



CENTER FOR GLOBAL IMPACT, INC.

Financial Statements

TOGETHER WITH INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

AND INDEPENDENT ACCOUNTANT'S REPORT

ON SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

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CENTER FOR GLOBAL IMPACT, INC.

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Center for Global Impact, Inc.:

Management is responsible for the accompanying financial statements of Center for Global Impact, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and net assets, cash flows and functional expenses for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the June 30, 2020 and 2019 financial statements.

SponseL CPA Group, LLC

Indianapolis, Indiana
November 5, 2020

CENTER FOR GLOBAL IMPACT, INC.*Statements of Financial Position**June 30, 2020 and 2019*

<u>ASSETS</u>			<u>LIABILITIES AND NET ASSETS</u>		
	<u>2020</u>	<u>2019</u>		<u>2020</u>	<u>2019</u>
Current Assets			Current Liabilities		
Cash	\$ 246,681	\$ 110,037	Accounts payable	\$ 2,811	\$ 7,251
Accounts receivable, net	-	1,571	Accrued expenses and other		
Revolving loans	1,025	1,665	current liabilities	18,254	13,538
Prepaid expenses	4,495	3,198	Deferred revenue	10,700	5,100
Inventory	129,112	127,267	Current portion of note payable	20,435	-
<i>Total current assets</i>	<u>381,313</u>	<u>243,738</u>	<i>Total current liabilities</i>	<u>52,200</u>	<u>25,889</u>
Lease Deposits	<u>3,570</u>	<u>6,080</u>	Long-Term Debt		
			Note payable, net of current portion	52,865	-
Property and Equipment			<i>Total liabilities</i>	<u>105,065</u>	<u>25,889</u>
Leasehold improvements	19,083	17,680	Commitments (Note 3)		
Furniture and sewing equipment	23,478	29,438			
Vehicles	6,935	6,935	Net Assets		
Culinary training equipment	22,718	25,083	Without donor restrictions	291,797	233,064
	72,214	79,136	With donor restrictions	8,514	17,715
Accumulated depreciation	(51,721)	(52,286)	<i>Total net assets</i>	<u>300,311</u>	<u>250,779</u>
<i>Net property and equipment</i>	<u>20,493</u>	<u>26,850</u>			
	<u>\$ 405,376</u>	<u>\$ 276,668</u>		<u>\$ 405,376</u>	<u>\$ 276,668</u>

CENTER FOR GLOBAL IMPACT, INC.*Statements of Activities and Net Assets**For the Years Ended June 30, 2020 and 2019*

	2020			2019		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support						
Merchandise sales	\$ 384,945	\$ -	\$ 384,945	\$ 359,379	\$ -	\$ 359,379
Less: cost of merchandise sales	(151,637)	-	(151,637)	(142,436)	-	(142,436)
<i>Gross profit</i>	233,308	-	233,308	216,943	-	216,943
General contributions	223,227	-	223,227	243,018	-	243,018
Project contributions	57,255	-	57,255	37,316	20,815	58,131
Fundraising income	249,301	-	249,301	224,478	-	224,478
In-kind contributions	5,048	-	5,048	2,512	-	2,512
Restaurant sales	53,588	-	53,588	68,647	-	68,647
Interest income	91	-	91	191	-	191
Net assets released from restrictions	9,201	(9,201)	-	26,523	(26,523)	-
<i>Total revenue and support</i>	831,019	(9,201)	821,818	819,628	(5,708)	813,920
Expenses						
Program services	540,734	-	540,734	634,167	-	634,167
Management and general	86,069	-	86,069	95,716	-	95,716
Fundraising	145,483	-	145,483	168,118	-	168,118
<i>Total expenses</i>	772,286	-	772,286	898,001	-	898,001
Change in Net Assets	58,733	(9,201)	49,532	(78,373)	(5,708)	(84,081)
Net Assets, Beginning of Year	233,064	17,715	250,779	311,437	23,423	334,860
Net Assets, End of Year	<u>\$ 291,797</u>	<u>\$ 8,514</u>	<u>\$ 300,311</u>	<u>\$ 233,064</u>	<u>\$ 17,715</u>	<u>\$ 250,779</u>

CENTER FOR GLOBAL IMPACT, INC.*Statements of Cash Flows**For the Years Ended June 30, 2020 and 2019**Page 1 of 2***INCREASE (DECREASE) IN CASH**

