GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Report of Independent Auditors and
Consolidated Financial Statements
with Supplemental Information

For the Years Ended June 30, 2019 and 2018

Table of Contents

MOSSADAMS

Report of Independent Auditors

The Board of Directors
Global Partnerships and Subsidiaries

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Global Partnerships and Subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Global Partnerships and its subsidiaries as of June 30, 2019, and the change in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, Global Partnerships and Subsidiaries adopted Accounting Standards Update ("ASU") No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The ASU has been applied retrospectively to all periods presented with the exception of the omission of certain information as permitted by the ASU. Our opinion is not modified with respect to this matter.

Other Matter

Prior Period Consolidated Financial Statements

The consolidated financial statements of Global Partnerships and Subsidiaries as of June 30, 2018, were audited by other auditors whose report thereon dated September 20, 2018 expressed an unmodified opinion.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidated Statements of Financial Position with Consolidating Information and the Consolidated Statement of Activities with Consolidating Information are presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Moss Adams LLP

Seattle, Washington
September 26, 2019

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of Financial Position
June 30, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 18,572,470	$ 8,950,537
Contributions receivable, net	920,776	514,224
Social-related loans and investments		
Social investment loans receivable, net	104,865,386	93,603,522
Social investments in securities, net, at cost	5,472,087	8,137,952
Social investments in funds, net, at fair value	1,651,912	1,491,456
Derivative instruments	1,190,731	694,852
Interest receivable	634,265	635,086
Other assets	927,525	684,443
Property and equipment, net	41,243	43,744
Total Assets	**$ 134,276,395**	**$ 114,755,816**
Liabilities		
Accounts payable	$ 68,041	$ 86,086
Deferred rent liability	38,362	57,309
Accrued liabilities	1,000,423	915,544
Derivative instruments	1,123,652	479,279
Interest payable	1,697,624	174,051
Debt	113,583,324	99,390,000
Total Liabilities	**117,511,426**	**101,102,269**
Net Assets		
Net assets without donor restrictions	15,565,572	13,139,323
Net assets with donor restrictions	1,199,397	514,224
Total Net Assets	**16,764,969**	**13,653,547**
Total Liabilities and Net Assets	**$ 134,276,395**	**$ 114,755,816**

See accompanying notes.

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statements of Activities
For the Years Ended June 30, 2019 and 2018

	2019	2018
Operating Activity Revenue and Other Support:		
Contributions	$ 3,846,711	$ 1,127,314
In-kind contributions	261,396	201,704
Earned income	7,505,636	6,691,820
Other income	274,067	269,610
Unrealized gain (loss) on investments	58,511	24,192
Net assets released from restrictions	908,728	1,004,881
Total Operating Activity Revenue and Other Support	**12,855,049**	**9,319,521**
Program services	9,475,122	7,791,228
Management and general	412,739	290,525
Fundraising	610,743	1,030,077
Total Operating Expenses	**10,498,604**	**9,111,830**
Change in Net Assets Without Donor Restrictions From Operations	**2,356,445**	**207,691**
Other Changes:		
Unrealized foreign currency translation gains	432,263	971,934
Impairment on investments in securities	(43,965)	-
Change in fair value of derivative instruments	(148,494)	(1,538,818)
Change in Net Assets Without Donor Restrictions	**2,596,249**	**(359,193)**
Contributions	1,421,956	385,373
Endowment net investment income	1,945	-
Net assets released from restrictions	(908,728)	(1,004,881)
Change in Net Assets With Donor Restrictions	**515,173**	**(619,508)**
Changes in Net Assets	**3,111,422**	**(978,701)**
Net assets without donor restrictions, beginning of year	13,139,323	13,498,516
Net assets with donor restrictions, beginning of year	514,224	1,133,732
Total Beginning of Year Net Assets	**13,653,547**	**14,632,248**
Net assets without donor restrictions, end of year	15,565,572	13,139,323
Net assets with donor restrictions, end of year	1,199,397	514,224
Total End of Year Net Assets	**$ 16,764,969**	**$ 13,653,547**

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Schedule of Functional Operating Expenses
For the Years Ended June 30, 2019 and 2018

	Program Services	Management and General	Fundraising	2019 Consolidated Total	2018 Consolidated Total
Wages and salaries	$ 2,229,335	$ 223,566	$ 376,470	$ 2,829,371	$ 2,778,363
Employee benefits	471,399	57,906	109,424	638,729	576,481
Payroll taxes	157,774	15,712	19,411	192,897	187,841
Total Salaries & Related Expenses	**2,858,508**	**297,184**	**505,305**	**3,660,997**	**3,542,685**
Interest expense	4,349,270	-	-	4,349,270	2,633,000
Provision for social investment losses	762,112	-	-	762,112	1,040,836
Legal and accounting fees	366,187	38,538	-	404,725	281,564
Contract labor	328,324	2,273	5,864	336,461	491,905
Travel	262,322	5,539	7,616	275,477	277,426
Occupancy	171,509	11,466	27,917	210,892	200,182
Marketing	1,351	-	33,257	34,608	112,971
Consulting fees	77,983	-	915	78,898	196,804
Loan fees	68,800	-	-	68,800	52,009
Office equipment & Software	61,174	3,334	15,265	79,773	79,052
Miscellaneous	34,043	2,375	3,931	40,349	46,626
Insurance	28,141	35,868	-	64,009	41,400
Bank charges	15,639	12,827	2,171	30,637	35,587
Office supplies and postage	12,574	616	2,962	16,152	21,075
Telephone	19,980	1,122	2,916	24,018	22,217
Depreciation & amortization	14,143	1,006	2,243	17,392	19,709
Business taxes	43,062	591	381	44,034	16,782
Total Operating Expenses	**$ 9,475,122**	**$ 412,739**	**$ 610,743**	**$ 10,498,604**	**$ 9,111,830**

