



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, 2022 AND 2021

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CENTER FOR GLOBAL IMPACT, INC.

Table of Contents

Independent Accountant's Compilation Report.....	1
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Financial Statements

Statements of Financial Position	2
Statements of Activities and Net Assets.....	3
Statements of Cash Flows	4-5
Statements of Functional Expenses	6-7
Notes to the Financial Statements	8-14

Supplementary Information

Independent Accountant's Report on Supplementary Information	15
Schedule of Net Assets With Donor Restrictions	16

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 not-for-profit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, 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, 2022 and 2021 financial statements.

SponseL CPA Group, LLC

Indianapolis, Indiana
November 16, 2022

CENTER FOR GLOBAL IMPACT, INC.*Statements of Financial Position**June 30, 2022 and 2021*

<u>ASSETS</u>			<u>LIABILITIES AND NET ASSETS</u>		
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>
Current Assets			Current Liabilities		
Cash	\$ 245,333	\$ 280,303	Accounts payable	\$ 9,993	\$ 2,033
Accounts receivable, net	6,371	2,927	Accrued expenses and other		
ERC receivable	51,551	-	current liabilities	<u>21,209</u>	<u>31,116</u>
Revolving loans	-	365			
Prepaid expenses	-	16,128	<i>Total current liabilities</i>	31,202	33,149
Inventory	<u>164,557</u>	<u>143,907</u>			
			Long-Term Debt		
<i>Total current assets</i>	<u>467,812</u>	<u>443,630</u>	Note payable	<u>-</u>	<u>73,900</u>
Lease Deposits	<u>3,570</u>	<u>3,570</u>	<i>Total liabilities</i>	<u>31,202</u>	<u>107,049</u>
Property and Equipment			Commitments (Note 2)		
Leasehold improvements	11,934	11,934			
Furniture and sewing equipment	23,712	21,496	Net Assets		
Vehicles	3,593	6,935	Without donor restrictions	453,907	331,943
Culinary training equipment	<u>27,818</u>	<u>22,718</u>	With donor restrictions	<u>7,908</u>	<u>23,854</u>
	67,057	63,083			
Accumulated depreciation	<u>(45,422)</u>	<u>(47,437)</u>	<i>Total net assets</i>	<u>461,815</u>	<u>355,797</u>
<i>Net property and equipment</i>	<u>21,635</u>	<u>15,646</u>			
	<u>\$ 493,017</u>	<u>\$ 462,846</u>		<u>\$ 493,017</u>	<u>\$ 462,846</u>

CENTER FOR GLOBAL IMPACT, INC.*Statements of Activities and Net Assets**For the Years Ended June 30, 2022 and 2021*

	2022			2021		
	<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	\$ 446,282	\$ -	\$ 446,282	\$ 454,225	\$ -	\$ 454,225
Less: cost of merchandise sales	(161,601)	-	(161,601)	(162,269)	-	(162,269)
<i>Gross profit</i>	284,681	-	284,681	291,956	-	291,956
General contributions	165,301	-	165,301	233,461	1,819	235,280
Project contributions	42,480	10,666	53,146	-	43,636	43,636
Fundraising income	114,470	-	114,470	122,407	-	122,407
In-kind contributions	6,858	-	6,858	8,066	-	8,066
Restaurant sales	34,629	-	34,629	31,525	-	31,525
Interest income	987	-	987	105	-	105
Forgiveness of PPP loan	73,900	-	73,900	73,300	-	73,300
Employee retention credit	71,043	-	71,043	-	-	-
Net assets released from restrictions	26,612	(26,612)	-	30,115	(30,115)	-
<i>Total revenue and support</i>	820,961	(15,946)	805,015	790,935	15,340	806,275
Expenses						
Program services	497,809	-	497,809	559,120	-	559,120
Management and general	80,859	-	80,859	85,649	-	85,649
Fundraising	120,329	-	120,329	106,020	-	106,020
<i>Total expenses</i>	698,997	-	698,997	750,789	-	750,789
Change in Net Assets	121,964	(15,946)	106,018	40,146	15,340	55,486
Net Assets, Beginning of Year	331,943	23,854	355,797	291,797	8,514	300,311
Net Assets, End of Year	<u>\$ 453,907</u>	<u>\$ 7,908</u>	<u>\$ 461,815</u>	<u>\$ 331,943</u>	<u>\$ 23,854</u>	<u>\$ 355,797</u>

