

GLOBAL HEALTH CORPS, INC.
FINANCIAL STATEMENTS
YEARS ENDED JULY 31, 2024 AND 2023

GLOBAL HEALTH CORPS, INC.
YEARS ENDED JULY 31, 2024 AND 2023
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Independent Auditor's Report

Board of Directors
Global Health Corps, Inc.

Opinion

We have audited the financial statements of the Global Health Corps, Inc. (the "Organization"), which comprise the statements of financial position as of July 31, 2024 and 2023, and the related statement of activities and statement of functional expenses for the year ended July 31, 2024, and statements of cash flows for the years ended July 31, 2024 and 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of July 31, 2024 and 2023, and its changes in net assets for the year ended July 31, 2024, and its cash flows for the years ended July 31, 2024 and 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the Organization's July 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hauppauge, New York
January 14, 2025

GLOBAL HEALTH CORPS, INC.
STATEMENTS OF FINANCIAL POSITION
JULY 31, 2024 AND 2023

	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 3,220,330	\$ 5,363,019
Receivables		
Foundation and corporate grants	401,636	355,874
Prepaid expenses	36,105	32,422
Total current assets	3,658,071	5,751,315
Right of use operating lease	-	288,440
Other assets	9,764	101,405
Total assets	\$ 3,667,835	\$ 6,141,160
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	89,552	116,891
Operating lease - current portion	-	186,500
Total current liabilities	89,552	303,391
Operating lease - long-term portion	-	157,166
Total liabilities	89,552	460,557
Net assets		
Without donor restrictions	3,078,283	4,950,603
With donor restrictions	500,000	730,000
Total net assets	3,578,283	5,680,603
Total liabilities and net assets	\$ 3,667,835	\$ 6,141,160

GLOBAL HEALTH CORPS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenue and support				
Foundation and corporate grants	\$ 480,577	\$ 1,258,525	\$ 1,739,102	\$ 1,409,400
Individual contributions	172,036	-	172,036	73,312
Consulting fees	49,838	-	49,838	-
Other income	14,241	-	14,241	25,876
Interest	166,191	-	166,191	1,212
Loss on lease termination	(40,363)	-	(40,363)	-
Donated services and space	131,066	-	131,066	58,035
Net assets released from restrictions:				
Satisfaction of program restrictions	1,488,525	(1,488,525)	-	-
Total revenue and support	2,462,111	(230,000)	2,232,111	1,567,835
Expenses				
Program services - Fellow support	1,897,424	-	1,897,424	2,324,535
Program services - Alumni support	971,839	-	971,839	1,046,768
Fundraising	578,469	-	578,469	768,473
Management and general	886,699	-	886,699	1,167,898
Total expenses	4,334,431	-	4,334,431	5,307,674
Change in net assets	(1,872,320)	(230,000)	(2,102,320)	(3,739,839)
Net assets				
Beginning of year	4,950,603	730,000	5,680,603	9,420,442
End of year	<u>\$ 3,078,283</u>	<u>\$ 500,000</u>	<u>\$ 3,578,283</u>	<u>\$ 5,680,603</u>

GLOBAL HEALTH CORPS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JULY 31, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024							
	Program Services			Supporting Services				
	Fellow Support	Alumni Support	Total	Management & General	Fundraising	Total	Grand Total	2023
Payroll	\$ 777,418	\$ 679,512	\$ 1,456,930	\$ 402,264	\$ 388,774	\$ 791,038	\$ 2,247,968	\$ 2,485,851
Taxes and benefits	154,592	55,417	210,009	32,966	31,729	64,695	274,704	349,812
Training and events	128,985	24,670	153,655	419	-	419	154,074	228,254
Stipends and awards	202,596	253	202,849	-	-	-	202,849	389,808
Healthcare	103,768	65,339	169,107	40,272	24,992	65,264	234,371	311,637
Travel and meals	48,957	17,797	66,754	3,524	22,388	25,912	92,666	213,234
Professional development	118,178	15,526	133,704	24,468	173	24,641	158,345	80,967
Recruitment and selection	3,087	352	3,439	15,483	-	15,483	18,922	13,346
Professional fees	119,290	33,057	152,347	199,003	52,602	251,605	403,952	492,902
Occupancy	137,236	17,774	155,010	23,957	32,143	56,100	211,110	325,826
Office	75,519	57,393	132,912	95,537	23,523	119,060	251,972	322,195
Telephone	23,780	3,375	27,155	15,024	1,209	16,233	43,388	55,453
Printing and postage	92	1,280	1,372	4,390	829	5,219	6,591	14,383
Insurance	3,926	94	4,020	29,392	107	29,499	33,519	24,006
Total	\$ 1,897,424	\$ 971,839	\$ 2,869,263	\$ 886,699	\$ 578,469	\$ 1,465,168	\$ 4,334,431	\$ 5,307,674