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities:		
Change in net assets	$ 3,111,422	$ (978,701)
Adjustments to reconcile change in net assets to		
net cash provided by operating activities:		
Depreciation and amortization	17,392	19,708
Provision for loan loss reserve	762,112	1,040,836
Unrealized losses on change in fair value of derivative instruments	148,494	1,538,818
Unrealized gain on investments	(58,511)	(24,192)
Unrealized foreign currency translation gains	(432,263)	(971,934)
Impairment on investments in securities	43,965	-
Endowment net investment income	(1,945)	-
Contributions restricted to endowment	(100,000)	-
Changes in assets and liabilities:		
Contributions receivable	(406,552)	411,086
Interest receivable	821	5,914
Other assets	(249,758)	(94,859)
Accounts payable	(18,045)	12,239
Deferred rent liability	(18,947)	(14,599)
Accrued liabilities	84,879	(62,140)
Interest payable	1,523,573	(10,961)
Net Cash Provided by Operating Activities	**4,406,637**	**871,215**
Cash Flows From Investing Activities:		
Issuance of social investment loans	(52,771,156)	(44,010,560)
Principal repayments on social investment loans	41,179,443	28,016,126
Purchase of social investments in securities	(1,107,589)	(1,498,851)
Proceeds from investment maturities	3,629,489	1,559,397
Purchase of property and equipment	(14,891)	(15,689)
Net Cash Used by Investing Activities	**(9,084,704)**	**(15,949,577)**
Cash Flows From Financing Activities:		
Issuance of long-term debt	14,300,000	21,010,000
Contributions restricted to endowment	100,000	-
Principal repayments on long-term debt	(100,000)	(5,550,000)
Net Cash Provided by Financing Activities	**14,300,000**	**15,460,000**
Net Change in Cash & Cash Equivalents	9,621,933	381,638
Cash & cash equivalents balance, beginning of year	8,950,537	8,568,899
Cash & Cash Equivalents Balance, End of Year	**$ 18,572,470**	**$ 8,950,537**
Supplementary Information:		
Cash paid during the year for		
Interest	$ 2,842,664	$ 2,652,361
Unrelated business income taxes	$ 5,622	$ -

See accompanying notes.

Note 1 - Nature of Operations and Significant Accounting Policies

Organization and Program Services - Founded in 1994, Global Partnerships (GP) is a 501(c)(3) nonprofit impact investor whose mission is to expand opportunity for people living in poverty. GP is an impact-first investor, investing in sustainable social enterprises who deliver high-impact products and services for people living in poverty. As of June 30, 2019, GP had more than $108 million invested in 74 microfinance institutions (MFIs), social businesses and cooperatives in 20 countries in Latin America, the Caribbean and Sub-Saharan Africa. As of June 30, 2018, GP had more than $96 million invested in 65 microfinance institutions (MFIs), social businesses and cooperatives in 21 countries in Latin America, the Caribbean and East Africa. With these mission-aligned partners, GP supports programs that deliver high social impact in the areas of economic resilience, heath services and clean energy.

Since 2005, GP has formed eight Social Investment Funds (collectively, the Funds) to serve as investment vehicles to make low-cost secured and unsecured loans and, to a lesser extent, equity investments to qualified partner organizations. Investors in the Funds, who purchased notes payable from the Funds or made loans to the Funds, include accredited private investors, development banks, foundations and other institutions. Four of these Funds have reached maturity and all investors in these funds received timely repayment in full. The current active Funds include Global Partnerships Social Investment Fund 5.0, LLC (SIF5.0), Global Partnerships Social Investment Fund 6.0, LLC (SIF6.0), Global Partnerships Eleos Social Venture Fund, LLC (SVF), and Global Partnerships Impact First Development Fund, LLC (IFDF). SIF5.0, SIF6.0, SVF, and IFDF were formed in October 2012, July 2015, April 2016, and November 2018, respectively. As of June 30, 2019, GP has outstanding contributed capital of $6,250,000, $9,900,000, and $1,205,000, and $0 to SIF5.0, SIF6.0, SVF, and IFDF respectively. As of June 30, 2018, GP had outstanding contributed capital of $6,250,000, $7,450,000, and $1,173,750, to SIF5.0, SIF6.0, and SVF respectively.

The GP Fund Management LLC (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 of the fund manager.

Principles of Consolidation – The consolidated financial statements include the activities of GP and its subsidiaries, SIF5.0, SIF6.0, SVF, IFDF, and Fund Manager (collectively, the Organization). All inter-company transactions have been eliminated.

New Accounting Pronouncement – During the year, the Organization adopted Financial Accounting Standards Board Accounting Standards Update ("ASU") No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the consolidated financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses. The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the statement of financial position date, and expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions. Temporarily restricted net assets of $514,224 were reclassified to net assets with donor restrictions for 2018 for comparative purposes.

