

**FINANCIAL STATEMENTS**

**GLOBAL HEALTH COUNCIL, INC.**

**FOR THE YEARS ENDED  
SEPTEMBER 30, 2010 AND 2009**

GLOBAL HEALTH COUNCIL, INC.

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**GELMAN, ROSENBERG & FREEDMAN**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Global Health Council, Inc.  
Washington, D.C.

We have audited the accompanying statements of financial position of the Global Health Council, Inc. (the Council) as of September 30, 2010 and 2009, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Council as of September 30, 2010 and 2009, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Gelman Rosenberg & Freedman*

June 9, 2011

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GLOBAL HEALTH COUNCIL, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 AS OF SEPTEMBER 30, 2010 AND 2009

ASSETS	2010	2009
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 301,709	\$ 494,920
Investments (Notes 2 and 10)	950,743	907,398
Receivables:		
Grants receivable (Note 3)	3,422,546	3,446,858
Employees	33,586	23,520
Trade	-	14,747
Prepaid expenses	60,705	98,091
Total current assets	4,769,289	4,985,534
<b>FIXED ASSETS</b>		
Furniture and fixtures	1,740,180	1,698,530
Less: Accumulated depreciation	(1,171,023)	(957,851)
Net fixed assets	569,157	740,679
<b>NON-CURRENT ASSETS</b>		
Deposits	93,963	93,963
Grants and cooperative agreements receivable:		
Private foundations (Note 3)	50,000	3,332,954
Total non-current assets	143,963	3,426,917
<b>TOTAL ASSETS</b>	<b>\$ 5,482,409</b>	<b>\$ 9,153,130</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 2,455	\$ 35,059
Accrued salaries and related benefits	208,934	297,677
Accrued other expenses	213,359	152,964
Deferred revenue	-	2,000
Total current liabilities	424,748	487,700
<b>NET ASSETS</b>		
Unrestricted	390,056	824,209
Temporarily restricted (Note 4)	4,667,605	7,841,221
Total net assets	5,057,661	8,665,430
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,482,409</b>	<b>\$ 9,153,130</b>

See accompanying notes to financial statements.

GLOBAL HEALTH COUNCIL, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2008

	2010		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Grants and cooperative agreements:			
Non-Federal (Note 8)	\$ -	\$ 527,709	\$ 527,709
Membership	967,019	-	967,019
Conference revenue	1,420,291	-	1,420,291
Event sponsorship and contributions	270,649	-	270,649
Publication sales	213,686	-	213,686
Investment income (Note 2)	44,627	-	44,627
Other (Note 6)	37,589	-	37,589
In-kind donations	165,501	-	165,501
Net assets released from donor restrictions (Note 5)	<u>3,701,325</u>	<u>(3,701,325)</u>	<u>-</u>
Total revenue and support	<u>6,820,687</u>	<u>(3,173,616)</u>	<u>3,647,071</u>
<b>EXPENSES</b>			
Policy, Research and Advocacy	3,052,245	-	3,052,245
Membership Resources	3,420,685	-	3,420,685
Fundraising	251,711	-	251,711
Business Operations	<u>545,943</u>	<u>-</u>	<u>545,943</u>
Total expenses	<u>7,270,584</u>	<u>-</u>	<u>7,270,584</u>
Changes in net assets before other item	(449,897)	(3,173,616)	(3,623,513)
<b>OTHER ITEM</b>			
Unrealized gain on investments (Note 2)	<u>15,744</u>	<u>-</u>	<u>15,744</u>
Changes in net assets	(434,153)	(3,173,616)	(3,607,769)
Net assets at beginning of year	<u>824,209</u>	<u>7,841,221</u>	<u>8,665,430</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 390,056</u></b>	<b><u>\$ 4,667,605</u></b>	<b><u>\$ 5,057,661</u></b>

See accompanying notes to financial statements.

<b>2009</b>		
<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
\$ -	\$ 1,849,766	\$ 1,849,766
848,301	-	848,301
1,008,563	-	1,008,563
624,311	-	624,311
44,810	-	44,810
11,586	-	11,586
28,773	-	28,773
120,694	-	120,694
<u>3,666,427</u>	<u>(3,666,427)</u>	<u>-</u>
<u>6,353,465</u>	<u>(1,816,661)</u>	<u>4,536,804</u>
2,408,582	-	2,408,582
3,622,024	-	3,622,024
274,573	-	274,573
<u>948,417</u>	<u>-</u>	<u>948,417</u>
<u>7,253,596</u>	<u>-</u>	<u>7,253,596</u>
(900,131)	(1,816,661)	(2,716,792)
<u>9,848</u>	<u>-</u>	<u>9,848</u>
(890,283)	(1,816,661)	(2,706,944)
<u>1,714,492</u>	<u>9,657,882</u>	<u>11,372,374</u>
<u>\$ 824,209</u>	<u>\$ 7,841,221</u>	<u>\$ 8,665,430</u>

See accompanying notes to financial statements.