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Cash received from donors, programs, and merchandise sales	\$ 976,218	\$ 965,519
Cash paid to vendors, program participants, and employees	<u>(911,471)</u>	<u>(1,075,236)</u>
<i>Net cash provided by (used in) operating activities</i>	<u>64,747</u>	<u>(109,717)</u>
Cash Flows from Investing Activities		
Capital expenditures	(1,403)	(7,573)
Proceeds from sale of property and equipment	<u>-</u>	<u>773</u>
<i>Net cash used in investing activities</i>	<u>(1,403)</u>	<u>(6,800)</u>
Cash Flows from Financing Activities		
Proceeds from note payable	<u>73,300</u>	<u>-</u>
Net Increase (Decrease) in Cash	136,644	(116,517)
Cash, Beginning of Year	<u>110,037</u>	<u>226,554</u>
Cash, End of Year	<u><u>\$ 246,681</u></u>	<u><u>\$ 110,037</u></u>

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH
PROVIDED BY (USED IN) OPERATING ACTIVITIES

	<u>2020</u>	<u>2019</u>
Change in Net Assets	\$ 49,532	\$ (84,081)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation	7,211	7,027
(Gain) loss on disposal of assets	549	(773)
<i>(Increase) decrease in operating assets:</i>		
Accounts receivable, net	1,571	8,420
Pledges receivable	-	2,920
Other receivable, net	-	750
Revolving loans	640	(515)
Prepaid expenses	(1,297)	12,090
Inventory	(1,845)	(46,853)
Lease deposits	2,510	-
<i>Increase (decrease) in operating liabilities:</i>		
Accounts payable	(4,440)	(10,270)
Accrued expenses and other current liabilities	4,716	1,468
Deferred revenue	5,600	100
 <i>Total adjustments</i>	 <u>15,215</u>	 <u>(25,636)</u>
 Net Cash Provided by (Used in) Operating Activities	 <u><u>\$ 64,747</u></u>	 <u><u>\$ (109,717)</u></u>

CENTER FOR GLOBAL IMPACT, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program Services							
	<u>BYTAVI</u>	<u>CTC</u>	<u>Imprint</u>	<u>Other</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Cost of Merchandise Sold	\$ 151,637	\$ -	\$ -	\$ -	\$ 151,637	\$ -	\$ -	\$ 151,637
Operating Expenses								
Salaries, wages, and benefits	256,648	68,490	28,824	-	353,962	54,364	65,608	473,934
Insurance	181	1,262	581	2,273	4,297	1,016	1,132	6,445
Printing and promotion	780	1,023	-	-	1,803	1,314	1,382	4,499
Depreciation	754	5,330	-	-	6,084	1,127	-	7,211
Rent	23,650	10,555	4,950	-	39,155	5,500	5,500	50,155
Office supplies	3,057	31,783	3,306	342	38,488	1,378	1,447	41,313
Operations	17,412	16,122	3,537	401	37,472	1,897	1,896	41,265
Service charges	16,239	52	487	-	16,778	7,712	6,345	30,835
Travel	6,880	1,736	900	3,751	13,267	-	-	13,267
Fundraising events	-	-	-	-	-	-	50,119	50,119
Professional fees	3,982	1,138	568	-	5,688	10,564	10,764	27,016
Memberships	261	136	261	-	658	409	458	1,525
Postage	12,633	-	-	-	12,633	499	544	13,676
Participant and family care	116	638	121	-	875	-	-	875
Education and program completion	-	3,634	4,661	-	8,295	-	-	8,295
Loss on disposal of assets	-	549	-	-	549	-	-	549
Miscellaneous	192	96	329	113	730	289	288	1,307
Total operating expenses	342,785	142,544	48,525	6,880	540,734	86,069	145,483	772,286
Total functional expenses	\$ 494,422	\$ 142,544	\$ 48,525	\$ 6,880	\$ 692,371	\$ 86,069	\$ 145,483	\$ 923,923

CENTER FOR GLOBAL IMPACT, INC.*Statement of Functional Expenses**For the Year Ended June 30, 2019*