Note 1 - Nature of Operations and Significant Accounting Policies (Continued)

Basis of Presentation - The consolidated financial statements of GP have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require reporting information regarding its financial position and activities according to the following net asset classifications:

> Net Assets without Donor Restrictions **-** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of GP's management and the board of directors.
>
> Net Assets with Donor Restrictions **-** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. As of June 30, 2019, and June 30, 2018, net assets with donor restrictions were $1,199,397 and $514,224.

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

Contributions Receivable - Unconditional promises to give (contributions) are recognized as revenues in the period they are received. Contributions 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 discount rate applied is the U.S. Treasury Bill rates published at June 30, 2019.

The allowance for doubtful contributions 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. Management has applied an allowance for doubtful contributions of $5,000, which is netted with contributions receivable balance at June 30, 2019 and 2018.

Social Investment Loan Receivables - Social investment loans receivables are stated at the amount management expects to collect on the outstanding balance. Social Investment Loans rated and classified as a Loss are written off, and any recoveries booked as income. Loans are generally placed on non-accrual basis after payments are more than 120 days past due. The Fund Manager 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.

Social Investments in Securities – Social related investments are investments that would not be made were it not for the relationship of the investment to the Organizations mission. The Organization records these investments at cost and are evaluated for impairment annually and written down when appropriate. Although the underlying investments may or may not have a profit motive, that is not the primary focus of the investment by the Organization.

Note 1 - Nature of Operations and Significant Accounting Policies (Continued)

Social Investments in Funds – The Organization accounts for investments in a Limited Partnership using the guidance outlined in Accounting Standards Codification (“ASC”) 820, Fair Value Measurement- Measuring the Fair Value of Investments in Certain Entities that Calculate Net Asset Value ("NAV” per share (or Its Equivalent)). The Organization uses NAV to measure the fair value of its fund investments when (i) the fund investment does not have a readily determinable fair value and (ii) the NAV of the investment fund is calculated in a manner consistent with the measurement principles of investment Organization accounting, including measurement of the underlying investments at fair value. The NAV is determined based on the fair value of the fund’s underlying assets owned by the fund less its liabilities then divided by the number of units outstanding. Earnings generated from investments are recorded in the consolidated statements of activities.

Accounting for Derivative Instruments - Derivatives which consist of foreign currency swap agreements and forward contracts are recorded in the consolidated statements of financial position at fair value. Fair value for the Organization’s derivative financial instruments is based on the present value of projected cash flows given currency rates in effect as of a given measurement date. Changes in the fair value of derivative instruments are recorded in the consolidated statements of activities.

Other Assets – Other assets were $927,525 and $684,443 at June 30, 2019 and 2018, respectively. Other assets consist of an investment and refundable deposit the Organization provided to another entity, which totaled $812,836 and $612,836 at June 30, 2019 and 2018, respectively.

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 of accounting over useful lives of five to ten years.

Accounting for Foreign Currency Translation Gains - The books and records of the Organization are maintained in U.S. dollars. Assets and liabilities are translated into U.S. dollars using the current exchange rates at the date of the consolidated statements of financial position. Unrealized foreign currency exchange translation gains and losses are recorded in the consolidated statements of activities as other changes in net assets without donor restrictions.

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 GP Fund Management LLC are single member limited liability companies and are disregarded for federal tax purposes. GP files income tax returns with the U.S. government. GP is subject to income tax examinations for the current year and certain prior years based on the applicable laws and regulations. GP incurred $2,812 in unrelated business tax for treatment of fringe benefits as a result of the Tax Cuts and Jobs Act of 2017.

Note 1 - Nature of Operations and Significant Accounting Policies (Continued)

In-Kind Contributions - The Organization receives a significant amount of donated professional services from attorneys and other professional services firms. Donated services are recorded only if specific professional expertise is provided, in accordance with generally accepted accounting principles. Donated goods and services are recorded using market rates. In-Kind contributions for years ended June 30, 2019 and 2018 were $261,396 and $201,704, respectively, and consist of legal services rendered to the Organization.

Earned Revenue - In addition to philanthropic support, the Organization earns revenue through the creation and management of its subsidiary investment funds. Fund management fees are earned for which GP provides servicing and monitoring, and Fund closing fees are earned upon investor capital calls. The fund management and closing fees are eliminated in consolidation. In addition, the Organization 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 program and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Expenses directly attributable with the Organizations program activities are charged to program services. Expenses not directly attributable with program activities, such as overhead, are allocated based on factors such as headcount and estimated time spent on program activities by specific employees.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) 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. Significant estimates include the allowance for loan losses, allocation of functional expenses and fair value measurement. Actual results could differ from these estimates.

Operating and Nonoperating Activities - All activities are considered operating except for unrealized gains and losses, impairment of investments in securities, and unrealized foreign currency translation gains and losses.

Comparative Amounts for 2018 - For comparative purposes, the consolidated financial statements include certain prior-year summarized information in total but not by subsidiary. 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, 2018, from which the summarized information was derived.

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

The Organization had contributions receivable from three donors which represents approximately 51 percent at June 30, 2019 and two donors which represents approximately 57 percent of total contributions receivable at June 30, 2018. The Organization had in-kind contributions from two law firms representing 80 percent of total in-kind contributions during the years ended June 30, 2019 and 2018, respectively. The Organization had investor notes payable to one investor representing 31 and 34 percent of outstanding debt at June 30, 2019 and 2018, respectively.

