

Accountant's Preparation Report

To the Board of Directors
Groundswell International, Inc.
1215 Kearney Street NE
Washington, DC 20017-4022

We have prepared the accompanying statement of financial position of Groundswell International, Inc. as of and for the year end December 31, 2009 and the related statements of financial activities and changes in net assets, functional expenses, cash flows for the year then ended.

This presentation is limited to preparing in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Easy Office, Inc.
Boise, Idaho
October 12, 2010

Groundswell International, Inc.

**Reports for the Year
Ending December 31, 2009**

Groundswell International, Inc.
Statement of Financial Position
As of December 31, 2009

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 Cash	\$ 4,048
Total Bank Accounts	4,048
Other Current Assets	
1400 Other Current Assets	189,594
Total Other Current Assets	189,594
Total Current Assets	193,642
TOTAL ASSETS	\$ 193,642
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 Accrued Liabilities	\$ 8,087
Total Other Current Liabilities	8,087
Total Current Liabilities	8,087
Total Liabilities	8,087
Net Assets	
Changed in Unrestricted Net Assets	25,194
Changed in Restricted Net Assets	160,360
Total Net Assets	185,555
TOTAL LIABILITIES AND NET ASSETS	\$ 193,642

The accompanying notes are an integral part of this statement.

Groundswell International, Inc.
Statement of Financial Activity and Changes in Net Assets
January - December 2009

	Unrestricted	Restricted	Total
Support and Revenue			
4000 Revenue from direct contributions	100	-	100
4100 Donated goods & services revenue	3,981	5,608	9,589
5400 Revenue from other sources	41,339	347,200	388,539
Total Support and Revenue	\$ 45,420	\$ 352,808	\$ 398,228
Expenses - See page 5			
7000 Grants, contracts, & direct assistance	-	181,150	181,150
7500 Contract services	11,577	3,533	15,110
8100 Non-personnel expenses	943	124	1,068
8200 Facility & equipment expenses	-	159	159
8300 Travel & meetings expenses	6,980	7,411	14,390
8700 Other expenses	776	70	846
Total Expenses	20,276	192,448	212,724
Changes in Net Assets	25,144	160,360	185,505
Net Assets at Beginning of Year	-	-	-
Net Assets at End of Year	\$ 25,144	\$ 160,360	\$ 185,505

The accompanying notes are an intergral part of this statement.

Groundswell International, Inc.
Statement of Functional Expense
January - December 2009

	Mangement and General	Resource Development & Marketing	Programs	TOTAL
Expenses				
7000 Grants, contracts, & direct assistance				
7020 Grants to other organizations	-	-	181,150	181,150
Total 7000 Grants, contracts, & direct assistance	-	-	181,150	181,150
7500 Contract services				
7540 Legal fees	1,044	-	-	1,044
7570 Professional fees-other	5,867	4,667	3,533	14,067
Total 7500 Contract services	6,910	4,667	3,533	15,110
8100 Non-personnel expenses				
8110 Supplies	291	-	104	395
8130 Telephone & telecommunications	113	244	-	357
8140 Postage & shipping	18	-	-	18
8170 Printing & copying	164	114	20	298
Total 8100 Non-personnel expenses	585	358	124	1,068
8200 Facility & equipment expenses				
8250 Small Equipment Purchase	-	-	159	159
Total 8200 Facility & equipment expenses	-	-	159	159
8300 Travel & meetings expenses				
8310 Travel	4,694	133	5,367	10,194
8330 Food & Lodging	2,044	108	2,044	4,196
Total 8300 Travel & meetings expenses	6,739	241	7,411	14,390
8700 Other expenses				
8750 Bank Charges	-	29	70	99
8755 Donation and other fees	-	31	-	31
8760 Licenses, Fees, and Permits	205	-	-	205
8770 Advertising expenses	-	499	-	499
8790 Other expenses	12	-	-	12
Total 8700 Other expenses	217	559	70	846
Total Expenses	\$ 14,451	\$ 5,825	\$ 192,448	\$ 212,724

The accompanying notes are an intergral part of this statement.

Groundswell International, Inc.
Statement of Cash Flows
January - December 2009

	Total
OPERATING ACTIVITIES	
Changes in Net Assets	\$ 185,555
Adjustments to reconcile Changes in Net Assets to Net Cash provided by operations:	
1410 Other Current Assets:Receivable from Fiscal Sponsor	(189,594)
2150 Accrued Liabilities:Reimbursements Payable	8,087
Net cash provided by operating activities	4,048
Net cash increase for period	4,048
Cash at end of period	\$ 4,048

The accompanying notes are an intergral part of this statement.

Groundswell International
Statement of Financial Position
As of December 31, 2009

Note 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Groundswell International, Inc. is a partnership of local NGOs and resource people in Latin America, Africa and Asia, coordinated by a global office based in the U.S., working to strengthen capacity for positive social change in rural communities.

The following is a summary of the significant accounting policies of the Organization.

- a) Basis of Accounting - The accompanying financial statement were prepared on the accrual basis of accounting
- b) Income Tax - The Organization received confirmation of it's exemption from federal income taxes under Section 501c(3) of the Internal Revenue Code on August 5, 2010.
- c) Revenue - The Organization's revenue related to contributions received are recognized as revenue in the period received at their fair values and the Organization distinguishes such contributions received for each net asset category in accordance with donor-imposed restrictions.
- d) Financial Statement Presentation - The Organization's financial statements adhere to the established standards for external financial statements provided by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three classes of net assets - permanently restricted, temporarily restricted, and unrestricted.