

**GOODWILL INDUSTRIES OF
THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
Years Ended December 31, 2020 and 2019**

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**FOUNTAIN, ARRINGTON, BASS,
MERCER & LEE, P.C.**
Certified Public Accountants

D. Clyde Fountain, C.P.A.
W. Alan Arrington, C.P.A.
David J. Bass, C.P.A.
Anthony W. Mercer, C.P.A.
John J. Lee, C.P.A.
Laura E. Toms, C.P.A.
Scott N. Wacter, C.P.A.

INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors
Goodwill Industries of the Southern Rivers, Inc. and Related Entities
Columbus, Georgia

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Goodwill Industries of the Southern Rivers, Inc. (a nonprofit organization) and related entities (Columbus Community Campus Condominium Association, Inc. (a nonprofit corporation) and Powerworks Industries, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Goodwill Industries of the Southern Rivers, Inc. and related entities and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Goodwill Industries of the Southern Rivers, Inc. and related entities' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Goodwill Industries of the Southern Rivers, Inc. and related entities' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Goodwill Industries of the Southern Rivers, Inc. and related entities' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Statement of Financial Position Without Eliminations, Supplemental Statement of Activities – Goodwill Industries of the Southern Rivers, Inc., Supplemental Statement of Activities – Columbus Community Campus Condominium Association, Inc., Supplemental Statement of Activities – Powerworks Industries, Inc., and Schedule of State Awards Expended are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



FOUNTAIN, ARRINGTON, BASS, MERCER & LEE, P.C.
Certified Public Accountants

Columbus, Georgia
May 27, 2021



Dear Stakeholder,

I am excited to share with you the 2020 accomplishments of Goodwill Industries of the Southern Rivers, Inc. (GoodwillSR) and PowerWorks Industries (PWI), an affiliate organization of GoodwillSR.

Team members from both of these organizations work every day to generate opportunities for people to achieve economic stability and contribute to our mission of "Developing People, Changing Lives and Building Communities." These pages represent how well our mission and financial outcomes align with our strategic vision and community engagement at both PWI and GoodwillSR.

At PWI, a company that provides meaningful work for people with disabilities, our team members perform custodial and grounds maintenance work at the United States Army Maneuver Center of Excellence at Fort Benning, Ga. and the Marine Corps Logistics Base in Albany, Ga.

These federal contracts are made possible by the Javits-Wagner O'Day Act, which requires that workers with disabilities perform at least 75 percent of direct labor hours. In 2020, approximately 81 percent of PWI's workforce had a documented disability. Wages paid to workers with disabilities topped \$1.62 million in 2020, further demonstrating our commitment to improve the quality of life for everyone in our community, regardless of ability.

With the advent of COVID-19, we made the decision to close all retail stores and career centers on March 21st for a period of 6-8 weeks. I am particularly proud of the fact that approximately 375 team members associated with our mission and retail operations were granted paid time off while sheltering in place, and many administrative team members worked from home.

We quickly implemented significant measures to mitigate the spread of the virus and continued to accept donations through the 19 attended donation centers across our 50-county territory except for the Albany area. We then shifted sales of many of those donations from our stores to our e-commerce channel and, ultimately, surpassed expectations for that line of business during its inaugural year. Further, we constructed a beautiful new store in Villa Rica and opened for business ahead of schedule in July.

Our career center staff worked tirelessly throughout the quarantine period by shifting their service delivery model from in-person to virtual services. During a time when so many people are out of work, we are proud to be responsible for assisting 4,941 individuals in securing a job in 2020. In addition, we provided free tax return services to 5,412 families resulting in over \$5 million in refunds back into the local community.

The PWI team actually secured additional contract work at both locations because of the fact that they are trained and certified to perform hospital-grade sanitation which positioned them well to respond to request for intensive cleaning as part of the COVID response. They continued to maintain very high customer satisfaction ratings despite challenging circumstances.

In December 2020, we were honored by a phenomenal one-time gift from author, writer, philanthropist, MacKenzie Scott. Ms. Scott gave our organization a \$10,000,000 un-restricted gift that we are committed to using as a way to implement programs that we previously could only dream about. We are eliciting ideas from community stakeholders to solidify our plans which we look forward to sharing in the near future.

The flexibility and dedication of our team not only show a positive impact on our bottom line, but also the impact on changed lives in our community. In 2020, GoodwillSR created a total overall economic impact of \$217.9 million in Georgia and \$22.1 million in Alabama*. Further support of our mission to help families achieve economic stability continued to grow, with 406,217 donations of gently used items sold in our retail stores.

We continue to see how the community shows support to GoodwillSR and PWI, through donating, shopping, contracting with us and spreading the word about the services we offer to help people earn jobs. We are grateful for the trust you place in us.