CENTER FOR GLOBAL IMPACT, INC.*Statements of Cash Flows**For the Years Ended June 30, 2022 and 2021**Page 1 of 2***CHANGE IN CASH**

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Cash received from donors, programs, and merchandise sales	\$ 831,228	\$ 874,211
Cash paid to vendors, program participants, and employees	<u>(855,127)</u>	<u>(907,136)</u>
<i>Net cash used in operating activities</i>	<u>(23,899)</u>	<u>(32,925)</u>
Cash Flows from Investing Activities		
Capital expenditures	(12,406)	(7,353)
Proceeds from sale of property and equipment	<u>1,335</u>	<u>-</u>
<i>Net cash used in investing activities</i>	<u>(11,071)</u>	<u>(7,353)</u>
Cash Flows from Financing Activities		
Proceeds from PPP loans	<u>-</u>	<u>73,900</u>
Change in Cash	(34,970)	33,622
Cash, Beginning of Year	<u>280,303</u>	<u>246,681</u>
Cash, End of Year	<u><u>\$ 245,333</u></u>	<u><u>\$ 280,303</u></u>
Non-Cash Transactions		
In-kind contributions	<u><u>\$ 6,858</u></u>	<u><u>\$ 8,066</u></u>

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH
USED IN OPERATING ACTIVITIES

	<u>2022</u>	<u>2021</u>
Change in Net Assets	\$ 106,018	\$ 55,486
Adjustments to Reconcile Change in Net Assets to Net Cash Used In Operating Activities		
Depreciation	6,032	5,538
(Gain) loss on disposal of property and equipment	(950)	6,662
Forgiveness of PPP loan	(73,900)	(73,300)
<i>(Increase) decrease in operating assets:</i>		
Accounts receivable, net	(3,444)	(2,927)
ERC receivable	(51,551)	-
Revolving loans	365	660
Prepaid expenses	16,128	(11,633)
Inventory	(20,650)	(14,795)
<i>Increase (decrease) in operating liabilities:</i>		
Accounts payable	7,960	(778)
Accrued expenses and other current liabilities	(9,907)	12,862
Deferred revenue	-	(10,700)
 <i>Total adjustments</i>	 <u>(129,917)</u>	 <u>(88,411)</u>
 Net Cash Used In Operating Activities	 <u>\$ (23,899)</u>	 <u>\$ (32,925)</u>

CENTER FOR GLOBAL IMPACT, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2022

	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	\$ 161,601	\$ -	\$ -	\$ -	\$ 161,601	\$ -	\$ -	\$ 161,601
Operating Expenses								
Salaries, wages, and benefits	195,655	77,295	37,920	-	310,870	46,633	44,428	401,931
Insurance	2,137	1,297	830	-	4,264	1,403	702	6,369
Marketing	9,156	891	-	-	10,047	2,097	7,040	19,184
Depreciation	501	3,813	344	-	4,658	1,374	-	6,032
Rent	23,650	7,140	4,290	-	35,080	5,500	5,500	46,080
Office supplies	2,485	27,115	2,487	-	32,087	1,532	737	34,356
Operations	7,273	18,477	3,053	-	28,803	2,894	965	32,662
Service charges	20,719	1,274	413	-	22,406	11,774	8,863	43,043
Travel	318	917	227	-	1,462	-	-	1,462
Fundraising events	-	-	-	-	-	-	30,167	30,167
Professional fees	2,606	2,606	2,605	-	7,817	7,816	21,117	36,750
Memberships	123	122	122	-	367	367	366	1,100
Postage	13,290	-	-	-	13,290	195	397	13,882
Participant and family care	352	1,216	211	-	1,779	-	-	1,779
Education and program completion	-	6,650	4,911	-	11,561	-	-	11,561
Gain on disposal of property and equipment	-	(85)	-	-	(85)	(865)	-	(950)
Emergency relief	-	-	-	12,052	12,052	-	-	12,052
Bad debt	65	-	-	-	65	-	-	65
Miscellaneous	522	644	120	-	1,286	139	47	1,472
Total operating expenses	278,852	149,372	57,533	12,052	497,809	80,859	120,329	698,997
Total functional expenses	\$ 440,453	\$ 149,372	\$ 57,533	\$ 12,052	\$ 659,410	\$ 80,859	\$ 120,329	\$ 860,598

