

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Financial Statements

June 30, 2020

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Financial Statements
June 30, 2020

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Independent Auditor's Report

Board of Directors
Global Outreach Developments International

Report on the Financial Statements

We have audited the accompanying financial statements of Global Outreach Developments International, which comprise the statement of financial position as of June 30, 2020, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Outreach Developments International as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Brentwood, Tennessee
February 15, 2021

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Statement of Financial Position
June 30, 2020

Assets	
Current Assets	
Cash	\$ 421,732
Restricted Cash	3,534
Accounts Receivable	121,685
Prepaid Expenses	31,043
Investments	8,338
Total Current Assets	<u>586,332</u>
Property and Equipment	
Land	328,388
Construction in Progress	571,196
Buildings and Improvements	2,793,362
Furniture and Equipment	375,130
Automobiles	16,200
	<u>4,084,276</u>
Less Accumulated Depreciation	<u>(708,375)</u>
Total Property and Equipment, Net	<u>3,375,901</u>
Other Assets	
Notes Receivable from Affiliate	10,701
Total Assets	<u><u>\$ 3,972,934</u></u>
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable and Accrued Expenses	\$ 83,776
Credit Cards Payable	22,256
Deferred Revenue	74,529
Donations Held in Trust	3,534
Current Portion of Notes Payable	136,062
Total Current Liabilities	<u>320,157</u>
Long-Term Liabilities	
Notes Payable, Net of Loan Costs of \$17,326	<u>1,470,238</u>
Total Liabilities	<u>1,790,395</u>
Net Assets	
Net Assets Without Donor Restrictions	1,899,983
Net Assets With Donor Restrictions	282,556
Total Net Assets	<u>2,182,539</u>
Total Liabilities and Net Assets	<u><u>\$ 3,972,934</u></u>

See notes to financial statements.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Statement of Activities

For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Contributions	\$ 435,839	\$ 410,900	\$ 846,739
Grants	188,270	-	188,270
Institute Tuition and Fees	539,196	-	539,196
Academy Tuition and Fees, Net of Discounts of \$184,932	661,618	-	661,618
Service Revenues	213,398	-	213,398
In-Kind Contributions	119,295	-	119,295
Investment Income, Net	1,134	-	1,134
Gain on Disposal of Property and Equipment	1,200	-	1,200
Other Income	43,316	-	43,316
Net Assets Released from Restrictions	300,568	(300,568)	-
Total Support and Revenues	2,503,834	110,332	2,614,166
Expenses			
Program Services	1,557,856	-	1,557,856
Supporting Services			
Management and General	773,056	-	773,056
Fundraising	1,684	-	1,684
Total Supporting Services	774,740	-	774,740
Total Expenses	2,332,596	-	2,332,596
Increase in Net Assets	171,238	110,332	281,570
Net Assets - Beginning of Year	1,728,745	172,224	1,900,969
Net Assets - End of Year	\$ 1,899,983	\$ 282,556	\$ 2,182,539