With appreciation,

Jack Warden
President and CEO

*Source: Elliott D. Pollack & Company; IMPLAN

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

ASSETS		
	2020	2019
Cash and cash equivalents	\$ 10,440,867	\$ 9,994,372
Accounts receivable - trade	3,184,081	1,998,001
Accounts receivable - related party	37,632	10,357
Accrued interest receivable	3,248	3,248
Inventories	1,691,447	1,583,228
Investments	12,122,100	4,233,872
Prepaid expenses and assets	1,054,267	187,505
Fixed assets - net	9,305,636	6,049,602
Total Assets	\$ 37,839,278	\$ 24,060,185

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 92,021	\$ 667,833
Deferred revenue	1,090,803	1,070,585
Accrued wages	1,449,963	1,694,309
Accrued and withheld expenses	1,208,774	672,180
Long-term debt	2,961,214	--
Obligations under capital leases	19,815	101,590
Total liabilities	6,822,590	4,206,497

NET ASSETS

Without donor restrictions	31,016,688	19,853,688
With donor restrictions	--	--
Total net assets	31,016,688	19,853,688
Total Liabilities and Net Assets	\$ 37,839,278	\$ 24,060,185

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF ACTIVITIES
For Year Ended December 31, 2020

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
SUPPORT, REVENUE AND GAINS			
Store sales and donated inventory	\$ 20,844,571	\$ --	\$ 20,844,571
Salvage revenue	1,384,327	--	1,384,327
Mission services grants	487,499	--	487,499
Federal contracts	11,747,059	--	11,747,059
Other contracts	80,755	--	80,755
Net investment gain	437,714	--	437,714
Contributions	10,307,393	--	10,307,393
Rental income	191,697	--	191,697
Gain on disposal of fixed assets	57,441	--	57,441
Other income	90,955	--	90,955
Total support, revenue and gains	<u>45,629,411</u>	<u>--</u>	<u>45,629,411</u>
EXPENSES			
Program Services			
Stores	23,062,694	--	23,062,694
Salvage	157,601	--	157,601
Mission services	4,484,998	--	4,484,998
Contracts	5,826,507	--	5,826,507
Total program services	<u>33,531,800</u>	<u>--</u>	<u>33,531,800</u>
Supporting services			
Administrative	900,153	--	900,153
Community relations/fundraising	34,458	--	34,458
Total supporting services	<u>934,611</u>	<u>--</u>	<u>934,611</u>
Total expenses	<u>34,466,411</u>	<u>--</u>	<u>34,466,411</u>
Change in Net Assets	11,163,000	--	11,163,000
NET ASSETS, beginning of year	<u>19,853,688</u>	<u>--</u>	<u>19,853,688</u>
NET ASSETS, end of year	<u>\$ 31,016,688</u>	<u>\$ --</u>	<u>\$ 31,016,688</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF ACTIVITIES
For Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT, REVENUE AND GAINS			
Store sales and donated inventory	\$ 20,778,967	\$ --	\$ 20,778,967
Salvage revenue	1,496,925	--	1,496,925
Mission services grants	1,188,544	--	1,188,544
Federal contracts	11,287,125	--	11,287,125
Other contracts	92,212	--	92,212
Net investment gain	555,213	--	555,213
Contributions	306,925	--	306,925
Rental income	260,658	--	260,658
Loss on disposal of fixed assets	(11,550)	--	(11,550)
Other income	124,494	--	124,494
Total support, revenue and gains	<u>36,079,513</u>	<u>--</u>	<u>36,079,513</u>
EXPENSES			
Program Services			
Stores	21,407,466	--	21,407,466
Salvage	169,982	--	169,982
Mission services	5,335,672	--	5,335,672
Contracts	5,977,265	--	5,977,265
Total program services	<u>32,890,385</u>	<u>--</u>	<u>32,890,385</u>
Supporting services			
Administrative	938,510	--	938,510
Community relations/fundraising	35,187	--	35,187
Total supporting services	<u>973,697</u>	<u>--</u>	<u>973,697</u>
Total expenses	<u>33,864,082</u>	<u>--</u>	<u>33,864,082</u>
Change in Net Assets	2,215,431	--	2,215,431
NET ASSETS, beginning of year	<u>17,638,257</u>	<u>--</u>	<u>17,638,257</u>
NET ASSETS, end of year	<u>\$ 19,853,688</u>	<u>\$ --</u>	<u>\$ 19,853,688</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020

	Program Services			
	Stores	Salvage	Mission Services	Contracts
Compensation and related expenses				
Salaries and wages	\$ 9,462,738	\$ --	\$ 2,384,998	\$ 2,854,808
Employee benefits	1,590,124	--	331,308	962,854
Workers' compensation	277,019	--	7,297	200,893
Payroll taxes	695,911	--	174,834	211,728
Total compensation and related expenses	12,025,792	--	2,898,437	4,230,283
Advertising	221,492	--	46,929	--
Background checks	15,780	--	4,692	2,535
Bad debt expense	--	3,404	--	--
Bank and credit card fees	235,879	--	--	1,252
Commissions	116,407	--	--	451,977
Contracted services	90,251	--	34,582	70,907
Depreciation and amortization	460,257	--	13,029	200,554
Drug screening	17,022	--	7,812	1,445
Dues and subscriptions	995	--	1,831	3,819
Employee recruitment	--	--	--	--
Employee relations	8,307	--	4,102	5,442
Equipment rental	53,506	556	27,536	8,248
Equipment maintenance	36,628	22,878	9,855	20,153
Indirect cost allocation	3,763,998	--	438,602	--
Insurance	129,935	--	135	37,354
Interest	--	--	--	--
Miscellaneous	16,870	--	3,131	182