	Program Services							
	<u>BYTAVI</u>	<u>CTC</u>	<u>Imprint</u>	<u>Other</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Cost of Merchandise Sold	\$ 142,436	\$ -	\$ -	\$ -	\$ 142,436	\$ -	\$ -	\$ 142,436
Operating Expenses								
Salaries, wages, and benefits	268,217	115,769	30,168	-	414,154	62,040	69,041	545,235
Insurance	237	1,678	375	3,075	5,365	1,366	1,362	8,093
Printing and promotion	1,507	-	-	-	1,507	670	668	2,845
Depreciation	1,669	2,055	-	-	3,724	3,303	-	7,027
Rent	21,984	10,800	4,140	-	36,924	4,875	4,875	46,674
Office supplies	1,157	38,765	4,405	4,822	49,149	1,936	1,930	53,015
Operations	2,208	15,007	1,337	15,130	33,682	6,199	6,179	46,060
Service charges	13,780	1,382	1,033	-	16,195	7,195	7,174	30,564
Travel	9,044	5,493	1,624	13,189	29,350	-	-	29,350
Fundraising events	-	-	-	-	-	-	57,516	57,516
Professional fees	10,007	5,004	1,668	-	16,679	4,771	15,450	36,900
Memberships	112	-	38	396	546	412	984	1,942
Postage	5,316	-	-	-	5,316	2,362	2,355	10,033
Participant and family care	958	1,848	587	-	3,393	-	-	3,393
Education and program completion	-	9,048	6,314	1,481	16,843	-	-	16,843
Gain on disposal of assets	-	(773)	-	-	(773)	-	-	(773)
Miscellaneous	538	76	179	1,320	2,113	587	584	3,284
Total operating expenses	336,734	206,152	51,868	39,413	634,167	95,716	168,118	898,001
Total functional expenses	\$ 479,170	\$ 206,152	\$ 51,868	\$ 39,413	\$ 776,603	\$ 95,716	\$ 168,118	\$ 1,040,437

CENTER FOR GLOBAL IMPACT, INC.

Notes to the Financial Statements

June 30, 2020 and 2019

1. CHANGE IN ACCOUNTING PRINCIPLE

Accounting Standards Update 2018-08 Adoption

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This update provides guidance on how transfers of assets should be recognized as contributions or exchange transactions and is effective for the fiscal years beginning after December 15, 2018. Center for Global Impact, Inc. (the Organization) adopted the standard on June 1, 2019, elected the Modified Prospective Method of application, and applied the new standard to all applicable agreements. After the implementation, there were no changes needed regarding the classification of revenue under this standard.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Activities

The Organization is a Christ-centered 501(c)(3) relief and development organization with headquarters in Indiana, designed to creatively connect financial and human resources with social and humanitarian projects around the world. Established in 2008, the Organization seeks to bring the Good News of Jesus to those in the grip of poverty and bondage. This is done practically by providing a pathway out of poverty through education, vocational training and business development. Primarily working in Cambodia, many of those being served are survivors of –or vulnerable to– human trafficking. Currently, the Organization offers various projects and programs located in the country of Cambodia in Southeast Asia.

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting. 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Liquidity and Availability of Financial Assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts for operations and a concentration of contributions received at annual fundraising events. To manage liquidity, the Organization maintains a line of credit of \$75,000 with a bank that is drawn upon as needed during the year to manage cash flow.

The Board of Directors of the Organization established an operating reserve with the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need. The operating reserve balance totaled \$21,613 and \$16,604 at June 30, 2020 and 2019, respectively.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019***2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED***Liquidity and Availability of Financial Assets, Continued*

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use due to donor imposed restrictions. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board of Directors approves that action.

	<u>2020</u>	<u>2019</u>
Current assets, excluding non-financial assets	\$ 247,706	\$ 113,273
Less: board of directors restrictions	(21,613)	(16,604)
Less: donor restrictions for future periods	<u>(8,514)</u>	<u>(17,715)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 217,579</u>	<u>\$ 78,954</u>

Cash and Cash Equivalents and Credit Risk

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2020 and 2019.

From time to time during the years ended June 30, 2020 and 2019, the Organization held money at a bank in excess of the FDIC insured limit of \$250,000. There were no exposed cash balances at June 30, 2020 and 2019.

The Organization also holds money in foreign bank accounts that are not covered by the FDIC. At June 30, 2020 and 2019, the Organization had total exposed foreign cash balances of \$60,717 and \$49,394, respectively.

Accounts Receivable

Unconditional promises to give are recognized as revenues in the period the promise is received. Management reviews accounts and determines if any portion is considered uncollectible on an annual basis. There was no allowance for bad debts considered necessary to record as of June 30, 2020. The Organization recorded an allowance for bad debts for approximately \$6,200 as of June 30, 2019.