Note 1 - Nature of Operations and Significant Accounting Policies (Continued)

Subsequent Events - The Organization's management has evaluated subsequent events and transactions for potential recognition or disclosure through September 26, 2019, the date on which the consolidated financial statements were available to be issued.

Note 2 – Liquidity and Availability of Funds

The following represents the Organizations financial assets at June 30, 2019:

Financial Assets:	
Cash and cash equivalents	$ 18,572,470
Contributions receivable, net	920,776
Social-related loans and investments	111,989,385
Interest receivable	634,265
Total Financial Assets	**132,116,896**
Less Amounts Not Available to be Used Within One Year Due to:	
Contributions receivable, net	539,496
Board-designated operating reserves	1,300,000
Social-related loans and investments	66,193,235
	68,032,731
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	**$ 64,084,165**

As part of the Organization's liquidity management, the Organization maintains cash and cash equivalents to meet at least three months of operating expenses, approximately $1,300,000 at June 30, 2019. Excess cash is invested in short-term investments, including money market accounts, liquid limited partnerships interests in social investment organizations, and certificates of deposit with community banks. The Organization also ladders out fixed income investments of various maturity dates, including certificates of deposit and community investment notes, to align with future operating expenses.

The Social Investment Funds receive periodic interest and principle payments from its Loans, which it uses to reinvest or pay down investor note maturities, interest payments, and operating expenses.

Note 3 - Contributions Receivable and Contribution Revenue

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

	2019	2018
Contributions due in one year	$ 395,996	$ 342,830
Contributions due in two to five years	539,496	181,194
Gross Contributions Receivable	935,492	524,024
Less allowance for uncollectable pledges	(5,000)	(5,000)
Less unamortized discount to present value	(9,716)	(4,800)
Total Contributions Receivable	**$ 920,776**	**$ 514,224**

Contribution revenue consisted of the following for the years ended June 30:

	2019	2018
Contributions without donor restrictions	$ 3,846,711	$ 1,127,314
Contributions with donor restrictions	1,421,956	385,373
Total Contribution Revenue	**$ 5,268,667**	**$ 1,512,687**

Note 4 – Social Investment Loans Receivable

The Organization provides loans to a select group of mission-aligned partner organizations, such as microfinance institutions, cooperatives and other social enterprises serving people living in poverty. These partner organizations are financially sustainable channels that deliver goods and services that empower people in poverty to address the challenges they face. However, too often these organizations lack the access to affordable capital to reach those who could truly benefit. The Organization's Social Investment Funds provide loans to partners to help sustain and grow already proven solutions to poverty. These loans mature at various times over the life of the Funds 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. Interest is not accrued on loans that are in default.

Loans receivable are due as follows at June 30:

	2019
2020	$ 43,818,418
2021	38,875,567
2022	19,932,234
2023	3,604,167
2024	500,000
	106,730,386
Less allowance for loan losses	(1,865,000)
Total Social Investment Loans Receivable	**$ 104,865,386**

Loans receivable past due of $687,500 at June 30, 2019 were paid in July 2019. There was one troubled debt restructuring that occurred during the year ended June 30, 2019, representing less than 1% of the total portfolio.

Loans are subject to loan agreements with covenants regarding the financial performance of the borrower or borrowing base formulas that must be met before the Organization funds the commitment. Borrowers must maintain certain covenants during life of the loan to not breach a loan covenant.

In addition, the Organization manages the potential risk in credit commitments by limiting the total amount of arrangements, both by organizations and/or affiliates, by monitoring the size and maturity structure of these loans and by applying the same credit standards for all loan activities.

For certain extensions of credit, the Organization may require collateral based on its assessment of a borrower's credit risk. Collateral requirements for each borrower may vary according to the specific credit underwriting, terms and structure of loans funded immediately or under a commitment to fund. Although the Organization believes the related collateral to be adequate, there is no assurance that the underlying assets have enough value to fully collateralize the outstanding balances.

Note 4 - Social Investment Loans Receivable (Continued)

The allowance for loan losses represents the estimated, uncollectible receivable based on a credit risk rating assessment of each outstanding loan. All loans are reserved based on management's estimates of its borrower's credit-worthiness, current economic conditions, and historical information. Loans are assigned a credit risk rating, which are based on various criteria such as the borrower's management and governance, asset quality, liquidity and balance sheet strength, earnings and cash flow, and country risk. There is at least a reasonable possibility that the recorded estimate will change by a material amount in the near term.

A reconciliation of the allowance for loan losses was as follows at June 30:

	2019	2018
Allowance for loan losses, beginning balance	$ 1,682,000	$ 2,522,753
Direct loan write-downs	(579,112)	(1,881,589)
Provision for estimated credit losses	762,112	1,040,836
Allowance for Loan Losses, Ending balance	**$ 1,865,000**	**$ 1,682,000**

The Organization provides some of its social investment loans denominated in the foreign currency of the country where the partner organization is located. Loans receivable denominated in a foreign currency are translated into U.S. dollars on the consolidated statement of financial position date rate of exchange. Unrealized foreign currency translation gains of $432,263 and $971,934 were recognized for the years ended June 30, 2019 and 2018, respectively, and are included in the nonoperating section of the consolidated statements of activities.

Loan concentrations may exist when there are amounts loaned to borrowers engaged in similar activities or similar types of loans extended to a diverse group of borrowers that would cause them to be similarly impacted by economic or other conditions.