CENTER FOR GLOBAL IMPACT, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2021

	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	\$ 162,269	\$ -	\$ -	\$ -	\$ 162,269	\$ -	\$ -	\$ 162,269
Operating Expenses								
Salaries, wages, and benefits	271,631	62,303	27,096	-	361,030	60,238	70,920	492,188
Insurance	2,040	1,602	541	-	4,183	1,264	607	6,054
Marketing	5,156	1,058	-	-	6,214	1,305	1,306	8,825
Depreciation	1,105	4,021	134	-	5,260	278	-	5,538
Rent	23,650	6,107	4,950	-	34,707	5,500	5,500	45,707
Office supplies	4,122	25,321	1,724	-	31,167	1,339	644	33,150
Operations	8,502	12,912	2,693	-	24,107	2,640	1,271	28,018
Service charges	20,536	782	671	-	21,989	8,820	4,247	35,056
Travel	275	879	184	-	1,338	-	-	1,338
Fundraising events	-	-	-	-	-	-	13,632	13,632
Professional fees	1,165	1,165	1,164	-	3,494	3,494	6,543	13,531
Memberships	259	134	258	-	651	402	402	1,455
Postage	17,364	-	-	-	17,364	289	869	18,522
Participant and family care	613	1,748	1,166	-	3,527	-	-	3,527
Education and program completion	-	7,968	4,320	-	12,288	-	-	12,288
Loss on disposal of property and equipment	-	6,662	-	-	6,662	-	-	6,662
Emergency relief	882	17,522	410	6,041	24,855	-	-	24,855
Miscellaneous	181	-	103	-	284	80	79	443
<i>Total operating expenses</i>	<u>357,481</u>	<u>150,184</u>	<u>45,414</u>	<u>6,041</u>	<u>559,120</u>	<u>85,649</u>	<u>106,020</u>	<u>750,789</u>
<i>Total functional expenses</i>	<u>\$ 519,750</u>	<u>\$ 150,184</u>	<u>\$ 45,414</u>	<u>\$ 6,041</u>	<u>\$ 721,389</u>	<u>\$ 85,649</u>	<u>\$ 106,020</u>	<u>\$ 913,058</u>

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2022 and 2021***1. 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, CGI maintains a line of credit with availability of \$75,000 with a bank that is drawn upon as needed during the year to manage cash flow.

The Board of Directors of Center for Global Impact has 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 \$31,621 and \$26,618 at June 30, 2022 and 2021, respectively.

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>2022</u>	<u>2021</u>
Current assets, excluding non-financial assets	\$ 303,255	\$ 283,595
Less: board of directors restrictions	(31,621)	(26,618)
Less: donor restrictions for future periods	(7,908)	(23,854)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 263,276</u>	<u>\$ 233,123</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, 2022 and 2021.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2022 and 2021***1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED***Cash and Cash Equivalents and Credit Risk, Continued*

From time to time during the years ended June 30, 2022 and 2021, 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, 2022 and 2021.

The Organization also holds money in foreign bank accounts that are not covered by the FDIC. At June 30, 2022 and 2021, the Organization had total exposed foreign cash balances of \$48,750 and \$54,304, respectively.

Accounts Receivable

Unconditional promises to give are recognized as revenues in the period the promise is received. There is no significant financing component to overdue receivables. Management reviews accounts and determines if any portion is considered uncollectible on an annual basis. The Organization recorded an allowance for bad debts for approximately \$4,300 as of June 30, 2021. No allowance for bad debt was deemed necessary at June 30, 2022.

