

**Global Institute for Scientific Thinking Inc.
(A Nonprofit Organization)***

**Financial Statements
For the Year Ended December 31, 2010**



- An IRS Approved Section 501(c)(3) Organization

Lake Center Suite 250
1250 S. U.S. Highway 17-92
Longwood, Florida 32750
407-830-5717

To the Board of Directors
Global Institute for Scientific Thinking, Inc.
213 Ridge Road
Lake Mary, FL 32746

We have compiled the accompanying statements of financial position of The Global Institute for Scientific Thinking, Inc. as of December 31, 2010, and the related statements of activities and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any form of assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material defalcations that should be made to the financial statements.

The Company, is a qualified 501(c)(3) organization under the Internal Revenue Code. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

McNair and Associates, P.A.

McNair and Associates, P.A.
Certified Public Accountant

May 16, 2011

Global Institute for Scientific Thinking Inc.
Statement of Financial Position
For the Year Ended December 31, 2010

Assets	
Cash and Cash Equivalents	<u>\$124,859.91</u>
Total Assets	<u><u>\$124,859.91</u></u>
Liabilities and Net Assets	
Liabilities	<u>\$-</u>
Total Liabilities	<u>\$-</u>
Net Assets	
Unrestricted	<u>\$124,859.91</u>
Total Liabilities and Net Assets	<u><u>\$124,859.91</u></u>

*See Notes to Financial Statements

Global Institute for Scientific Thinking Inc.
Statement of Activities
For the Year Ended December 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Contributions	\$230,000.00	\$-	\$-	\$230,000.00
Total Revenue	<u>\$230,000.00</u>	<u>\$-</u>	<u>\$-</u>	<u>\$230,000.00</u>
Expenses				
Funded Research UCF	\$102,500.00	\$-	\$-	\$102,500.00
Accounting Fees	\$1,750.00	\$-	\$-	\$1,750.00
Contract Services	\$8,997.50	\$-	\$-	\$8,997.50
Other	\$1,117.46	\$-	\$-	\$1,117.46
Total Expense	<u>\$114,364.96</u>	<u>\$-</u>	<u>\$-</u>	<u>\$114,364.96</u>
Income (loss) From Operations	<u>\$115,635.04</u>	<u>\$-</u>	<u>\$-</u>	<u>\$115,635.04</u>
Non-Operating Activities				
Interest & Dividend Income	\$29.31	\$-	\$-	\$29.31
Non-Operating Gains (Losses)	<u>\$29.31</u>	<u>\$-</u>	<u>\$-</u>	<u>\$29.31</u>
Change in Net Assets	\$115,664.35	\$-	\$-	\$115,664.35
Net Assets Beginning of Year	<u>\$9,195.56</u>	<u>\$-</u>	<u>\$-</u>	<u>\$9,195.56</u>
Net Assets End of Year	<u><u>\$124,859.91</u></u>	<u><u>\$-</u></u>	<u><u>\$-</u></u>	<u><u>\$124,859.91</u></u>

* See Notes to Financial Statements

Global Institute for Scientific Thinking Inc.
Statement of Cash Flows
For the Year Ended December 31, 2010

Cash Flows from Operating Activities	
Change in Net Assets	<u>\$115,664.35</u>
Adjustments to Reconcile Change in Net Assets	<u>\$-</u>
Net Cash Provided by Operating Activities	<u>\$115,664.35</u>
Cash Flows from Investing Activities	<u>\$-</u>
	<u>\$-</u>
Cash Flows from Financing Activities	<u>\$-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$115,664.35
Cash and Cash Equivalents	
Beginning of Year	<u>\$9,195.56</u>
End of Year	<u><u>\$124,859.91</u></u>

* See Notes to Financial Statements

Global Institute for Scientific Thinking, Inc.
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Organization: The Corporation is organized exclusively for charitable, literary, scientific and educational purposes, and more particularly, the Corporation is organized and shall at all times be operated and engage exclusively in one of more of the following charitable functions:

1. To perform scientific research in the application and integration of global scientific thinking, applied education, applied global semantics, artificial intelligence, applied scientific skills for interaction and communication for the benefit of the public;
2. To promote and perform education for the benefit of the public in the integration of global scientific thinking through various materials and venues;
3. To provide the general public with research, educational and training materials prepared, assimilated and/or conducted by the Corporation and others related to the integration of global scientific thinking;
4. publish, promote and/or provide to the general public academic journals, books, papers, periodicals, reports, yearbooks, newsletters, lectures, classes, seminars, and other services to educate the general public in the integration of global scientific thinking;
5. promoting and operating a library and/or a collection of research, books, papers, periodicals, reports, yearbooks, newsletters, lectures, classes, seminars, and other writings and services to educate and assist the general public in researching the integration of global scientific thinking;

Basis of Presentation: The financial statements of the Global Institute for Scientific Thinking Inc. have been prepared on the accrual basis in accordance with generally accepted accounting principals (GAAP) in the United States of America.

Contributions: Contributions received, including unconditional pledges, are recognized as revenue when donors' commitments are received. Pledges made and collected in the same reporting period are recorded when received in the appropriate net asset category.

Cash and Cash Equivalents: The Organization maintains some of its cash in insured bank deposit accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Note 2. Tax Status

Non Profit Organization: The Organization qualifies as a public charity under Internal Revenue Code Section 170(b)(1)(A)(vi), and has been determined by the Internal Revenue Service to be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.