See Notes to Financial Statements

GLOBAL HEALTH CORPS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JULY 31, 2024 AND 2023

Note 1 - Description of Organization and Significant Accounting Policies

General

Global Health Corps, Inc. (the "Organization") is a tax-exempt organization whose mission is to develop a strong and diverse network of young changemakers to transform health systems. The Organization envisions a world where every person lives a healthy, dignified life.

The Organization is currently registered and operates fellowship and alumni programming in Malawi, Rwanda, Uganda, Zambia, and the U.S. The programs deliver skill building, executive coaching, advising and mentorship, and access to a tight-knit global network. Delivered through a combination of virtual and in-person components, the programs seek to improve core leadership and management competencies in service of advancing health equity.

Management has evaluated subsequent events through the date of the auditor's report, the date the financial statements were available to be issued.

Basis of accounting

The financial statements are presented on the accrual basis of accounting.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Revenue recognition

Grants and contributions are recorded at fair value on the earlier of the receipt of cash or an unconditional promise to give. Contributions are recognized as public support pursuant to the terms of the gifts. Unless specifically restricted by the donor. Noncash gifts are recorded at their fair value.

Three grantors accounted for 51% and 48% of total foundation and corporate grant revenue for the years ended July 31, 2024 and 2023, respectively.

The Organization recognizes consulting fees as follows: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contracts; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contracts; and (5) recognition of revenue when a performance obligation is met.

GLOBAL HEALTH CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JULY 31, 2024 AND 2023

Revenue recognition (cont'd)

Consulting fees pertain to obligations with organizations to provide certain services specifically included within the contract with the customer. Accordingly, these fees are recognized ratably over the period that the performance obligation is satisfied. Fees paid in advance of the service being performed and the portion of fees considered unearned is considered a contract liability at year-end, which is deferred to the next year and recognized once the service is completed. The Organization evaluated the contracts and determined there to be one performance obligation, because the services being provided are significantly integrated within the context of the contract.

For the years ended July 31, 2024 and 2023, donated services and space recognized within the Statement of Activities included:

	<u>2024</u>	<u>2023</u>
Information technology	\$ 2,400	\$ 2,400
Event space & related services	13,702	25,250
Contributed services	<u>114,964</u>	<u>30,385</u>
Total	<u>\$ 131,066</u>	<u>\$ 58,035</u>

Contributed information technology items consist of web-based services and tools and are valued at the estimated fair value based on the current retail rates for the services and tools provided. These items are utilized in the general management of the Organization throughout the fiscal year.

Contributed event space and related services consist of event space, planning, and catering services and are valued at the estimated fair value based on the current retail rates for the services provided. These contributions were utilized for various events throughout the year and are recognized when the event occurs.

Contributed services recognized comprise professional services from attorneys advising the Organization on various administrative legal matters and guest speakers presenting and teaching at professional development seminars. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal and professional development services.

The donated services and space contributed were received with no donor restrictions.

GLOBAL HEALTH CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JULY 31, 2024 AND 2023

Receivables

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 discount factor used is computed based on risk adjusted interest rates for the expected term of the promises to give applicable in the years in which the promises are made by the donor if material.

As of July 31, 2024 and 2023, the Organization determined that no allowance for uncollectible foundation and corporate grants receivable were necessary. This determination is based on a combination of factors, such as management's estimate of the creditworthiness of the contributors, a review of individual accounts outstanding, and the aged basis of the receivable and historical experience. For the years ended July 31, 2024 and 2023, there were no uncollectible receivables written off to bad debt expense.

Total corporate and foundation grants receivable as of July 31, 2024 and 2023, were \$401,636 and \$355,874, respectively. Two grantors accounted for approximately 87% and 84% of the Organization's grants receivables as of July 31, 2024 and 2023, respectively.