<u>Program Services</u>				
	<u>Stores</u>	<u>Salvage</u>	<u>Mission Services</u>	<u>Contracts</u>
Office supplies	\$ 20,244	\$ --	\$ 28,413	\$ 4,805
Pest control	12,650	--	240	778
Postage, shipping and freight	160,050	--	1,979	597
Printing	724	--	39,331	94
Professional and consulting fees	2,477	--	406	7,178
Rent	3,488,353	--	495,032	--
Repairs and maintenance	154,042	--	6,701	19,928
Safety and security	79,775	--	6,802	6,754
Staff training and development	678	--	595	2,136
Supplies	362,259	117,619	81,764	501,140
Taxes and licenses	84,138	--	--	265
Technology expenses	156,510	--	182,560	62,349
Telephone	34,148	--	24,524	15,939
Travel	83,341	--	28,544	15,895
Uniforms	1,251	--	2,726	15,261
Utilities	1,005,091	--	94,411	13,939
Vehicle expense	223,844	13,144	297	125,298
Total Functional Expenses	<u>\$ 23,062,694</u>	<u>\$ 157,601</u>	<u>\$ 4,484,998</u>	<u>\$ 5,826,507</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020

	Supporting Services		
	Administrative	Community Relations Fundraising	Total
Compensation and related expenses			
Salaries and wages	\$ 2,360,856	\$ 261,147	\$ 17,324,547
Employee benefits	607,611	28,286	3,520,183
Workers' compensation	10,156	565	495,930
Payroll taxes	154,302	18,920	1,255,695
Total compensation and related expenses	3,132,925	308,918	22,596,355
Advertising	--	--	268,421
Background checks	1,260	120	24,387
Bad debt expense	--	--	3,404
Bank and credit card fees	34,098	--	271,229
Commissions	4,491	--	572,875
Contracted services	57,020	--	252,760
Depreciation and amortization	328,602	28,535	1,030,977
Drug screening	323	--	26,602
Dues and subscriptions	186,094	1,050	193,789
Employee recruitment	10,194	--	10,194
Employee relations	67,809	1,791	87,451
Equipment rental	87,776	--	177,622
Equipment maintenance	6,738	--	96,252
Indirect cost allocation	(3,887,893)	(314,707)	--
Insurance	104,100	--	271,524
Interest	659	--	659
Miscellaneous	8,744	--	28,927

	<u>Supporting Services</u>		
	<u>Administrative</u>	Community Relations	<u>Total</u>
Office supplies	\$ 9,093	\$ 306	\$ 62,861
Pest control	2,705	--	16,373
Postage, shipping and freight	5,012	2	167,640
Printing	4,604	200	44,953
Professional and consulting fees	59,545	--	69,606
Rent	--	--	3,983,385
Repairs and maintenance	125,359	--	306,030
Safety and security	13,338	--	106,669
Staff training and development	3,976	84	7,469
Supplies	37,797	55	1,100,634
Taxes and licenses	49,017	--	133,420
Technology expenses	311,623	4,099	717,141
Telephone	18,032	3,442	96,085
Travel	11,088	563	139,431
Uniforms	279	--	19,517
Utilities	105,301	--	1,218,742
Vehicle expense	444	--	363,027
	<u>900,153</u>	<u>34,458</u>	<u>34,466,411</u>
Total Functional Expenses	\$ <u>900,153</u>	\$ <u>34,458</u>	\$ <u>34,466,411</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2019

	Program Services			
	Stores	Salvage	Mission Services	Contracts
Compensation and related expenses				
Salaries and wages	\$ 8,940,543	\$ --	\$ 2,798,050	\$ 2,880,239
Employee benefits	1,420,761	--	296,718	949,461
Workers' compensation	237,835	--	23,416	184,078
Payroll taxes	650,149	--	201,256	214,615
Total compensation and related expenses	11,249,288	--	3,319,440	4,228,393
Advertising	202,159	--	78,993	591
Background checks	16,010	--	3,927	3,999
Bank and credit card fees	247,855	--	--	829
Commissions	8,619	--	--	434,415
Contributions	--	--	--	--
Contracted services	81,949	--	73,315	112,362
Depreciation and amortization	402,119	--	27,602	168,452
Drug screening	15,396	--	14,395	1,997
Dues and subscriptions	1,414	--	2,787	6,086
Employee recruitment	--	--	--	--
Employee relations	7,262	--	8,826	10,503
Equipment rental	19,406	2,939	22,933	9,432
Equipment maintenance	43,831	29,998	6,954	66,048
Indirect cost allocation	3,442,038	--	723,486	--
Insurance	100,910	--	324	37,449
Interest	--	--	--	--
Miscellaneous	19,685	--	8,009	213

