GLOBALWA

Financial Statements

For the Year Ended December 31, 2013

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Certified Public
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Independent Auditor's Report

Board of Directors
Global Washington
Seattle, Washington

We have audited the accompanying financial statements of Global Washington (the Organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, functional expenses, and 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant 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.

CLARK NUBER

Certified Public

Accountants

and Consultants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2013, and changes 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.

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 June 5, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Clark Nuber PS

Certified Public Accountants
July 21, 2014

GLOBAL WASHINGTON

Statement of Financial Position
December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
Assets		
Cash and cash equivalents	$ 139,935	$ 132,212
Accounts receivable and other assets	3,288	4,363
Pledges receivable, net		50,000
Property and equipment, net	607	2,998
Total Assets	**$ 143,830**	**$ 189,573**
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$ 9,388	$ 9,390
Accrued liabilities	4,771	11,713
Total Liabilities	**14,159**	**21,103**
Net Assets:		
Unrestricted	129,671	118,470
Temporarily restricted		50,000
Total Net Assets	**129,671**	**168,470**
Total Liabilities and Net Assets	**$ 143,830**	**$ 189,573**

See accompanying notes.

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Statement of Activities
For the Year Ended December 31, 2013
(With Comparative Totals for the Year Ended December 31, 2012)

	Unrestricted	Temporarily Restricted	2013 Total	2012 Total
Revenue and Support:				
Revenue-				
Membership	$ 104,325	$ -	$ 104,325	$ 84,085
Conference	91,435		91,435	118,078
Program income	5,015		5,015	11,569
Interest and other	2,105		2,105	4,962
Support-				
Foundations	150,116		150,116	157,022
Public Awareness campaign		25,250	25,250	6,922
Corporations and business	23,994		23,994	21,179
Donated goods and services	20,289		20,289	47,129
Individuals	2,371		2,371	436
Net assets released from restriction	75,250	(75,250)		
Total Revenue and Support	**474,900**	**(50,000)**	**424,900**	**451,382**
Expenses:				
Program	226,063		226,063	262,698
General and administrative	109,585		109,585	112,703
Fundraising	128,051		128,051	104,713
Total Expenses	**463,699**		**463,699**	**480,114**
Change in Net Assets	**11,201**	**(50,000)**	**(38,799)**	**(28,732)**
Net assets, beginning of period	118,470	50,000	168,470	197,202
Net Assets, End of Period	**$ 129,671**	**$ -**	**$ 129,671**	**$ 168,470**

See accompanying notes.

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Statement of Functional Expenses
For the Year Ended December 31, 2013
(With Comparative Totals for the Year Ended December 31, 2012)

	Program			*Supporting Services*				
	Member Services	*Conferences and Convenings*	*Total Program*	*General and Administrative*	*Fundraising*	*Total Supporting Services*	*2013 Total*	*2012 Total*
Payroll and employee benefits	$ 78,839	$ -	$ 78,839	$ 74,262	$ 93,385	$ 167,647	$ 246,486	$ 205,640
Conferences, convenings and meetings	685	67,076	67,761		480	480	68,241	102,326
Consultants and contractors	29,986		29,986	15,166	15,067	30,233	60,219	67,685
Donated goods and services	7,650	5,289	12,939	3,900	3,450	7,350	20,289	47,128
Rent	10,335		10,335	5,172	4,757	9,929	20,264	19,494
Printing, publications, and public relations/media	5,523	2,420	7,943	2,174	1,649	3,823	11,766	9,917
Technology and communications	3,789		3,789	2,085	2,571	4,656	8,445	6,089
Travel	2,578	155	2,733	1,169	1,585	2,754	5,487	3,125
Bank fees	2,396		2,396	1,249	1,100	2,349	4,745	3,835
Meetings	1,793	9	1,802	784	640	1,424	3,226	2,727
Taxes	1,716		1,716	672	684	1,356	3,072	
Dues and subscriptions	1,244		1,244	654	496	1,150	2,394	3,136
Insurance	966		966	514	445	959	1,925	1,781
Supplies	856		856	490	390	880	1,736	2,060
Equipment rental and maintenance	832		832	414	388	802	1,634	688
Miscellaneous	600		600	326	251	577	1,177	403
Postage and shipping	107		107	51	44	95	202	562
Total Expenses Before Depreciation	**149,895**	**74,949**	**224,844**	**109,082**	**127,382**	**236,464**	**461,308**	**476,596**
Depreciation	1,219		1,219	503	669	1,172	2,391	3,518
Total Expenses	**$ 151,114**	**$ 74,949**	**$ 226,063**	**$ 109,585**	**$ 128,051**	**$ 237,636**	**$ 463,699**	**$ 480,114**

See accompanying notes.

GLOBAL WASHINGTON

Statement of Cash Flows
For the Year Ended December 31, 2013
(With Comparative Totals for the Year Ended December 31, 2012)

	2013	2012
Cash Flows from Operating Activities:		
Change in net assets	$ (38,799)	$ (28,732)
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation	2,391	3,518
Change in assets and liabilities:		
Accounts receivable and other assets	1,075	569
Pledges receivable	50,000	55,000
Accounts payable	(2)	(10,597)
Accrued liabilities	(6,942)	1,499
Net Cash Provided by Operating Activities	**7,723**	**21,257**
Cash Flows from Investing Activities:		
Purchases of property and equipment		(1,093)
Net Cash Used by Investing Activities		**(1,093)**
Net Change in Cash and Cash Equivalents	**7,723**	**20,164**
Cash and cash equivalents, beginning of year	132,212	112,048
Cash and Cash Equivalents, End of Year	**$ 139,935**	**$ 132,212**

See accompanying notes.