Regional concentrations allocation was as follows as of June 30:

	2019	2018
Latin America	76%	77%
Sub-Saharan Africa	15%	15%
Global	9%	8%
Total	**100%**	**100%**

Note 4 - Social Investment Loans Receivable (Continued)

Management assesses the credit quality of its loans with a risk rating system, where loans are classified in the following categories: investment grade, special mention, substandard, doubtful and loss. The risk ratings reflect the relative strength of the sources of repayment.

Investment Grade – These loans are generally considered to have sufficient sources of repayment in order to repay the loan in full in accordance with all terms and conditions. These borrowers may have some credit risk that requires monitoring, but full repayment is expected. As of June 30, 2019 and 2018, the Organization had classified loans receivable, net reserves of $102,986,116 and $91,533,061, respectively, as investment grade.

Special Mention – A special mention asset has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in the institution's credit position at some future date. Special mention assets are not adversely classified and do not expose an institution to sufficient risk to warrant adverse classification. As of June 30, 2019 and 2018, the Organization had classified loans receivable, net reserves of $1,544,270 and $1,620,812, respectively, as special mention.

Substandard – A substandard asset is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Assets so classified must have a well-defined weakness, or weaknesses, that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the bank will sustain some loss if the deficiencies are not corrected. As of June 30, 2019 and 2018, the Organization had classified loans receivable, net reserves of $335,000 and $39,993, respectively, as substandard.

Doubtful – An asset classified doubtful has all the weaknesses inherent in one classified substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. As of June 30, 2019 and 2018, the Organization had classified loans receivable, net reserves of $0 and $409,656, respectively, as doubtful.

Loss – Assets classified loss are considered uncollectible and of such little value that their continuance as bankable assets is not warranted. This classification does not mean that the assets has absolutely no recovery or salvage value, but rather that it is not practical or desirable to defer writing off this basically worthless asset even though partial recovery may be affected in the future.

These internal risk ratings are reviewed continuously and adjusted for changes in borrower status and the likelihood of loan repayment.

Note 5 - Derivative Financial Instruments

To manage the fluctuations of foreign currency values related to the loans denominated in foreign currencies, the Organization enters into a currency hedge agreement for each foreign currency loan. A currency hedge is a foreign exchange agreement between two parties to exchange principal and interest payments on a loan in one currency for principal and interest payments on an equal loan in another currency. The Organization enters into currency hedge agreements for loans denominated in foreign currencies and these hedge agreements mature in concert with the outstanding foreign currency loans. The cost of the currency hedge agreements is part of the loan costs paid for by the partner organization receiving the foreign currency loan. The Organization records the net settlement from each transaction. As a result of the currency hedge agreements the Organization has reduced its currency risk so that the value of the loan repayments would not be less or greater than the original loan amounts. The Organization does not enter into derivative financial instrument agreements for trading or speculative purposes. The net position of the currency hedge is recorded in the consolidated statements of financial position. The derivative instruments were recorded at their fair value resulting in an unrealized loss in fair value of derivative instruments of ($148,494) and ($1,538,818) for the years ended June 30, 2019 and 2018, respectively. The change in fair value of derivative instruments is included in the nonoperating section of the consolidated statements of activities. The balance of the derivative instruments at June 30, 2019 and 2018 is shown in Note 7.

Note 6 – Social Investments

The objective of the Organization's investments is to provide not only financial returns, liquidity, and protection of principal, but also to further the Organization's philanthropic mission and social impact goals. The Organization holds various social related investments across investment products, including community investment notes, certificates of deposits, mutual funds, limited partnership interests, and seed and early stage debt and equity investments in social enterprises.

Social Investments in Securities –The certificates of deposit are placed with financial institutions providing sources of capital to under-served communities. Community investment notes represent fixed income securities with a targeted investment in a number of different impact areas including microfinance and development projects. These investments are reported at cost plus accrued interest. The cost plus accrued interest of these investments totaled $2,851,558 and $6,407,308 at June 30, 2019 and 2018, respectively.

The seed and early stage debt and equity investments consist of business enterprises that seek to deliver high impact products and services to impoverished households. Securities consist of equity and convertible debt instruments. The Organization records these investments at cost and are evaluated for impairment annually and written down when appropriate. As of June 30, 2019, the Organization had securities in 13 business enterprises. The cost or impaired cost of these investments totaled $2,620,529 and $1,730,644 at June 30, 2019 and 2018, respectively. During the year ended June 30, 2019, and 2018, management performed an impairment analysis and recognized a $43,965 and $0, respectively, impairment loss on a private equity investment.

Social Investments in Funds – The limited partnership investment provides debt financing to financial institutions that in turn make loans to entrepreneurs in developing communities. The Organization may withdraw all or any portion of its limited partnership interests based on the tranche in which the funds are invested. Funds invested in tranche A may be withdrawn provided a 30-day prior written notice. Funds invested in tranche B may be withdrawn on an annual basis. As of June 30, 2019 and 2018, limited partnership interests in tranche A totaled $1,549,967 and $1,074,416, respectively, and funds held in tranche B totaled $0 and $417,040, respectively.

The Organization holds endowment funds through an investment in a social index mutual fund, which was valued at $101,945 and $0 at June 30, 2019 and 2018, respectively.