Program Services

	Stores	Salvage	Mission Services	Contracts
Office supplies	\$ 26,974	\$ --	\$ 39,429	\$ 7,852
Pest control	14,778	--	2,860	702
Postage, shipping and freight	16,351	1,537	660	736
Printing	10,810	--	19,741	3,720
Professional and consulting fees	10,453	--	2,637	2,434
Rent	3,366,283	--	475,876	--
Repairs and maintenance	189,505	--	10,839	7,552
Safety and security	31,395	--	1,154	4,741
Staff training and development	1,809	--	5,131	2,602
Supplies	381,276	120,678	80,435	602,653
Taxes and licenses	86,776	--	--	4,648
Technology expenses	214,221	--	249,753	61,794
Telephone	27,547	--	25,569	17,892
Travel	32,296	--	41,383	15,896
Uniforms	5,486	--	4,795	8,045
Utilities	944,933	--	78,779	18,442
Vehicle expense	188,632	14,830	5,640	136,787
Total Functional Expenses	<u>\$ 21,407,466</u>	<u>\$ 169,982</u>	<u>\$ 5,335,672</u>	<u>\$ 5,977,265</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2019

	Supporting Services		Total
	Administrative	Community Relations Fundraising	
Compensation and related expenses			
Salaries and wages	\$ 2,407,951	\$ 271,202	\$ 17,297,985
Employee benefits	534,163	25,630	3,226,733
Workers' compensation	42,463	585	488,377
Payroll taxes	160,596	19,484	1,246,100
Total compensation and related expenses	3,145,173	316,901	22,259,195
Advertising	271	457	282,471
Background checks	1,228	145	25,309
Bank and credit card fees	18,731	--	267,415
Commissions	8,051	--	451,085
Contributions	2,500	--	2,500
Contracted services	11,522	50	279,198
Depreciation and amortization	320,819	28,535	947,527
Drug screening	259	40	32,087
Dues and subscriptions	210,371	554	221,212
Employee recruitment	4,914	--	4,914
Employee relations	61,913	15,384	103,888
Equipment rental	14,996	--	69,706
Equipment maintenance	7,792	--	154,623
Indirect cost allocation	(3,823,103)	(342,421)	--
Insurance	86,240	--	224,923
Interest	3,411	--	3,411
Miscellaneous	9,600	127	37,634

	<u>Supporting Services</u>		
	<u>Administrative</u>	<u>Community Relations Fundraising</u>	<u>Total</u>
Office supplies	\$ 10,860	\$ 609	\$ 85,724
Pest control	2,585	--	20,925
Postage, shipping and freight	5,684	2	24,970
Printing	4,660	624	39,555
Professional and consulting fees	65,223	--	80,747
Rent	--	--	3,842,159
Repairs and maintenance	124,930	--	332,826
Safety and security	10,884	--	48,174
Staff training and development	21,283	327	31,152
Supplies	33,395	31	1,218,468
Taxes and licenses	83,738	--	175,162
Technology expenses	324,530	9,321	859,619
Telephone	18,321	3,325	92,654
Travel	27,080	1,146	117,801
Uniforms	140	30	18,496
Utilities	117,134	--	1,159,288
Vehicle expense	3,375	--	349,264
	<u> </u>	<u> </u>	<u> </u>
Total Functional Expenses	\$ <u>938,510</u>	\$ <u>35,187</u>	\$ <u>33,864,082</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ <u>11,163,000</u>	\$ <u>2,215,431</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,030,977	947,527
Loss on disposition of fixed assets	4,048	68,302
Provision for allowance for bad debt	(4,736)	(1,956)
Net unrealized gain on investments	(455,461)	(363,770)
Net realized (gain)/loss on sale of investments	60,885	(96,580)
Changes in assets and liabilities		
Accounts receivable - trade	(1,181,344)	1,060,750
Accounts receivable - related party	(27,275)	(10,357)
Accrued interest receivable	--	176
Inventories	(108,219)	(175,144)
Prepaid expenses and assets	(866,762)	(13,273)
Accounts payable	(575,812)	424,775
Deferred revenue	20,218	(156,670)
Accrued wages	(244,346)	296,514
Accrued and withheld expenses	536,594	(6,078)
Total adjustments	<u>(1,811,233)</u>	<u>1,974,216</u>
Net cash provided by operating activities	<u>9,351,767</u>	<u>4,189,647</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	644,245	821,463
Purchase of investments	(8,137,897)	(864,383)
Proceeds from disposal of fixed assets	900	476,400
Acquisition of fixed assets	<u>(1,480,645)</u>	<u>(1,198,242)</u>
Net cash used by investing activities	<u>(8,973,397)</u>	<u>(764,762)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of long-term debt	149,900	--
Payments on obligations under capital leases	<u>(81,775)</u>	<u>(132,841)</u>
Net cash provided (used) by financing activities	<u>68,125</u>	<u>(132,841)</u>
Increase in Cash and Cash Equivalents	446,495	3,292,044
CASH AND CASH EQUIVALENTS, beginning	<u>9,994,372</u>	<u>6,702,328</u>
CASH AND CASH EQUIVALENTS, ending	<u>\$ 10,440,867</u>	<u>\$ 9,994,372</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid during the year for interest	<u>\$ 659</u>	<u>\$ 3,411</u>
NON-CASH INVESTING ACTIVITY		

In 2020, \$2,811,314 of land and building was purchased with the long-term debt.