Note 1 - Significant Accounting Policies

Organization - Global Washington (the Organization) is a nonprofit organization whose primary goal is to strengthen the global development sector and its membership organizations by leveraging resources, increasing visibility, sharing best practices, convening the sector by country, issue and organization type, and advocating around education and global engagement and foreign policy.

Basis of Accounting - The financial statements of the Organization are presented on the accrual basis of accounting. Net assets, revenues, 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:

> Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions and unrestricted net assets designated by the Organization for various purposes.
>
> Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or passage of time.
>
> Permanently Restricted Net Assets - Support received in the form of endowment or sustaining funds which can never be spent. The Organization had no permanently restricted net assets at December 31, 2013 or 2012.

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 and 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, except for contributions and sponsorships related to the annual conference, which are included in unrestricted revenue, as restrictions are satisfied in the same year.

Revenue Recognition - Membership fees are recognized as revenue in the period paid. Conference fees are recognized in the period the conference occurs. Cash contributions are recorded as revenue in the period received, in accordance with donor restrictions. Unconditional promises to give (pledges) are recorded at fair value in the period the promise is received, in accordance with donor-imposed restrictions. Program income is recognized in the period the related program activity occurs.

Interest and Other Revenue - Interest and other revenue consists of interest earned on bank accounts, revenue from fundraising events, and miscellaneous refunds.

Concentrations - For the year ended December 31, 2013, 35% of the Organization's total revenue was from one donor. Conference revenue made up 22% and membership fees accounted for 25%, respectively, of total revenue for the year ended December 31, 2013. For the year ended December 31, 2012, 33% of the Organization's total revenue was from one donor. Conference revenue made up 26% and membership fees accounted for 19%, respectively, of total revenue for the year ended December 31, 2012.

At December 31, 2012, 100% of total pledges receivable were due from one donor. There were no pledges receivable at December 31, 2013.

Note 1 - Continued

Cash and Cash Equivalents - Cash and cash equivalents consist of checking and money market accounts. The Organization holds all of its cash and cash equivalents with one financial institution.

Accounts Receivable and Other Assets - Accounts receivable are stated at the amount management expects to collect for outstanding balances from various organizations and for sponsorship fees. An allowance for doubtful accounts was not deemed necessary at December 31, 2013 or 2012. Other assets consist of certain prepaid expenses.

Pledges Receivable - Pledges receivable, unconditional promises to give, that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated 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 revenue and support. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for doubtful accounts is determined by management based on a reasonable estimate and past experience. Management deemed an allowance unnecessary at December 31, 2012.

Property and Equipment - Property and equipment are recorded at cost or, if donated, at fair value as of the date of the gift. The Organization capitalizes fixed assets with costs greater than $1,000. Property and equipment consisted of computer software and laptop computers with historical costs totaling $7,644 at December 31, 2013 and 2012. Depreciation is recognized using the straight-line method based on estimated useful lives of two years for computer software and three years for laptop computers. Depreciation expense totaled $2,391 and $3,518 for the years ended December 31, 2013 and 2012, respectively. Accumulated depreciation totaled $7,037 and $4,646 at December 31, 2013 and 2012, respectively.

Federal Income Tax Status - The Internal Revenue Service has determined the Organization to be a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax has been made in these financial statements. The Organization files income tax returns with the U.S. government. The Organization is subject to income tax examinations based on the applicable laws and regulations.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program, general and administrative, and fundraising categories based on the benefits derived.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from such estimates.

Prior Year Summarized Information - For comparative purposes, the financial statements include certain prior-period 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 financial statements for the year ended December 31, 2012, from which the summarized information was derived.

Subsequent Events - The Organization has evaluated subsequent events through July 21, 2014, the date on which the financial statements were available to be issued.

Note 2 - Donated Goods and Services

The Organization receives donations of goods and professional services which are reported at fair value on the date of receipt. The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not donated. The following goods and services were recognized on the statement of activities for the years ended December 31:

		2013		2012
Professional services	$	15,000	$	22,477
Event space and refreshments		4,198		7,306
Conference raffle prizes		1,091		
Conference space and catering				17,346
Total Donated Goods and Services	**$**	**20,289**	**$**	**47,129**

Note 3 - Temporarily Restricted Net Assets

Temporarily restricted net assets totaled $50,000 at December 31, 2012, and were time restricted. There were no temporarily restricted net assets at December 31, 2013.

Releases from time restricted contributions totaled $50,000 and $55,000 for the years ended December 31, 2013 and 2012, respectively. Releases from restriction for program activities totaled $25,250 and $9,225 for the years ended December 31, 2013 and 2012, respectively.

Note 4 - Facilities Lease

The Organization entered into a sub-lease agreement for its office facilities that ended in January 2011. At that time, a new sub-lease was negotiated and was in effect until December 20, 2012, when the Organization renegotiated the sub-lease. Under the terms of the renegotiated sub-lease, the Organization will pay 30% of the sublessor's base rent on a month-to-month basis and will also pay 20% of costs incurred by the sublessor to equip and provide services to the facility. Rent expense totaled $20,264 and $19,494 for the years ended December 31, 2013 and 2012, respectively.