Note 7 - Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. U.S. GAAP defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, U.S. GAAP uses a fair value hierarchy which prioritizes the inputs to valuation approaches into three broad levels based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Organization's market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 – Inputs are unadjusted and represent quoted prices in active markets for identical assets at the measurement date.

Level 2 – Inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, and model-derived valuations whose inputs are observable.

Level 3 – Inputs are unobservable and reflect institutional management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and/or the risk inherent in the inputs to the model.

Investments in partnerships, measured using NAV as a practical expedient, totaling $1,549,967 and $1,491,456 are not classified in the fair value hierarchy as of June 30, 2019 and 2018, respectively.

The tables below present the assets measured at fair value at June 30:

	2019			
	Total	Level 1	Level 2	Level 3
Mutual Fund	$ 101,495	$ 101,495	$ -	$ -
Derivative Financial Instruments	67,079	-	-	67,079
	$ 168,574	$ 101,495	**$ -**	$ 67,079

	2018			
	Total	Level 1	Level 2	Level 3
Mutual Fund	$ -	$ -	$ -	$ -
Derivative Financial Instruments	215,573	-	-	215,573
	$ 215,573	**$ -**	**$ -**	**$ 215,573**

Note 7 - Fair Value Measurements (Continued)

Valuation Techniques - Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs were primarily valued using institutional management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied. Following is a description of the valuation methodologies used for assets measured at fair value. There was no change in the valuation of investments using Level 3 inputs during the year ended June 30, 2019 and 2018. An investment in a Limited Partnership, measured using the NAV as a practical expedient, was reclassified out of Level 3.

> Derivative Financial Instruments – Determined to be Level 3 as the fair value is determined by the institutional managers' calculation of the present value of projected future cash flows given currency rates in effect as of a given measurement date.

A reconciliation of the beginning and ending balances, by each major category of assets and liabilities, for fair value measurements made using significant unobservable inputs (Level 3) is as follows:

	Derivative Financial Instruments
Balance, June 30, 2017	**$ 1,754,391**
Unrealized losses	(1,538,818)
Balance, June 30, 2018	**$ 215,573**
Unrealized losses	(148,494)
Balance, June 30, 2019	**$ 67,079**

Note 8 - Property and Equipment, Net

Property and equipment, net consists of the following at June 30:

	2019	2018
Furniture, fixtures, equipment and software	$ 285,818	$ 270,927
Leasehold improvements	31,313	31,313
	317,131	302,240
Less accumulated depreciation and amortization	(275,888)	(258,496)
Total Property and Equipment, Net	**$ 41,243**	**$ 43,744**

Note 9 - Debt

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

	2019	2018
Global Partnerships		
Limited recourse notes issued between March 2013 and June 2016 to provide capital for GP's equity contribution in SIF 5.0. These notes have only limited recourse to the performance of SIF 5.0 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 SIF 5.0 that is returned to GP for its equity in the Fund. The notes mature in March 2023. As of June 30, 2019 the contingent interest liability to be paid at maturity totaled $1,519,191, which has been accrued on the consolidated statements of activities for ended June 30, 2019.	$ 5,750,000	$ 5,750,000
Limited recourse notes issued between October 2015 and June 2019 to provide capital for GP's equity contribution in SIF 6.0. These notes have only limited recourse to the performance of SIF 6.0 and have no claim on GP's general resources for repayment. The notes accrue interest annually at a rate of 3.5% to 6%, but payment is only made at the maturity date and is dependent on surplus cash from SIF 6.0 that is returned to GP for its equity in the Fund. The notes mature in September 2025. As of June 30, 2019 the contingent interest liability to be paid at maturity totaled $963,473.	9,150,000	6,950,000
Recoverable grant agreement issued in March 2018 to provide capital for early-stage social enterprises. This recoverable grant is only repayable from the cumulative proceeds of the capital invested and has no claim on GP's general resources for repayment.	205,000	173,750

Note 9 – Debt (Continued)

Recoverable grant agreement, net of discount, issued in August 2018 to provide early stage lending to a social enterprise. This recoverable grant is only repayable from the proceeds of the capital invested and has no claim on GP's general resources for repayment.	143,324	-
Global Partnerships Eleos Social Venture Fund Unsecured notes in SVF issued between July 2016 and February 2019 with interest payable at a rate of 2.5% per annum, but payment is only made at the maturity date and is dependent on surplus cash from SVF. The notes mature in July 2026. As of June 30, 2019 the contingent interest liability to be paid at maturity totaled $60,726.	1,435,000	1,216,250
Global Partnerships Eleos Social Investment Fund 5.0 Unsecured notes in SIF 5.0 issued between March 2013 and April 2019 with interest payable quarterly at rates ranging from 1% to 4% per annum, maturity dates between March 2020 and March 2023.	43,750,000	43,250,000
Global Partnerships Eleos Social Investment Fund 6.0 Unsecured notes in SIF 6.0 issued between September 2015 and June 2019 with interest payable quarterly at rates ranging from 1% to 4% per annum, maturity dates between September 2019 and September 2025.	53,150,000	42,050,000
Total Debt	**$ 113,583,324**	**$ 99,390,000**

Debt maturities consist of the following at June 30:

For the year ending June 30:	
2020	$ 5,250,000
2021	10,893,324
2022	17,550,000
2023	46,700,000
2024	3,150,000
Thereafter	30,040,000
	$ 113,583,324

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, the Caribbean and Sub-Saharan Africa.