See notes to financial statements.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program Expenses					Supporting Services		Supporting Total	Total
	Academy	Education	Third World Development	Community Service	Program Total	Management and General	Fundraising		
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,051	\$ -	\$ 4,051	\$ 4,051
Bank and Credit Card Fees	3,525	2,063	1,511	2,550	9,649	5,595	-	5,595	15,244
Bad Debt	25,952	-	-	-	25,952	-	-	-	25,952
Benevolence	-	789	76,590	987	78,366	560	-	560	78,926
Consulting Fees	2,083	600	-	77	2,760	-	-	-	2,760
Cost of Sales	141,561	44,450	-	72,400	258,411	2,524	1,341	3,865	262,276
Dues and Subscriptions	6,885	14,061	-	61	21,007	2,288	-	2,288	23,295
Facilities Rent	1,238	6,050	50,947	600	58,835	17,850	-	17,850	76,685
Insurance	-	525	-	-	525	34,620	-	34,620	35,145
Interest Expense	-	-	-	-	-	69,552	-	69,552	69,552
IT and Software	5,225	16,652	1,449	266	23,592	1,747	-	1,747	25,339
In-Kind Expense	82,817	12,340	4,536	1,392	101,085	-	-	-	101,085
Legal Fees	53	38	5,485	-	5,576	26,767	-	26,767	32,343
Miscellaneous	2,451	314	515	1,107	4,387	8,806	-	8,806	13,192
Other Professional Fees	9,596	20,892	6,023	12,351	48,862	98,249	-	98,249	147,111
Payroll Taxes and Benefits	68,461	31,829	2,760	5,459	108,509	50,868	-	50,868	159,377
Postage	24	17	822	8	871	49	266	315	1,186
Printing	26	87	270	-	383	-	-	-	383
Program Facilitation	2,104	2,703	3,033	-	7,840	-	77	77	7,917
Rent	2,100	3,299	760	1,207	7,366	14,449	-	14,449	21,816
Repairs and Maintenance	1,130	1,895	300	22	3,347	44,802	-	44,802	48,149
Salaries	308,836	177,355	1,250	33,333	520,774	138,349	-	138,349	659,124
Supplies	24,947	21,560	51,209	53,035	150,751	36,685	-	36,685	187,435
Taxes and Licenses	360	-	-	-	360	9,262	-	9,262	9,622
Telephone and Communications	-	-	2,594	580	3,174	423	-	423	3,597
Travel Expenses	3,183	6,350	61,828	39,904	111,265	1,167	-	1,167	112,433
Utilities	-	439	-	-	439	110,912	-	110,912	111,350
Total Before Depreciation	692,557	364,308	271,882	225,339	1,554,086	679,575	1,684	681,259	2,235,345
Depreciation	1,345	2,425	-	-	3,770	93,481	-	93,481	97,251
Total Expenses	<u>\$ 693,902</u>	<u>\$ 366,733</u>	<u>\$ 271,882</u>	<u>\$ 225,339</u>	<u>\$ 1,557,856</u>	<u>\$ 773,056</u>	<u>\$ 1,684</u>	<u>\$ 774,740</u>	<u>\$ 2,332,596</u>

See notes to financial statements.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Statement of Cash Flows

For the Year Ended June 30, 2020

Cash Flows from Operating Activities

Increase in Net Assets	\$ 281,570
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	97,251
Amortization	4,051
Unrealized Gain on Investments	(425)
Donated Property and Equipment	(18,210)
Gain on Disposal of Property and Equipment	(1,200)
(Increase) Decrease in:	
Accounts Receivable	(2,145)
Grant Receivable	10,000
Prepaid Expenses	(22,502)
Other Assets	1,000
Increase (Decrease) in:	
Accounts Payable and Accrued Expenses	14,400
Credit Cards Payable	10,284
Deferred Revenue	20,487
Donations Held in Trust	-
Total Adjustments	<u>112,991</u>
Net Cash Provided by Operating Activities	<u>394,561</u>

Cash Flows from Investing Activities

Principal Payments Received on Notes Receivable from Affiliate	6,871
Cash Payments for the Purchase of Property and Equipment	(79,915)
Proceeds from the Sale of Property and Equipment	<u>1,200</u>
Net Cash Used by Investing Activities	<u>(71,844)</u>

Cash Flows from Financing Activities

Borrowings on Notes Payable	22,790
Payments on Notes Payable	(122,449)
Payments on Loan Costs	<u>(6,075)</u>
Net Cash Provided by Financing Activities	<u>(105,734)</u>

Net Increase in Cash 216,983

Cash and Restricted Cash - Beginning of Year 208,283

Cash and Restricted Cash - End of Year \$ 425,266

Reconciliation to Statement of Financial Position

Cash	\$ 421,732
Restricted Cash	<u>3,534</u>
	<u><u>\$ 425,266</u></u>

Supplemental Disclosures of Cash Flow Information

Non cash Investing and Financing Activities:	
Fixed Assets Acquired through Issuance of Debt	<u><u>\$ 222,148</u></u>

Cash Paid During the Year for:	
Interest, Net of Interest Capitalized	<u><u>\$ 72,633</u></u>

See notes to financial statements.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Notes to Financial Statements
June 30, 2020

Note 1. Organization and Nature of Activities

Global Outreach Developments International (the Organization) is a not-for-profit organization that equips a globally conscious community to serve the poor and marginalized through education, advocacy, and empowerment, without discrimination, demonstrating unconditional love.