The accompanying notes are an integral part of these financial statements.

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The consolidated financial statements include the accounts of Goodwill Industries of the Southern Rivers, Inc. (“Goodwill”), Columbus Community Campus Condominium Association, Inc. (the “Association”) and Powerworks Industries, Inc. (“Powerworks”), collectively referred to as the Organization.

Goodwill is a not-for-profit, tax-exempt organization established to provide rehabilitation, training, placement, and employment services for people with disabilities and disadvantages. Goodwill is primarily funded from the sale of donated items through its retail division (46% of revenue and support) and Federal contracts and grant revenue (27% of revenue and support). Additional revenue is provided from private sources.

The Association is organized for the purpose of providing maintenance, preservation, and architectural control of the condominium and to perform all obligations and duties of the Association. Owners of a unit in the condominium are members of the Association and are entitled to a weighted vote based upon the percentage interest owned in the condominium. Currently, the majority vote of the Association rests with its board of directors which are top executives of Goodwill. Accordingly, Goodwill is considered to have a controlling financial interest in the Association and consolidation of the financial statements of the two organizations is considered appropriate.

Powerworks is a not-for-profit, tax-exempt organization established to provide employment for disabled individuals to provide various products and services to federal and state government entities. Powerworks’ primary source of revenue is provided under Federal government contracts. Currently, services are provided at the Fort Benning Military Installation in Ft. Benning, Georgia, and the Marine Corps Logistics Base in Albany, Georgia. Typically, the federal and state contracts are set aside to employ a predominately disabled population as provided for in the Javits-Wagner-O’Day Act and administered through Source America with oversight provided by the President’s Committee for the Employment of Those with Disabilities.

In 2020, of the 174 employees working set-aside contracts, 132 were disabled, earning an average wage of \$11.12 per hour plus 100% employer-funded benefits. In 2020, disabled employees working with Powerworks earned approximately \$1,623,633. In 2019, of the 186 employees working set-aside contracts, 136 were disabled, earning an average wage of \$10.96 per hour plus 100% employer-funded benefits. In 2019, disabled employees working with Powerworks earned approximately \$1,690,774.

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Operations (Continued)

Powerworks is an affiliate of Goodwill Industries. Goodwill provides on-site professional skills training in both certified custodial and floor care as well as grounds maintenance. During employment, Goodwill provides continuous on-site case management, life coaching, and advanced placement services for the disabled. Powerworks' board of directors is primarily composed of current members of the Goodwill board and has its own slate of officers. Although Goodwill does not own Powerworks, Goodwill is considered to have a controlling financial interest in Powerworks and consolidation of the financial statements of the two organizations is considered appropriate.

Principles of Consolidation

All inter-company accounts and transactions have been eliminated in preparing the consolidated financial statements.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions: Net assets not subject to donor-imposed stipulations.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that are to be met by actions of the Organization and/or the passage of time or are to be maintained permanently by the Organization. Generally, the donors of the assets to be maintained permanently permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

At December 31, 2020 and 2019, the Organization has only net assets without donor restrictions.

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the Consolidated Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less from the date of purchase to be cash equivalents.

Receivables

Accounts receivable consists primarily of consideration from the federal government and salvage sales, of which the Organization has an unconditional right to receive. Accounts receivable are carried at their estimated collectible amounts due under normal trade terms generally requiring payment within 30 days from the invoice date or as provided within the contract. Follow-up correspondence is made if unpaid accounts receivable go beyond 30 days.

Management closely monitors outstanding accounts receivable and based upon how recently payments have been made and customer credit history, charges to expense any balances that are determined to be uncollectible or establishes an allowance for doubtful accounts. As of December 31, 2020 and 2019, the Organization established an allowance for doubtful accounts in the amount of \$0 and \$4,736, respectively.

Powerworks uses the direct write-off method to account for uncollectible accounts receivable. Based on how recently payments have been made, management reviews balances that are still outstanding. After reasonable collection efforts are made, balances are written off through a charge to accounts receivable. Accounting principles generally accepted in the United States of America require the allowance method to be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would be obtained under the allowance method.

Inventories

Inventories consist of donated merchandise held and available for resale, valued at their estimated selling price.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Consolidated Statements of Financial Position. Alternative investments are carried at fair value as determined by

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

independent appraisal. Investment transactions are recorded on the trade date. Realized gains and losses on the sale of investments are calculated on the basis of specific identification of securities sold.

Investment management fees and service charges are netted against investment income for financial reporting purposes. The net realized and unrealized gains and losses and investment management fees and services charges are included as an increase or decrease in net assets in the accompanying Consolidated Statements of Activities.

Fixed Assets and Depreciation

Fixed assets are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on the straight-line method over the assets' estimated useful lives. The various classifications of fixed assets and useful lives employed are as follows:

Land	N/A
Buildings and improvements	3 – 40 years
Furniture and equipment	2 – 15 years
Autos and trucks	2 – 10 years
Leasehold improvements	2 – 15 years
Computers and software	3 – 10 years

Maintenance, repairs, and minor renewals are charged against income when incurred. Additions and major renewals are capitalized. The Organization's policy is to capitalize fixed assets purchased or donated in excess of \$2,000.