Note 10 - Net Assets

Net Assets with donor restrictions are available for the following purposes at June 30:

	2019	2018
Contributions receivable - time restriction	$ 670,404	$ 514,224
Program related grants - purpose restriction	427,048	-
Endowment - Perpetuity	101,945	-
Total Assets with Donor Restrictions	**$ 1,199,397**	**$ 514,224**

During the year ended June 30, 2019 releases from restrictions totaled $86,503 for program and $822,225 due to the collection of pledges. During the year ended June 30, 2018 releases from restrictions totaled $365,123 for program and $639,758 due to the collection of pledges. Income from an Endowment Investment of $1,945 are restricted as of June 30, 2019. It is anticipated that $455,334, $404,815, $119,389, $112,575 and $7,284 will be released from restrictions for years ending June 30, 2020, 2021, 2022, 2023, and 2024, respectively. The corpus of Endowment of $100,000 is restricted in perpetuity.

As of June 30, 2019 and 2018, net assets without donor restrictions consist of the board designated reserves of three months of operating expenses of approximately $1,300,000.

Note 11 – Commitments

Operating Leases - GP leases office space under a noncancelable operating lease agreement that expires in January 2021. The lease calls for minimum lease payments ranging from $13,271, currently, to $13,634 per month. GP also leases office equipment under noncancelable operating leases that expire in August 2021. The equipment leases call for monthly payments of $226.

Future minimum rentals under noncancelable operating leases are as follows for the years ending June 30:

2020	$ 163,779
2021	98,147
Thereafter	452
Total Minimum Rental Payments	**$ 262,378**

Rent expense for operating leases totaled $195,590 and $186,741 for the years ended June 30, 2019 and 2018, respectively.

Note 12 – Retirement Plan

GP has a 401(k) retirement plan (the Plan) available to all eligible U.S. employees. GP makes contributions to the Plan for participants in accordance with requirements specified in the Plan documents. During the years ended June 30, 2019 and 2018, GP's contributions to the Plan were $197,458 and $175,709, respectively.

Note 13 - Related Parties

Certain unsecured notes invested in the Organization are held with board members and other related parties with outstanding balances of approximately $6,678,000 and $4,500,000 for the years ended June 30, 2019 and 2018, respectively.

SUPPLEMENTARY INFORMATION

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statements of Financial Position with Consolidating Information
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)

	Global Partnerships	Global Partnerships Eleos Social Venture Fund, LLC	Global Partnerships Social Investment Fund 6.0, LLC	Global Partnerships Social Investment Fund 5.0, LLC	Global Partnerships Impact First Development Fund, LLC	GP Fund Management, LLC	Eliminations	2019 Consolidated	2018 Consolidated
Assets									
Cash and cash equivalents	$ 8,746,188	$ 158,502	$ 8,421,356	$ 1,212,541	$ 33,044	$ 839	$ -	$ 18,572,470	$ 8,950,537
Contributions receivable, net	920,776	-	-	-	-	-	-	920,776	514,224
Social-related loans and investments									
Social investment loans receivable, net	344,657	-	54,199,882	50,320,847	-	-	-	104,865,386	93,603,522
Social investments in securities, net, at cost	3,029,736	2,442,351	-	-	-	-	-	5,472,087	8,137,952
Social investments in funds, net, at fair value	1,651,912	-	-	-	-	-	-	1,651,912	1,491,456
Derivative instruments	-	-	639,911	550,820	-	-	-	1,190,731	694,852
Interest receivable	5,083	-	171,524	457,658	-	-	-	634,265	635,086
Other assets	192,583	-	434,335	434,547	-	44,138	(178,078)	927,525	684,443
Property and equipment, net	41,243	-	-	-	-	-	-	41,243	43,744
Investment in subsidiaries	19,486,094	-	-	-	-	-	(19,486,094)	-	
Total Assets	**$ 34,418,272**	**$ 2,600,853**	**$ 63,867,008**	**$ 52,976,413**	**$ 33,044**	**$ 44,977**	**$ (19,664,172)**	**$ 134,276,395**	**$ 114,755,816**
Liabilities and Net Assets									
Liabilities:									
Accounts payable	60,420	-	63,842	12,236	65,483	44,138	(178,078)	$ 68,041	86,086
Deferred rent liability	38,362	-	-	-	-	-	-	38,362	57,309
Accrued liabilities	787,006	-	106,462	73,957	32,998	-	-	1,000,423	915,544
Derivative instruments	-	-	455,853	667,799	-	-	-	1,123,652	479,279
Interest payable	1,519,191	-	-	178,433	-	-	-	1,697,624	174,051
Debt	15,248,324	1,435,000	53,150,000	43,750,000	-	-	-	113,583,324	99,390,000
Total Liabilities	**17,653,303**	**1,435,000**	**53,776,157**	**44,682,425**	**98,481**	**44,138**	**(178,078)**	**117,511,426**	**101,102,269**
Net Assets:									
Members' equity	-	1,205,000	9,900,000	6,250,000	-	100	(17,355,100)	-	-
Accumulated earnings (deficit)	-	(39,147)	190,851	2,043,988	(65,437)	739	(2,130,994)	-	-
Net Assets without donor restrictions	15,565,572	-	-	-	-	-	-	15,565,572	13,139,323
Net Assets with donor restrictions	1,199,397	-	-	-	-	-	-	1,199,397	514,224
Total Net Assets	**16,764,969**	**1,165,853**	**10,090,851**	**8,293,988**	**(65,437)**	**839**	**(19,486,094)**	**16,764,969**	**13,653,547**
Total Liabilities and Net Assets	**$ 34,418,272**	**$ 2,600,853**	**$ 63,867,008**	**$ 52,976,413**	**$ 33,044**	**$ 44,977**	**$ (19,664,172)**	**$ 134,276,395**	**$ 114,755,816**

See independent auditor's report.