GLOBAL HEALTH COUNCIL, INC.  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	Policy, Research and Advocacy	Membership Resources	Fundraising	Business Operations	Total Expenses
Salary and related benefits (Note 7)	\$1,044,056	\$ 524,491	\$ 131,523	\$1,114,399	\$2,814,469
Subgrantee expense	-	1,000,000	-	-	1,000,000
Travel	155,108	227,440	4,336	146,934	533,818
Occupancy and utilities (Note 6)	-	-	-	496,546	496,546
Professional expenses	211,630	176,494	2,749	455,469	846,342
Meeting expense	84,025	328,620	5,004	48,416	466,065
Printing and duplicating	86,564	35,824	2,144	13,019	137,551
Office consumables expense	25,927	22,676	2,119	26,603	77,325
Depreciation	-	-	-	213,172	213,172
Communications	14,811	8,320	854	181,429	205,414
Postage and shipping	11,412	19,047	541	14,721	45,721
Bank fees and miscellaneous	47,075	63,859	3,280	41,435	155,649
Insurance	-	-	-	22,026	22,026
Promotional items and recruitment	1,104	10,442	-	6,028	17,574
Training and development	5,032	299	199	8,190	13,720
Equipment	2,707	53,583	-	3,401	59,691
Subtotal	1,689,451	2,471,095	152,749	2,791,788	7,105,083
Allocation of overhead expenses	1,197,293	949,590	98,962	(2,245,845)	-
In-kind expense	165,501	-	-	-	165,501
<b>TOTAL</b>	<b>\$3,052,245</b>	<b>\$ 3,420,685</b>	<b>\$ 251,711</b>	<b>\$ 545,943</b>	<b>\$ 7,270,584</b>

## GLOBAL HEALTH COUNCIL, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Policy, Research and Advocacy	Membership Resources	Fundraising	Business Operations	Total Expenses
Salary and related benefits (Note 7)	\$1,101,086	\$ 947,948	\$ 167,826	\$ 985,407	\$3,202,267
Subgrantee expense	25,000	1,011,000	-	-	1,036,000
Travel	183,252	184,574	3,194	56,480	427,500
Occupancy and utilities (Note 6)	82	44,941	62	484,870	529,955
Professional expenses	99,120	282,814	117	413,695	795,746
Meeting expense	73,043	179,148	3,479	15,073	270,743
Printing and duplicating	26,299	45,611	579	7,499	79,988
Web internet and network expense	16,722	47,013	1,782	29,989	95,506
Office consumables expense	28,752	8,407	4,914	23,862	65,935
Depreciation	-	-	-	188,832	188,832
Communications	17,635	7,085	323	133,580	158,623
Postage and shipping	15,252	22,391	678	7,389	45,710
Bank fees and miscellaneous	535	40,489	56	38,928	80,008
Insurance	-	-	-	34,845	34,845
Promotional items and recruitment	2,154	7,079	-	105,480	114,713
Training and development	902	-	465	3,929	5,296
Equipment	1,235	-	-	-	1,235
Subtotal	1,591,069	2,828,500	183,475	2,529,858	7,132,902
Allocation of overhead expenses	815,955	793,524	91,098	(1,700,577)	-
In-kind expense	-	-	-	120,694	120,694
Allocation of lobbying expenses	1,558	-	-	(1,558)	-
<b>TOTAL</b>	<b>\$2,408,582</b>	<b>\$ 3,622,024</b>	<b>\$ 274,573</b>	<b>\$ 948,417</b>	<b>\$ 7,253,596</b>

See accompanying notes to financial statements.