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributable to more than one function. Expenditures classified as program services relate primarily to the tax-exempt purpose of the Organization. Expenditures classified as management and general relate primarily to administrative functions. All expenses are allocated in a manner that best reflects the actual costs associated with each function, primarily based on estimates of time and effort.

Note 2 – Cash and cash equivalents

The Organization considers all highly liquid investments with maturities of 3 months or less, including money market funds, savings accounts, and certificates of deposit, to be cash equivalents. Fair value of these investments was considered to be cost. Foreign currency balances have been translated to their U.S. dollar equivalent using the applicable exchange rate at the balance sheet date.

At times throughout the years the Organization may have on deposit in banks, amounts in excess of FDIC insurance limits. The Organization has not experienced any losses in such accounts and the Directors believe it is not exposed to any significant credit risks.

GLOBAL HEALTH CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JULY 31, 2024 AND 2023

Note 3 - Availability of financial assets

The Organization's financial assets available within one year of the Statement of Financial Position date for expenditure are as follows:

	2024	2023
Financial assets at year end		
Cash and cash equivalents	\$ 3,220,330	\$ 5,363,019
Foundation and corporate grants receivable	401,636	355,874
Available financial assets	\$ 3,621,966	\$ 5,718,893
Less amounts not available to be used within one year:		
Foundation and corporate grants receivable with donor restrictions	125,000	-
Total amounts unavailable for general expenditures within one year	125,000	-
Total financial assets available for general expenditures within one year	\$ 3,496,966	\$ 5,718,893

Certain financial assets are subject to donor restrictions based on a specific time period or purpose. None of the other financial assets are subject to restrictions that make them unavailable for general expenditure within one year of the Organization's Statement of Financial Position date. As part of the Organization's liquidity management, financial assets without donor restrictions are structured to be available for general expenditures, liabilities, and other obligations as they come due.

As of July 31, 2024 and 2023, the Organization maintained a line of credit of \$250,000 and \$500,000, respectively, which can be drawn upon without restriction in the event of an unanticipated liquidity need. As of July 31, 2024 and 2023, there was no outstanding balance.

Note 4 - Net assets

The Organization maintains its net assets under the following classes:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they be maintained in perpetuity by the Organization.

GLOBAL HEALTH CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JULY 31, 2024 AND 2023

Note 5 - Fellow support

The Organization is party to Memorandums of Agreement with various nonprofit organizations and government agencies, which are united in their missions of increasing global health equity, which govern the roles and responsibilities of the nonprofit organization, Global Health Corps, and the fellow. Financial, supervisory, and professional development support for the fellows as well as other aspects related to programming are specified in the terms of the agreements. Expenses relating to these agreements are included with program services and are recognized in the financial statements in the year the support is incurred.

Note 6 - Alumni support

Upon completion of their fellowships, fellows transition to the Alumni community of the Organization. The Organization provides ongoing leadership resources, training, and other opportunities to further alums' professional development and strengthen their connections to the alumni community. The Organization seeks to use the alumni program to amplify and multiply an alums' impact and influence on global health systems.

Note 7 - Lease commitments

The Organization leases various office and housing space in the United States and Africa (Malawi, Rwanda, Uganda and Zambia) from unrelated organizations with expiration dates between September 30, 2019 to February 28, 2025. Certain leases are cancellable by either party with specific advance notice. As such, no right of-use asset is recognized.

Effective June 1, 2023 through December 31, 2023, the Organization obtained an abatement of rent on their lease of office space in the United States, which lowered their monthly expense to \$10,000. All other terms in the lease remained the same during this time frame. The lease was terminated in February 2024.

Total occupancy expense for the years ended July 31, 2024 and 2023 was \$211,110 and \$325,826, respectively.

Note 8 - Prior year summarized information

The financial statements include certain prior year summarized comparative information in total but not by net asset class and functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with the basis of accounting on which these financial statements were prepared. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended July 31, 2023, from which the summarized information was derived.

GLOBAL HEALTH CORPS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JULY 31, 2024 AND 2023

Note 9 - Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Directors believe that the Organization, including amendments subsequent to Internal Revenue Service determination, is currently designed and operated in compliance with the requirements of the IRC. Therefore, they believe that the Organization was tax exempt as of the financial statement date. Additionally, the Organization believes it has no uncertain tax positions as of July 31, 2024 and 2023 in accordance with FASB ASC Topic 740, "Income Taxes", which provides standards for establishing and classifying any tax provisions for uncertain tax positions.