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. No interest is charged on these revolving loans. At June 30, 2021, all revolving loans were deemed collectible by management and no allowance for bad debts is deemed necessary. At June 30, 2022, the Organization did not have any revolving loans outstanding.

Employee Retention Credit

The Employee Retention Credit (ERC), established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, allows for a refundable tax credit against certain employment taxes of certain qualified wages of eligible employers. The credit is calculated at 50% to 70% of certain wages, up to \$10,000 for each employee. Credits are recorded as other income and a receivable at the point in time in which credit calculations were determined.

The Organization was eligible for this credit and recognized other income in the amount of \$71,043 for credits calculated on pay periods through June 30, 2022.

Inventory

Inventory consists of fabric and BYTAVI products 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>2022</u>	<u>2021</u>
Products	\$ 136,661	\$ 113,320
Fabric	<u>27,896</u>	<u>30,587</u>
	<u>\$ 164,557</u>	<u>\$ 143,907</u>

CENTER FOR GLOBAL IMPACT, INC.

Notes to the Financial Statements

June 30, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

Revenue and Cost Recognition – Contracts with Customers

The Organization's merchandise sales of various products are subject to ASU 2014-09 *Revenue from Contracts with Customers (Topic 606)*. Merchandise sales are primarily based out of central Indiana and have fixed prices and contain a single performance obligation that is satisfied at the point in time when goods are received by the customer. Shipping and handling is also recognized as revenue and charged to the customer for merchandise bought online. Shipping and handling obligations are not viewed as a separate performance obligation. Customers pay up front at the time of the sale and revenue is recognized upon the satisfaction of the performance obligation. The Organization has a 14 day return policy and exchanges are also allowed; however, refunds are not provided and customer will receive in-store credit only. Management has evaluated and does not believe a significant amount of returns or exchanges will occur that need to be recorded in the financial statements. Revenues from merchandise sales are included on the Statements of Activities and Net Assets, all of which is recognized at a point in time. Costs related to contracts with customers include cost of materials, labor, and shipping costs associated with contract performance.

The Organization's restaurant sales are subject to ASU 2014-09 *Revenue from Contracts with Customers (Topic 606)*. Restaurant sales are based out of Cambodia and have fixed prices and contain a single performance obligation that is satisfied at the point in time when meals are provided. Customers pay at the time of the sale and revenue is recognized upon the satisfaction of the performance obligation. All sales are final and revenues from restaurant sales are included on the Statements of Activities and Net Assets, all of which is recognized at a point in time. Costs related to contracts with customers include cost of food and labor associated with contract performance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Revenue and Cost Recognition – Contracts with Customers, Continued

Various economic factors can impact the nature, amount, timing and uncertainty of revenues and cash flows. The Organization is most susceptible to economic slowdown, as consumer spending tends to decline, ultimately impacting the Organization's revenues and cash flows from merchandise and restaurant sales.

Due to the nature of the Organization's merchandise and restaurant sales, there were no amounts classified as contract receivables, assets, or liabilities.

Revenue Recognition - Contributions

Contributions consist of general donations, grants, and sponsorships. 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. This type of revenue is excluded from ASU 2014-09 *Revenue from Contract with Customer (Topic 606)*.

Sales Tax

The Organization collects sales tax from customers on applicable transactions and remits the entire amount to the governing state. The Organization's accounting policy is to include the sales tax as a liability when received.

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 includes board designated funds that are set aside to pay for board approved expenditures. These designated funds totaled \$31,621 and \$26,618 at June 30, 2022 and 2021, respectively.

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2022 and 2021***1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED***Net Asset Classification, Continued***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>2022</u>	<u>2021</u>
Care of children and families at risk	\$ 1,166	\$ 1,932
Vocational training	-	15,180
Dominican Republic	<u>6,742</u>	<u>6,742</u>
Total net assets with donor restrictions	<u>\$ 7,908</u>	<u>\$ 23,854</u>

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>2022</u>	<u>2021</u>
Care of children and families at risk	\$ 11,432	\$ 30,115
Vocational training	<u>15,180</u>	<u>-</u>
Total restrictions released	<u>\$ 26,612</u>	<u>\$ 30,115</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, 2022 and 2021, 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

CENTER FOR GLOBAL IMPACT, INC.*Notes to the Financial Statements**June 30, 2022 and 2021*

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED*Income Taxes, Continued*

of June 30, 2022 and 2021, 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 during the years ended June 30, 2022 and 2021.