Donations of fixed assets are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in 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 fixed assets are reported as contributions 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 restriction at that time.

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Endowment

As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization's endowment consists of net assets without donor restrictions.

Investment Return Objectives, Risk Parameters and Strategies. The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to maintain the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve limited portfolio volatility and a relatively high and secure level of return, including investment income as well as capital appreciation, within acceptable levels of risk. Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to grow the funds. Therefore, the Organization expects its endowment assets, over time, to produce an average rate of return over inflation of at least 3.5% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund: investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy. The Organization has a policy of growing rather than spending the funds. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the endowment funds and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow at a nominal rate annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Changes in endowment net assets as of December 31, 2020, are as follows:

	<u>Unrestricted</u>
Endowment net assets, beginning of year, December 31, 2019	\$ 4,363,612
Additions (subtractions)	(75,685)
Investment income, net of fees	43,138
Net appreciation	<u>455,461</u>
Endowment net assets, end of year, December 31, 2020	<u>\$ 4,786,526</u>

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Endowment (Continued)

Changes in endowment net assets as of December 31, 2019, are as follows:

	<u>Unrestricted</u>
Endowment net assets, beginning of year, December 31, 2018	\$ 3,808,245
Additions (subtractions)	96,755
Investment income, net of fees	94,842
Net appreciation	<u>363,770</u>
Endowment net assets, end of year, December 31, 2019	<u>\$ 4,363,612</u>

Revenue and Revenue Recognition

The Organization recognizes retail sales and salvage revenue at the point of sale. Grants, contract revenue, and rental income are earned over time as benchmarks are met or as the Organization provides the contracted services/space.

Revenue With and Without Donor Restrictions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a 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 Consolidated Statement of Activities as net assets released from donor restriction.

Investment Income and Gains

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Donated Services

The Organization utilizes volunteers for the VITA (Volunteer Income Tax Assistance) program. Those volunteers possess a level of expertise. The value of those volunteers' services is

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services (Continued)

estimated at \$27,984 and \$22,134, respectively, for services received during 2020 and 2019. These amounts have not been reflected in the consolidated financial statements as they are not material to the financial statements themselves. The Organization pays for most other services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization. According to generally accepted accounting principles, these services do not meet criteria for recognition as donated services and therefore, no amounts have been reflected in the consolidated financial statements.

Income Tax Status

Goodwill, the Association, and Powerworks are exempt from Federal and State income taxes under section 501(c)(3) of the Internal Revenue Code and did not conduct any unrelated business activities in 2020 or 2019. Goodwill, the Association, and Powerworks have been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of section 509(a) of the Internal Revenue Code.

Use of Estimates

The preparation of the accompanying consolidated 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 disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Consolidated Statements of Activities and in the Consolidated Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on head count.

Taxes

Taxes assessed by governmental authorities on revenue-producing transactions are presented on the Consolidated Statements of Activities net of sales.

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

The Organization uses advertising to promote its programs and services throughout its 50 county territory. Each revenue generator utilizes various advertising and other paid marketing materials to communicate the services available and provide for donation solicitation. These materials are important to show how the Organization’s mission services are sustained long term from these funding mechanisms. The production costs of advertising are expensed as incurred. Advertising expenses total \$268,421 and \$282,471 for the years ended December 31, 2020 and 2019, respectively, and are charged to the various programs benefited in the Consolidated Statements of Functional Expenses.

Subsequent Events

Management has evaluated subsequent events through May 27, 2021, the date the financial statements were available to be issued.

NOTE B – ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Trade receivables	\$ <u>3,184,081</u>	\$ <u>1,998,001</u>

NOTE C – INVENTORIES

Inventories at December 31, 2020 and 2019, consist of the following:

	<u>2020</u>	<u>2019</u>
Donated merchandise	\$ <u>1,691,447</u>	\$ <u>1,583,228</u>

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NOTE D – INVESTMENTS

The Organization has a formal investment policy that limits investment maturities as a means of managing its exposure to fair-value losses arising from increasing interest rates. The Organization also has a formal investment policy that limits its investment choices or the amount the Organization may invest in any one issuer.

Investments are stated at fair market value and consist of the following:

		<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized (Depreciation) Appreciation</u>
Mutual funds	\$ 516,236	\$ 243,496	\$ (272,740)
Real estate investment trust	89,916	66,994	(22,922)
U. S. Treasury notes	93,624	124,779	31,155
Common stocks	1,418,147	2,498,319	1,080,172
Corporate bonds	<u>9,124,674</u>	<u>9,188,512</u>	<u>63,838</u>
Total	<u>\$11,242,597</u>	<u>\$12,122,100</u>	<u>\$ 879,503</u>

As of December 31, 2020, maturities of debt investments are as follows:

Corporate Bonds

<u>< 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>11-15 Years</u>	<u>Thereafter</u>	<u>Total</u>
<u>\$ 9,188,512</u>	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ 9,188,512</u>

As of December 31, 2020, the credit rating of the Organization's investments in corporate bonds ranges from AAA to BBB.