GLOBAL PARTNERSHIPS AND SUBSIDIARIES

Consolidated Statements of Activities with Consolidating Information
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)

	Global Partnerships	Global Partnerships Eleos Social Venture Fund LLC	Global Partnerships Social Investment Fund 6.0, LLC	Global Partnerships Social Investment Fund 5.0, LLC	Global Partnerships Impact First Development Fund, LLC	GP Fund Management, LLC	Eliminations	2019 Consolidated	2018 Consolidated
Operating Activity Revenue and Other Support									
Contributions	$ 3,846,711	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,846,711	$ 1,127,314
In-kind contributions	261,396	-	-	-	-	-	-	261,396	201,704
Earned income	2,045,770	-	3,819,775	3,638,278	-	1,998,188	(3,996,375)	7,505,636	6,691,820
Other income	167,279	7,513	60,152	39,123	-	-	-	274,067	269,610
Unrealized gain (loss) on investments	58,511	-	-	-	-	-	-	58,511	24,192
Net assets released from restrictions	908,728	-	-	-	-	-	-	908,728	1,004,881
Total Operating Activity Revenue and Other Support	**7,288,395**	**7,513**	**3,879,927**	**3,677,401**	**-**	**1,998,188**	**(3,996,375)**	**12,855,049**	**9,319,521**
Program services	5,620,334	925	3,045,790	2,740,064	65,437	1,998,947	(3,996,375)	9,475,122	7,791,228
Management and general	412,739	-	-	-	-	-	-	412,739	290,525
Fundraising	610,743	-	-	-	-	-	-	610,743	1,030,077
Total Operating Expenses	**6,643,816**	**925**	**3,045,790**	**2,740,064**	**65,437**	**1,998,947**	**(3,996,375)**	**10,498,604**	**9,111,830**
Change in Net Assets without Donor Restrictions From Operations	**644,579**	**6,588**	**834,137**	**937,337**	**(65,437)**	**(759)**	**-**	**2,356,445**	**207,691**
Other Changes									
Income from subsidiaries	1,947,930	-	-	-	-	-	(1,947,930)	-	-
Unrealized foreign currency translation gains	-	-	77,407	354,856	-	-	-	432,263	971,934
Impairment on investments in securities	3,740	(47,705)	-	-	-	-	-	(43,965)	-
Change in fair value of derivative instruments	-	-	46,794	(195,288)	-	-	-	(148,494)	(1,538,818)
Change in Net Assets without Donor Restrictions	**2,596,249**	**(41,117)**	**958,338**	**1,096,905**	**(65,437)**	**(759)**	**(1,947,930)**	**2,596,249**	**(359,193)**
Contributions	1,421,956	-	-	-	-	-	-	1,421,956	385,373
Endowment net investment income	1,945	-	-	-	-	-	-	1,945	
Net assets released from restrictions	(908,728)	-	-	-	-	-	-	(908,728)	(1,004,881)
Change in Net Assets with Donor Restrictions	**515,173**	**-**	**-**	**-**	**-**	**-**	**-**	**515,173**	**(619,508)**
Changes in Net Assets	**3,111,422**	**(41,117)**	**958,338**	**1,096,905**	**(65,437)**	**(759)**	**(1,947,930)**	**3,111,422**	**(978,701)**
Members' equity	-	1,173,750	7,450,000	6,250,000	-	100	(14,873,850)	-	-
Accumulated earnings (deficit)	-	1,970	(767,487)	947,083	-	1,498	(183,064)	-	-
Net assets without donor restrictions, beginning of year	13,139,323	-	-	-	-	-	-	13,139,323	13,498,516
Net assets with donor restrictions, beginning of year	514,224	-	-	-	-	-	-	514,224	1,133,732
Total Beginning of Year Net Assets	**13,653,547**	**1,175,720**	**6,682,513**	**7,197,083**	**-**	**1,598**	**(15,056,914)**	**13,653,547**	**14,632,248**
Members' equity	-	1,173,750	7,450,000	6,250,000	-	100	(14,873,850)	-	-
Members' equity contribution	-	31,250	2,450,000	-	-	-	(2,481,250)	-	-
Total members' equity	-	1,205,000	9,900,000	6,250,000	-	100	(17,355,100)	-	-
Accumulated earnings (deficit)	-	(39,147)	190,851	2,043,988	(65,437)	739	(2,130,994)	-	-
Net assets without donor restrictions, end of year	15,565,572	-	-	-	-	-	-	15,565,572	13,139,323
Net assets with donor restrictions, end of year	1,199,397	-	-	-	-	-	-	1,199,397	514,224
Total End of Year Net Assets	**$ 16,764,969**	**$ 1,165,853**	**$ 10,090,851**	**$ 8,293,988**	**$ (65,437)**	**$ 839**	**$ (19,486,094)**	**$ 16,764,969**	**$ 13,653,547**

See independent auditor's report.