Revolving Loans

Revolving loans are loans provided by the Organization to Cambodian workers and natives. As loans are repaid, the Organization then uses the repaid funds to loan to other workers and natives. All loans are evaluated by management for collectability. At June 30, 2020 and 2019, all revolving loans are deemed collectible by management and no allowance for bad debts is deemed necessary.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED*Inventory*

Inventory consists of fabric, BYTAVI products, and cookbooks held for resale and is stated at lower of cost (first in, first out) or net realizable value. Inventory was comprised of the following at June 30:

	<u>2020</u>	<u>2019</u>
Products and cookbooks	\$ 106,280	\$ 93,302
Fabric	<u>22,832</u>	<u>33,965</u>
	<u>\$ 129,112</u>	<u>\$ 127,267</u>

Lease Deposits

Lease deposits consist of various deposits made on operating leases with various lease ending dates. Some of these deposits will be applied to rent for the final month of the lease, while others will be refunded at the termination of the lease, less any charges to compensate the landlord for loss or damages.

Property and Equipment

Property and equipment, the majority of which is located in Cambodia, is recorded at cost. The Organization's capitalization policy is to capitalize asset acquisitions of \$1,000 and greater with a useful life of more than one year. Depreciation expense is computed using the straight-line method over the estimated useful lives as follows:

	<u>Years</u>
Leasehold improvements	5-10
Furniture and sewing equipment	3-7
Vehicles	5
Culinary training equipment	7

Expenditures for repairs and maintenance are charged against operating expenses as incurred.

Deferred Revenue

Deferred revenue consists of sponsorship money received for the upcoming gala, which occurs in the subsequent fiscal year and grant money from the Franklin StrongER grant.

*Revenue Recognition***Merchandise and Restaurant Sales**

Purchases of merchandise and restaurant transactions are recorded on the date of sale.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED*Revenue Recognition, Continued***Contributions**

Contributions consist of general donations and fundraising income. The Organization accounts for contributions in accordance with accounting principles generally accepted in the United States of America. Contributions received are recorded as net assets with or without donor restrictions, depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes an unconditional promise to give to the Organization and are recorded at their fair values as revenues and assets in the year a contribution acknowledgement is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization has elected to defer implementation of ASU 2014-09 Revenue from Contracts with Customers (Topic 606).

Net Asset Classification

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. As such, the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are to be classified as without donor restrictions and with donor restrictions.

The following classes of net assets are maintained:

Without Donor Restrictions

Net assets without donor restrictions includes the general assets of the Organization. The Organization's net assets without donor restrictions may be used at the discretion of management or the Board to support the Organization's purposes and operations. Without donor restrictions also include board designated funds that are set aside to pay for board approved expenditures. These designated funds totaled \$21,613 and \$16,604 at June 30, 2020 and 2019, respectively.

With Donor Restrictions

Net assets with donor restrictions include assets related to donor imposed restrictions that have not been met as to a specified purpose or to later periods of time or after specified dates. Net assets with donor restrictions are comprised of the following at June 30:

	<u>2020</u>	<u>2019</u>
Care of children and families at risk	\$ 1,772	\$ 2,039
Dominican Republic	<u>6,742</u>	<u>15,676</u>
Total net assets with donor restrictions	<u>\$ 8,514</u>	<u>\$ 17,715</u>

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019***2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED***Net Asset Classification, Continued*

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors were comprised of the following for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Director of development	\$ -	\$ 12,929
Care of children and families at risk	267	9,270
Dominican Republic	<u>8,934</u>	<u>4,324</u>
Total restrictions released	<u>\$ 9,201</u>	<u>\$ 26,523</u>

Functional Expenses

Expenses have been classified as program services, management and general, and fundraising expenses based on the actual direct expenditures and cost allocation based on estimates of time and usage by the Organization's personnel and programs.

Income Taxes

The Organization is a not-for-profit Indiana corporation, and its activities are exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). Unrelated business income, of which the Organization had none for the years ended June 30, 2020 and 2019, would be subject to federal income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. No interest or penalties were incurred as of June 30, 2020 and 2019.

The Organization has filed its federal and state exempt from income tax returns for periods through June 30, 2019. These returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions). Accordingly, the exempt income tax filings for the years ended June 30, 2017, 2018, and 2019, are open to examination at June 30, 2020.

Subsequent Events

Subsequent events have been evaluated by management through November 5, 2020, which is the date the financial statements were available to be issued.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019*

3. OPERATING LEASES

The Organization has several operating leases for various buildings in Cambodia. Rent expense for these leases totaled \$17,155 and \$17,424 for the years ended June 30, 2020 and 2019, respectively, and are recorded as program expenses. These leases have various expiration dates ranging from July 2020 through May 2023.