The Organization has filed its federal and state exempt income tax returns for periods through June 30, 2021. 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, 2019, 2020, and 2021, are open to examination at June 30, 2022.

Subsequent Events

Subsequent events have been evaluated by management through November 16, 2022, which is the date the financial statements were available to be issued.

2. OPERATING LEASES

The Organization has several operating leases for various buildings in Cambodia. Rent expense for these leases totaled \$13,080 and \$12,707 for the years ended June 30, 2022 and 2021, respectively, and are recorded as program expenses. These leases have various expiration dates through June 2025.

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. Subsequent to year end, the Organization agreed to a one year lease extension beginning in August 2022 and expiring in July 2023 with required monthly payments of \$4,000. Rent expense for this lease was \$33,000 for both years ended June 30, 2022 and 2021.

Future minimum lease commitments under operating leases are as follows at June 30, 2022 for the years ending June 30:

2023	\$	63,210
2024		12,120
2025		<u>6,600</u>
	\$	<u>81,930</u>

3. 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 statements of cash flows. The Organization benefited from in-kind fundraising items, accounting services, gifts of grain, and cryptocurrency during 2022 and 2021. These contributions were valued at \$6,858 and \$8,066 for the years ended June 30, 2022 and 2021, respectively. These were reported as in-kind contributions

CENTER FOR GLOBAL IMPACT, INC.

Notes to the Financial Statements

June 30, 2022 and 2021

3. IN-KIND CONTRIBUTIONS, CONTINUED

on the statements of activities and net assets, and as fundraising events, professional fees, and miscellaneous on the statements of functional expenses.

4. LINE OF CREDIT

The Organization has a line of credit with a bank. 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% (6.42% at June 30, 2022). There was no balance on the line of credit as of June 30, 2022 and 2021.

5. NOTES PAYABLE

In April 2020, the Company received loan proceeds in the amount of \$73,300 under the Paycheck Protection Program ("PPP"), which was set to mature in April 2022. Principal and interest payments were deferred under this loan until 10 months after the covered period (8 or 24 weeks after receipt of the loan). The PPP, established as part of the 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 accrued interest were forgivable after the applicable time period prescribed in the CARES Act as long as the borrower used the loan proceeds for eligible purposes, including payroll benefits, rent and utilities, and the borrower maintained its payroll levels. The Company received notice in March of 2021 that the entire balance of the loan was forgiven in the amount of \$73,300.

In February 2021, the Organization received a second PPP loan in the amount of \$73,900. Loan terms are identical to the terms described above other than the term of the loan is five years instead of two. The Company received notice in October of 2021 that the entire balance of the loan was forgiven in the amount of \$73,900.

INDEPENDENT ACCOUNTANT'S REPORT ON SUPPLEMENTARY INFORMATION

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

The June 30, 2022 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 16, 2022

SponseL CPA Group, LLC

CENTER FOR GLOBAL IMPACT, INC.*Schedule of Net Assets With Donor Restrictions**For the Year Ended June 30, 2022**Exhibit I*

	<u>July 1, 2021</u>	<u>Contributions</u>	<u>Expenses</u>	<u>Change in Net Assets</u>	<u>June 30, 2022</u>
Care of Children and Families at Risk	\$ 1,932	\$ 10,666	\$ 11,432	\$ (766)	\$ 1,166
Vocational Training	15,180	-	15,180	(15,180)	-
Dominican Republic	<u>6,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,742</u>
Total Net Assets With Donor Restrictions	<u>\$ 23,854</u>	<u>\$ 10,666</u>	<u>\$ 26,612</u>	<u>\$ (15,946)</u>	<u>\$ 7,908</u>