The Organization is an educational institution, a community service organization, and a third world development agency. As an educational institution, the Organization operates a college that trains community service leaders and development workers. The Organization also has a K-12 school and tutorial program that focuses on alternative approaches to Primary and Secondary education, utilizing progressive and innovative teaching techniques. With regard to community service, the Organization mobilizes thousands of volunteers per year to perform services for the elderly, the widowed, the disabled, and the poor, including the refugee and immigrant. As a development agency, the Organization empowers third world communities by initiating works related to meeting their basic needs and advancing their health as a society. This includes works related to accessing water, public health, literacy and education, sustainable building, and agriculture. The Organization also has performing arts programs to create awareness of the causes they champion.

Note 2. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

B. Financial Statement Presentation

The financial statements are reported in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) for *Presentation of Financial Statements, Not-For-Profit Entities*. Under those provisions, net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. Net assets without donor restrictions may be designated for specific purpose by action of the Board of Directors.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

C. Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes cash on hand, demand deposits, and restricted cash. As of June 30, 2020, the Organization has no cash equivalents.

E. Accounts Receivable

Accounts receivable represent unpaid tuition and rent for classes and lodging. These receivables are considered collectible within one year; therefore, no allowance for uncollectible accounts has been recorded in the financial statements.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Notes to Financial Statements – Continued

June 30, 2020

Note 2. Summary of Significant Accounting Policies – Continued

F. Investments

Investments are stated at the readily determinable fair market value in accordance with the *Not-For-Profit Entities – Investments - Debt and Equity Securities* topic of the FASB ASC. All interest, dividends, and realized and unrealized gains and losses are reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law and then are reported as increases or decreases in net assets with donor restrictions.

G. Fair Value Measurements

Management has adopted the *Fair Value Measurements and Disclosures* topic of the FASB ASC for determining fair value of financial assets and liabilities that are required to be carried at such amounts. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

Level 1: Fair value is determined using quoted market prices in active markets for identical assets and liabilities.

Level 2: Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

Level 3: Fair value is determined using unobservable market prices in markets that are typically inactive.

H. Property and Equipment

Property and equipment is recorded at cost or at the estimated fair market value at the date of donation. Depreciation is calculated using the straight-line basis over the estimated useful lives of the assets, which range from five to forty years. Expenditures for repairs and maintenance are expensed as incurred. Donations of property are reported as increases to net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as increases in net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

I. PPP Loan

On January 20, 2020, the World Health Organization declared the COVID-19 outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it to be a pandemic. The Company received a loan in accordance with the Paycheck Protection Program (PPP) section of the Coronavirus Aid, Relief, and Economic Security Act (the CARES act). US GAAP provides companies with two alternatives for reporting the loan and any future forgiveness: 1) proceeds can be treated as *debt* and future forgiveness as income when the loan or any portion thereof is formally discharged; or 2) proceeds can be treated as a *conditional contribution* where they recognize a refundable advance and derecognize the liability, and recognize income, as the conditions for forgiveness are substantially met or explicitly waived. The Organization has elected to treat the PPP loan as a *conditional contribution*.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Notes to Financial Statements – Continued

June 30, 2020

Note 2. Summary of Significant Accounting Policies – Continued

J. Revenue Recognition

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). ASU 2014-09 provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU 2014-09 requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update creates a five-step model that requires entities to exercise judgment when considering the terms of the contract(s) which include (i) identifying the contract(s) with the customer, (ii) identifying the separate performance obligations in the contract, (iii) determining the transaction price, (iv) allocating the transaction price to the separate performance obligations, and (v) recognizing revenue when each performance obligation is satisfied. ASU 2014-09 became effective for the Organization's fiscal year beginning July 1, 2019. Subsequent to the issuance of ASU 2014-09, the FASB has issued several ASUs such as ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*, ASU 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients*, and ASU 2017-05, *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets*, among others. These ASUs do not change the core principle of the guidance stated in ASU 2014-09, instead these amendments are intended to clarify and improve operability of certain topics included within the revenue standard. These ASUs had the same effective date and transition requirements as ASU 2014-09. The Organization adopted the standard on July 1, 2019 utilizing the modified retrospective method. Results for reporting periods beginning July 1, 2019 are presented under Topic 606, while prior-period amounts are not adjusted and continue to be reported under the accounting standards in effect for the prior period. Adoption of the new standard had no impact on the Organization's beginning balances or to cash from or used in operating, financing, or investing activities on the statement of cash flows.