**GLOBAL HEALTH COUNCIL, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ (3,607,769)	\$ (2,706,944)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation	213,172	188,832
Unrealized gain on investments	(15,744)	(9,848)
Realized loss (gain) on sale of investments	(22,161)	18,683
(Increase) decrease in:		
Receivables	3,311,947	2,587,726
Prepaid expenses	37,386	(10,725)
Deposits	-	(52,000)
Increase (decrease) in:		
Accounts payable	(32,604)	(116,983)
Accrued salaries and related benefits	(88,743)	54,649
Accrued other expenses	60,395	(25,128)
Deferred revenue	<u>(2,000)</u>	<u>(28,000)</u>
Net cash used by operating activities	<u>(146,121)</u>	<u>(99,738)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales (purchases) of investments, net	(5,440)	188,298
Purchases of furniture and fixtures	<u>(41,650)</u>	<u>(370,990)</u>
Net cash used by investing activities	<u>(47,090)</u>	<u>(182,692)</u>
Net decrease in cash and cash equivalents	(193,211)	(282,430)
Cash and cash equivalents at beginning of year	<u>494,920</u>	<u>777,350</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ 301,709</b></u>	<u><b>\$ 494,920</b></u>

See accompanying notes to financial statements.

**GLOBAL HEALTH COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010 AND 2009**

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

**Organization -**

The Global Health Council, Inc. (the Council) was incorporated in 1975 as a nonprofit organization. It is dedicated to saving lives by improving health throughout the world. The Council works to ensure that all who strive for improvement and equity in global health have the information and resources they need to succeed. To achieve this goal, the Council serves as the voice for action on global health issues, by mobilizing an informed citizenry both locally and globally, advocating and educating decision-makers on global health issues, and making the case for global health through media outreach. As the voice for progress in the global health field, the Council disseminates global health information, shares knowledge through events and conferences, and puts research to work by compiling, analyzing, summarizing and disseminating research on illness prevention and intervention.

**Basis of presentation -**

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

**Cash and cash equivalents -**

The Council considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

At times during the year, the Council maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

**Investments -**

Investments are recorded at their readily determinable fair value. Realized gains and losses are included in investment income in the Statements of Activities and Changes in Net Assets. Unrealized gains and losses are presented as an other item in the accompanying Statements of Activities and Changes in Net Assets.

**Fixed assets -**

Fixed assets are stated at cost. Fixed assets costing more than \$1,000 are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses as incurred.

**Receivables -**

Receivables approximate fair value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the customer.

**Grants -**

Grants are recorded as revenue in the year notification is received from the donor. Grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

GLOBAL HEALTH COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010 AND 2009

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

Grants (continued) -

Grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Income taxes -

The Council is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Council is not a private foundation.

Uncertain tax positions -

In June 2006, the Financial Accounting Standards Board (FASB) released FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes. For the years ended September 30, 2010 and 2009, the Council has documented its consideration of FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the general operation of the Council.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Council and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

In-kind donations -

The Council receives in-kind donations of advertising and legal fees. The value of the donated items is recorded at the estimated value at the date of receipt.

In addition, services and supplies have been contributed to the Council by volunteers and members of the Board of Directors. The value of these contributed services and supplies is not reflected in the financial statements since no objective basis is available to measure its value.

Membership -

Membership dues are recorded as income when received from both organizational members and individuals.

**GLOBAL HEALTH COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010 AND 2009**

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

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

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Risks and uncertainties -

The Council invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Fair value measurements -

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

**2. INVESTMENTS**

Investments consisted of the following at September 30, 2010 and 2009:

	<u>2010</u>		<u>2009</u>	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Equities	\$ 14,137	\$ 14,139	\$ 316,164	\$ 342,092
Fixed income	356,764	406,561	509,012	516,311
Money market	510,866	508,631	48,990	48,995
Tangible assets	<u>20,000</u>	<u>21,412</u>	<u>-</u>	<u>-</u>
	<u>\$ 901,767</u>	<u>\$ 950,743</u>	<u>\$ 874,166</u>	<u>\$ 907,398</u>

**GLOBAL HEALTH COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010 AND 2009**

**2. INVESTMENTS (Continued)**

Included in investment income are the following:

	<b>2010</b>	<b>2009</b>
Interest and dividends	\$ 22,466	\$ 30,269
Realized gain (loss)	22,161	(18,683)
<b>INVESTMENT INCOME</b>	<b>\$ 44,627</b>	<b>\$ 11,586</b>
<b>UNREALIZED GAIN</b>	<b>\$ 15,744</b>	<b>\$ 9,848</b>

**3. GRANTS RECEIVABLE**

All grants receivable are considered to be collectible within one year unless otherwise stated by the donor.

