan for participants in accordance with requirements specified in the Plan documents. During the years ended June 30, 2013 and 2012, the Organization's contribution to the Plan was $128,482 and $105,596, respectively.

Note 9 - Related Parties

Certain unsecured notes invested in the Organization are held with GP board members and other related parties with outstanding balances of $3,500,000 and $3,000,000 as of June 30, 2013 and 2012, respectively.

SUPPLEMENTARY INFORMATION

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Schedule of Functional Operating Expenses
For the Year Ended June 30, 2013
(With Comparative Totals for 2012)

	Total Program Services	*Management and General*	*Fundraising*	*2013 Consolidated Total*	*2012 Consolidated Total*
Wages and salaries	$ 1,119,559	$ 195,826	$ 411,245	$ 1,726,630	$ 1,459,002
Employee benefits	236,170	40,175	77,399	353,744	337,798
Payroll taxes	86,317	10,849	31,702	128,868	108,410
Total Salaries and Related Expenses	**1,442,046**	**246,850**	**520,346**	**2,209,242**	**1,905,210**
Interest	1,719,848			1,719,848	1,685,508
Legal and accounting fees	775,534	23,088	2,825	801,447	431,764
Program grants	457,679			457,679	
Travel	138,853	13,264	53,540	205,657	168,105
Occupancy	122,315	14,377	36,428	173,120	175,858
Contract labor	151,332	2,285	5,790	159,407	171,593
Loan fees	157,655			157,655	21,372
Marketing	14,969	2,108	125,911	142,988	177,110
Consulting fees	67,618	18,561	41,488	127,667	36,821
Insurance	26,546	23,060		49,606	43,360
Depreciation and amortization	29,386	2,396	6,290	38,072	38,335
Office equipment and maintenance	15,940	2,786	19,042	37,768	32,378
Bank charges	13,494	5,264	9,717	28,475	26,173
Reserve for social investment losses	24,007			24,007	(82,007)
Office supplies and postage	10,943	550	11,677	23,170	23,307
Business taxes	15,899	1,423		17,322	2,617
Telephone	12,715	890	2,256	15,861	21,759
Miscellaneous	18,281	2,413	12,218	32,912	27,939
Total Expenses	**$ 5,215,060**	**$ 359,315**	**$ 847,528**	**$ 6,421,903**	**$ 4,907,202**

See independent auditors' report.