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NOTE D – INVESTMENTS (Continued)

	2019		
	Cost	Fair Value	Unrealized (Depreciation) Appreciation
Mutual funds	\$ 665,393	\$ 451,259	\$(214,134)
Real estate investment trust	99,571	87,651	(11,920)
U. S. Treasury notes	107,133	128,058	20,925
Common stocks	1,355,885	1,980,073	624,188
Corporate bonds	<u>1,565,904</u>	<u>1,586,831</u>	<u>20,927</u>
Total	<u>\$ 3,793,886</u>	<u>\$ 4,233,872</u>	<u>\$ 439,986</u>

As of December 31, 2019, maturities of debt investments are as follows:

Corporate Bonds

< 1 Year	1-5 Years	6-10 Years	11-15 Years	Thereafter	Total
<u>\$ 1,560,809</u>	<u>\$ 26,022</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,586,831</u>

As of December 31, 2019, the credit rating of the Organization's investments in corporate bonds is AA-.

Investment return is summarized as follows:

	2020	2019
Interest and dividend income	\$ 79,833	\$ 128,154
Net realized gain (loss)	(60,885)	96,580
Net unrealized gain	455,461	363,770
Investment fees	<u>(36,695)</u>	<u>(33,291)</u>
Net Investment Gain	<u>\$ 437,714</u>	<u>\$ 555,213</u>

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NOTE E – PREPAID EXPENSES AND ASSETS

Prepaid expenses consist of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Prepaid insurance	\$ 335,629	\$ 63,330
Prepaid background check	348	348
Prepaid contracted services	11,497	--
Prepaid maintenance/support/security	2,820	2,557
Prepaid postage	915	203
Prepaid rent	36,856	36,524
Prepaid office supplies	488	716
Prepaid supplies	1,239	6,452
Prepaid utilities	14,429	14,554
Prepaid technology expense	38	18,325
Prepaid professional and consulting fees	--	39,096
Prepaid telephone expense	4,132	--
Prepaid wages	486,989	--
Prepaid payroll taxes	145,928	--
Prepaid garnishments	3,929	--
Prepaid other employee withholdings	6,030	--
Prepaid warranty	<u>3,000</u>	<u>5,400</u>
 Total	 <u>\$1,054,267</u>	 <u>\$ 187,505</u>

NOTE F – FIXED ASSETS

Fixed assets consist of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 2,588,075	\$ 2,113,075
Buildings and improvements	6,462,169	3,407,106
Furniture and equipment	6,735,835	6,228,181
Autos and trucks	1,086,461	1,052,585
Leasehold improvements	2,262,496	2,145,931
Computers and software	<u>2,341,803</u>	<u>2,262,741</u>
	21,476,839	17,209,619
Less accumulated depreciation	<u>(12,171,203)</u>	<u>(11,160,017)</u>
Fixed Assets - Net	<u>\$ 9,305,636</u>	<u>\$ 6,049,602</u>

Depreciation expense at December 31, 2020 and 2019, is \$1,030,977 and \$947,527, respectively.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE G – DEFERRED REVENUE

Deferred revenue at December 31, 2020 and 2019, consists of the following:

	<u>2020</u>	<u>2019</u>
Deferred Grant, Rent, Sale and Insurance Proceeds	\$ <u>1,090,803</u>	\$ <u>1,070,585</u>

NOTE H – ACCRUED AND WITHHELD EXPENSES

Accrued and withheld expenses consist of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Payroll related withholdings and accruals	\$ 767,347	\$ 398,420
Accrued Source America commissions	130,333	71,944
Accrued health and welfare benefits	71,581	71,211
Accrued sales tax payable	106,178	95,481
Gift certificates, vouchers and coupons	133,335	29,473
Other miscellaneous accruals	<u> --</u>	<u> 5,651</u>
Total	\$ <u>1,208,774</u>	\$ <u>672,180</u>

NOTE I – LONG-TERM DEBT

Long-term debt consists of the following:

	<u>2020</u>	<u>2019</u>
Note payable – Small Business Administration, payable in monthly installments of \$641 beginning June 16, 2021, 2.75% interest, through May 2051, secured by a blanket lien on all assets.	\$ 149,900	\$ --
Note payable – financial institution, payable in monthly installments of \$16,452 beginning Feb 1, 2021, 3.55% interest, through January 2031, secured by land and building with a book value of \$3,414,143 at December 31, 2020.	<u>2,811,314</u>	<u> --</u>
	\$ <u>2,961,214</u>	\$ <u> --</u>

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE I – LONG-TERM DEBT (Continued)

Following are maturities of long-term debt for the years ending December 31:

<u>Year Ended</u>	
2021	\$ 86,908
2022	105,790
2023	109,583
2024	113,252
2025	117,574
Thereafter	<u>2,428,107</u>
	<u>\$ 2,961,214</u>

Interest expense on long-term debt for the years ended December 31, 2020 and 2019, is \$0 and \$0, respectively.