Service Revenues

The Organization conducts several activities which provide services to the public. These activities are staffed by individuals who are in training or who have been trained by the Organization and the activities are considered part of the Organization's mission. Revenues for these services are recognized when earned.

Contributions

Contributions are received and recorded as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions received and unconditional promises to give are measured at their estimated fair values and are reported as an increase in net assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed goods and assets are recorded at estimated fair market value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as increases to net assets with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as increases to net assets without donor restrictions. Contributed services are reflected in the financial statements at the estimated fair value of the services received only when those services either (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by donation.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Notes to Financial Statements – Continued

June 30, 2020

Note 2. Summary of Significant Accounting Policies – Continued

K. Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program services – include activities carried out to fulfill the Organization’s mission, resulting in services such as education, job-training, summer camps, hardship relief and other programs conducted by the Organization.

Supporting services – Management and general – relate to the overall direction of the Organization. These expenses are not identifiable with a particular program, event or fundraising, but are indispensable to the conduct of those activities and are essential to the Organization. Specific activities include organization oversight, business management, record keeping, budgeting, financing, and other administrative activities.

Supporting services – Fundraising – include cost of activities directed toward appeals for financial support. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

L. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Some of the costs of providing program services and supporting service activities have been directly charged. Accordingly, certain costs require allocation on a reasonable basis that is consistently applied. The costs that include a reasonable allocation method are as follows:

Expense	Method of Allocation
Depreciation	Square Footage
Facilities Rent	Square Footage
Payroll Taxes and Benefits	Time and Effort
Rent	Square Footage
Salaries	Time and Effort

M. Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2015.

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Notes to Financial Statements – Continued
June 30, 2020

Note 3. Availability and Liquidity

The following represents the Organization's financial assets at June 30, 2020:

Financial assets:	
Cash	\$ 421,732
Restricted Cash	3,534
Accounts Receivable	121,685
Investments	8,338
Total financial assets at year-end	<u>555,289</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	282,556
Less net assets with time or purpose restrictions to be met in less than a year	<u>(279,022)</u>
	<u>3,534</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 551,755</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization is also dependent on in-kind donations of goods and services to reduce general expenditures.

Note 4. Investments

Investments at June 30, 2020 are as follows:

Asset	Cost	Fair Market Value	Cumulative Unrealized Gain (Loss)
Cash	\$ 9	\$ 9	\$ -
Corporate Equities	3,401	8,329	4,928
Total	<u>\$ 3,410</u>	<u>\$ 8,338</u>	<u>\$ 4,928</u>

Investment income for the year ended June 30, 2020 consisted of the following:

Unrealized Gains (Losses)	\$ 425
Interest and Dividend Income	709
Total Investment Income, Net	<u>\$ 1,134</u>

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Notes to Financial Statements – Continued
June 30, 2020

Note 5. Fair Value Measurements

The following assets carried at fair value are reviewed and adjusted on a recurring basis:

Asset	Fair Value June 30, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)
Cash	\$ 9	\$ 9
Corporate Equities	8,329	8,329
Total	<u>\$ 8,338</u>	<u>\$ 8,338</u>

Note 6. Donations Held in Trust

During the year ended June 30, 2019, the Organization acted as the intermediary for contributions for the benefit of a recipient party. The Organization received \$67,431 to be used to support a terminally ill member of the Organization and her family. Of the \$67,431 received, \$63,897 had been expended as of June 30, 2020. The remaining amount of \$3,534 is included as Donations Held in Trust on the Statement of Financial Position.

Note 7. Notes Payable

Notes payable as of June 30, 2020 consist of the following:

Note payable to a financial institution, fixed interest of 4.95%, monthly principal and interest payments of \$6,318 with final payment of \$368,133 due November 2023, secured by property.	\$ 525,807
Note payable to a related party for the purchase of land. Note is due on demand.	20,000
Note payable to a financial institution, fixed interest of 4.60%, six interest payments beginning September 2019 to be followed by monthly principal and interest payments of \$9,190 with final payment of \$894,874 due June 2024, secured by property.	<u>1,077,819</u>
	1,623,626
Less: Unamortized Loan Costs	(17,326)
Less: Current portion of Notes Payable	<u>(136,062)</u>
Long-Term Notes Payable, Net	<u>\$ 1,470,238</u>

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL

Notes to Financial Statements – Continued

June 30, 2020

Note 7. Notes Payable – Continued

Maturities of the notes payable are as follows:

2021	\$	136,062
2022		121,741
2023		127,700
2024		1,238,123
Total	\$	<u>1,623,626</u>

Note 8. PPP Loan

On May 4, 2020, the Organization received a loan in the amount of \$151,495 in accordance with the PPP section of the CARES Act. Under this loan program, the Organization may be eligible for forgiveness of some portion of the loan up to 100%, if and when qualifying conditions are met. Accounting for the loan and any future forgiveness could have an impact on future financial reporting. As of the report date, management is actively monitoring qualifying conditions to maximize future loan forgiveness and has expended 100% on potential qualifying costs as defined by the legislation. The unsecured note bears interest at the rate of 1.00% and matures on July 24, 2023. As long as the Organization submits its loan forgiveness application within 10 months of December 31, 2020, the Organization will not be required to make any payments on the loan until the forgiveness amount is remitted to the lender by the U.S. Small Business Administration (SBA). If the loan is fully forgiven, the Organization will not be responsible for any payments.

The Organization has elected to treat the PPP loan as a *conditional contribution* in the financial statements. As of fiscal year-end, it recognized income in the amount of \$151,495 in contributions as it believes the conditions for forgiveness have been substantially met.

Note 9. Net Assets

Net assets with donor restrictions are as follows for the year ended June 30, 2020:

East Africa	\$	167,232
Southeast Asia Team		42,617
Latin America Team		44,761
Nu Water Works		27,946
	\$	<u>282,556</u>

Note 10. Donated

Property, Equipment, and Services

Donated property, equipment, and services are used in the ongoing operations of the Organization. The value of donated property, equipment, and services included in the financial statements and the corresponding expenditure or asset capitalization for the year ended June 30, 2020 is as follows:

Revenues	
Donated Services	\$ 94,095
Donated Equipment and Supplies	25,200
	<u>\$ 119,295</u>
Expenses and Assets	
Donated Services and Supplies	\$ 101,085
Property and Equipment	18,210
	<u>\$ 119,295</u>

GLOBAL OUTREACH DEVELOPMENTS INTERNATIONAL
Notes to Financial Statements – Continued
June 30, 2020

Note 11. Concentration of Risk

The Organization receives a substantial amount of its support and revenues from the development training school, from various grants for community projects, and from donor support of specific works overseas. Should enrollment in the institution decline, grants become unavailable, and/or foreign projects become infeasible, the Organization's operations will be affected.

Note 12. Related Party Transactions

Certain management and employees related to the Organization have allowed the Organization to utilize personal credit cards to make purchases related to the activities of the Organization. Cards designated for use by the Organization are not used for personal activity, and the Organization pays all principal and interest.

The Organization's officers own multiple businesses engaged in various services. During the year ended June 30, 2020, the Organization recognized revenues, including lease income and expense reimbursements from the following related parties. The receivable and payable columns reflect balances at June 30, 2020 included in accounts receivable and accounts payable.

	<u>Receipts</u>	<u>Receivables</u>	<u>Disbursements</u>	<u>Payables</u>
Center Street Media, LLC	\$ 40	\$ 43,136	\$ -	\$ -
Center Street Recording Studios, LLC	36	37,107	8,500	-
Details Nashville, LLC	79	-	137,005	22,289
Genovations Consulting, LLC	7,378	-	115,479	13,021
Genovations Staffing, LLC	1,704	-	-	-
GJXMI Group, LLC	-	-	25,200	-
Hopewell Family Care, PLLC	3,784	-	19	-
Music City Handymen, LLC	38,407	-	5,811	20,001
Music City Landscaping, LLC	-	-	12,194	2,040
Nova Birth Services, LLC	1,353	-	-	-
Nyumba Food Services	10,293	18,290	1,942	-
Nyumbarista - OH Village, LLC	-	4,450	9,577	-
SOMA Wellness Group, LLC	-	2,000	-	-
Total	<u>\$ 63,074</u>	<u>\$ 104,983</u>	<u>\$ 315,727</u>	<u>\$ 57,351</u>

The receipts are included either in Support and Revenues or have been reflected as direct reductions to the related expense accounts, depending on the nature of the receipt.

Note 13. Subsequent Events

The Organization has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended June 30, 2020 through February 15, 2021, the date on which the financial statements were available to be issued.