Following is a summary by years of grants receivable at September 30, 2010:

**Year Ended September 30,**

2011	\$ 3,422,546
2012	50,000
	3,472,546
Less: Current maturities	(3,422,546)
<b>TOTAL NON-CURRENT GRANTS RECEIVABLE</b>	<b>\$ 50,000</b>

**4. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consisted of the following at September 30, 2010 and 2009:

	<b>2010</b>	<b>2009</b>
<b>Purpose:</b>		
Policy, Research and Advocacy	\$ 1,899,338	\$ 3,682,727
Membership Resources	2,113,081	4,158,494
Fundraising	1,678	-
Business Operations	653,508	-
	<b>\$ 4,667,605</b>	<b>\$ 7,841,221</b>

**GLOBAL HEALTH COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010 AND 2009**

**5. NET ASSETS RELEASED FROM RESTRICTIONS**

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

<b>Purpose:</b>	<u>2010</u>	<u>2009</u>
Policy, Research and Advocacy	\$ 1,457,227	\$ 1,515,005
Membership Resources	1,741,200	2,136,398
Fundraising	2,272	24
Business Operations	<u>500,626</u>	<u>15,000</u>
	<b><u>\$ 3,701,325</u></b>	<b><u>\$ 3,666,427</u></b>

**6. LEASE COMMITMENT**

The Council entered into operating leases for office space in Vermont and Washington, D.C. On September 29, 2004, the Council signed a lease for office space in Washington, D.C. The lease period began January 1, 2005 and expires December 31, 2014. The Council also entered into a lease agreement for office space in Vermont. The lease period began October 1, 2005 and expires on September 30, 2012. The Council took possession of this office space on December 1, 2005. In October 2010, the Council signed a termination agreement for its office space in Vermont.

Future minimum lease commitments are as follows:

<u>Year Ended September 30,</u>	<u>Office Space</u>
2011	\$ 312,295
2012	286,924
2013	294,078
2014	301,425
2015	<u>75,819</u>
	<b><u>\$ 1,270,541</u></b>

Total occupancy and utility expense totaled \$496,546 and \$476,274 for the years ended September 30, 2010 and 2009, respectively. Included in those amounts are base rent and shared building costs.

The Council subleases a portion of its office space, expiring in January 2012.

The following is a schedule of the future minimum rental income:

<u>Year Ended September 30,</u>	
2011	\$ 36,000
2012	<u>9,000</u>
	<b><u>\$ 45,000</u></b>

Rental income for the years ended September 30, 2010 and 2009 totaled \$37,589 and \$28,081, respectively.

**GLOBAL HEALTH COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010 AND 2009**

**7. EMPLOYEE RETIREMENT PLAN**

The Council provides a retirement savings plan with a 401(k) deferred compensation provision for all employees who have a minimum of one-year of service. Employees may elect to defer up to 15% of their compensation, subject to IRS limitations, with the Council making matching contributions equal to 100% of the first 5% of compensation deferred. The Council may also elect to make discretionary contributions to the Plan. Employees vest in the matching and discretionary contributions over a four-year period. Total expense were \$108,172 and \$160,685 for the years ended September 30, 2010 and 2009, respectively.

**8. ECONOMIC DEPENDENCY**

Approximately 75% of the Council's revenue for the year ended September 30, 2009 was derived from a pledge awarded by one donor. The Council has no reason to believe that its relationship with this donor will be discontinued in the foreseeable future. However, any change in this relationship (i.e., the failure to fulfill the purpose specified by the donor or the withholding of funds by the donor) could require the Council to adjust some of its program operations.

**9. LINE OF CREDIT**

The Council has a line of credit with a local bank with a borrowing limit of \$100,000. There were no outstanding borrowings on the line of credit at September 30, 2010 and 2009. Future borrowings bear interest at 3.75 % (prime plus .50%).

**10. FAIR VALUE MEASUREMENTS**

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Council has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Council has the ability to access.

**Level 2.** These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

GLOBAL HEALTH COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010 AND 2009

10. FAIR VALUE MEASUREMENTS (Continued)

Financial assets recorded in the Statements of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended September 30, 2010:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total September 30, 2010</u>
Asset Category:				
Investments	\$ <u>950,743</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>950,743</u>

Financial assets recorded in the Statements of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended September 30, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total September 30, 2009</u>
Asset Category:				
Investments	\$ <u>907,398</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>907,398</u>

11. SUBSEQUENT EVENTS

In preparing these financial statements, the Council has evaluated events and transactions for potential recognition or disclosure through June 9, 2011, the date the financial statements were issued.