The Organization also leases a boutique in Franklin, Indiana. The lease expires in July 2022, with required monthly payments of \$2,750 through July 2022. At the end of the lease, the Organization has an option to renew the lease for one extended term of five years. Rent expense for this lease was \$33,000 and \$29,250 for the years ended June 30, 2020 and 2019, respectively.

Future minimum lease commitments under operating leases are as follows at June 30, 2020 for the years ending June 30:

2021	\$	51,340
2022		48,880
2023		<u>9,350</u>
	\$	<u>109,570</u>

4. IN-KIND CONTRIBUTIONS

In-kind contributions are reflected as contributions at their fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. Assets donated are recognized at their fair value. These transactions are treated as non-cash transactions and are properly excluded from the statement of cash flows. The Organization benefited from in-kind fundraising items, accounting services, and gifts of grain during 2020 and 2019. These contributions were valued at \$5,048 and \$2,512 for the years ended June 30, 2020 and 2019, respectively. These were reported as in-kind contributions on the statement of activities and net assets, and as fundraising events and professional fees on the statement of functional expenses.

5. LINE OF CREDIT

The Organization obtained a line of credit with a bank in March 2019. The line of credit has a maximum availability of \$75,000 and does not have an expiration date. The line of credit bears interest at Prime rate plus 1.67% (4.92% at June 30, 2020). There was no balance on the line of credit as of June 30, 2020.

6. NOTE PAYABLE

In April 2020, the Organization received loan proceeds in the amount of \$73,300 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provided loans to qualifying businesses and organizations for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business or organization for the qualifying time period. The loan and any accrued interest are forgivable after the applicable time period in the CARES Act as long as the borrower uses the loan proceeds for eligible purposes, including payroll benefits, rent and utilities, and maintains its payroll levels.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2020 and 2019*

6. NOTE PAYABLE, CONTINUED

The unforgiven portion of the PPP loan is payable over two years, in monthly installments of \$5,311, at an interest rate of 1%, with a deferral of payments for the first ten months from the date of the loan. The Organization intends to use the proceeds for purposes consistent with the PPP. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, there is no assurance of such forgiveness until final approval by the Small Business Administration ("SBA"), guarantor of the loan.

Aggregate maturities of long-term debt are as follows for the years ending June 30:

2021	\$	20,435
2022		<u>52,865</u>
	\$	<u>73,300</u>

7. RECLASSIFICATION

Certain items in the 2019 financial statements have been retroactively reclassified to conform to the 2020 presentation. Total net assets and change in net assets were unchanged by these reclassifications.

8. ONGOING EVENT – COVID-19

During the year ended June 30, 2020, there were local, national and world-wide disruptions caused by COVID-19. COVID-19 has impacted the Organization in several ways. In the United States, the BYTAVI boutique was closed for two months; however, most of the impact has been felt with operations in Cambodia. BYTAVI has been unable to adequately source fabrics for products due to factories being closed, and therefore fewer remnants are available for purchasing in the market. Vocational training programs were each suspended for approximately six weeks and graduations were delayed. The Green Mango restaurant has been experiencing an overall decrease in revenues since the beginning of COVID-19.

In response to the COVID-19 related disruptions, management has obtained specific relief funding (see Note 6) and applied for and received additional grants. The full financial impact of COVID-19 related disruptions is not known at this time.

INDEPENDENT ACCOUNTANT'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Center for Global Impact, Inc.:

The June 30, 2020 supplementary information contained in Exhibit I is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Indianapolis, Indiana
November 5, 2020

SponseL CPA Group, LLC

CENTER FOR GLOBAL IMPACT, INC.*Schedule of Net Assets With Donor Restrictions**For the Year Ended June 30, 2020**Exhibit I*

	<u>July 1, 2019</u>	<u>Contributions</u>	<u>Expenses</u>	<u>Change in Net Assets</u>	<u>June 30, 2020</u>
Care of Children and Families at Risk	\$ 2,039	\$ -	\$ 267	\$ (267)	\$ 1,772
Dominican Republic	<u>15,676</u>	<u>-</u>	<u>8,934</u>	<u>(8,934)</u>	<u>6,742</u>
Total Net Assets With Donor Restrictions	<u>\$ 17,715</u>	<u>\$ -</u>	<u>\$ 9,201</u>	<u>\$ (9,201)</u>	<u>\$ 8,514</u>