NOTE J – OBLIGATIONS UNDER CAPITAL LEASES

Following is a summary of property held under capital leases:

	<u>2020</u>	<u>2019</u>
Telephone equipment	\$ 115,655	\$ 115,655
Computer equipment	219,855	219,855
Accumulated depreciation	<u>(138,556)</u>	<u>(144,007)</u>
	<u>\$ 196,954</u>	<u>\$ 191,503</u>
	<u>2020</u>	<u>2019</u>
0.099% lease payable in monthly installments of \$6,116 including interest through April 20, 2021, secured by equipment with a book value of \$102,599 at December 31, 2020.	\$ 19,815	\$ 80,644

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE J – OBLIGATIONS UNDER CAPITAL LEASES (Continued)

	2020	2019
7.27% lease payable in monthly installments of \$2,899 including interest through March 31, 2020, secured by equipment with a book value of \$0 at December 31, 2020.	\$ --	\$ 8,592
7.27% lease payable in monthly installments of \$1,249, including interest through December 29, 2020, secured by equipment with a book value of \$13,241 at December 31, 2020.	\$ --	\$ 12,354
	\$ 19,815	\$ 101,590

Following are maturities of capital lease obligations for the next year:

Year Ended

2021	\$ 19,815
	\$ 19,815

Interest expense on obligations under capital leases at December 31, 2020 and 2019, is \$659 and \$3,411, respectively.

NOTE K – DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES

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

STORES

Revenue generated through the sale of gently used donations at the Organization's retail stores is the primary means through which Organization funds its mission.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE K – DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES (Continued)

SALVAGE

Goodwill has a system for placing gently used donations on its retail store's sales floor. Goods are priced and merchandised constantly. Items unsold and on the sales floor over a set period of time are pulled from the retail sales floor and sold as salvage through the salvage commodity market.

MISSION SERVICES

The Organization's Department of Mission Related Services is responsible for carrying out the mission of the Organization, which is to put people to work. Goodwill's Mission Related Services team does this through a variety of job training, placement, and advancement programs that incorporate one-on-one case management and supported employment. Participants are empowered to develop self-sufficiency for the purposes of creating long-term employability and financial stability.

ADMINISTRATION

The Organization provides the strategic vision and implementation from the board level to the staff, as well as providing the oversight of accounting, people and talent development, communications, and community development necessary to deliver quality products and services in a competitive environment. In addition, through the efforts of the Association, the Organization and other non-profits will share administrative space, common-area space, technology, and other infrastructure reducing the cost to provide a quality work environment and sustaining it for more efficient use of resources. The Organization presently collects rent from three organizations, while design studies are being conducted for future renovation. For the years ended December 31, 2020 and 2019, rental income under these arrangements totals \$172,035 and \$243,402, respectively.

COMMUNITY RELATIONS/FUNDRAISING

The Organization provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations. Currently, formal fundraising events have been discontinued; however, the Organization still seeks and encourages financial support from individuals, foundations, and corporations through the use of private donations, grants, endowments, awards etc.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE L – LEASES

The Organization has several non-cancelable operating leases, primarily for store locations, vehicles and office equipment, which expire at various dates through 2040.

Future minimum lease payments under these operating leases as of December 31, 2020, are:

Years ending December 31,	
2021	\$ 4,010,296
2022	3,689,423
2023	3,059,646
2024	2,821,257
2025	2,584,592
Thereafter	<u>22,564,721</u>
Total	<u>\$ 38,729,935</u>

Rent expense, including additional charges, under these leases totals \$4,238,269 and \$3,993,197 for the years ended December 31, 2020 and 2019, respectively, and is included in equipment rental, vehicle expense, and rent expense in the Consolidated Statements of Functional Expenses.

Most of the leases contain renewal options and some contain options to buy which can be exercised within the first five years of the leases.

During the year ended December 31, 2015, the Organization sold a building that was subsequently leased back after the sale. The transaction did not meet the requirements for treatment as a capitalized lease. Future commitments for lease payments are included in the above table. The gain on the sale of \$1,322,238 is being deferred and recognized over the initial lease term of twenty years. \$61,489 and \$61,352, respectively, of the gain is recognized during the years ended December 31, 2020 and 2019.

NOTE M – CONCENTRATIONS AND COMMITMENTS

Concentration of Credit Risk

The Organization maintains its cash in various financial institutions. Cash is insured up to \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2020 and 2019, the Organization has \$9,365,259 and \$9,157,410, respectively, of uninsured deposits.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE M – CONCENTRATIONS AND COMMITMENTS (Continued)

Investment balances are insured with a combination of Federal Deposit Insurance Corporation, Securities Investor Protection Corporation, and private insurance coverage. At December 31, 2020 and 2019, uninsured investment balances total \$12,122,158 and \$3,733,872, respectively. Corporate bonds and equity securities maintained in the investment balances are subject to interest rate and market risk. In addition, investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the Organization's total investments are as follows:

<u>Issuer</u>	<u>Reported Amount</u>
BNY Mellon Funds	\$1,688,571
BNY Mellon Short-Term US Gov't Securities Fund	\$7,500,000

Concentration of Revenue and Support

At December 31, 2020 and 2019, approximately 95% and 93%, respectively, of trade accounts receivable are attributable to two customers and three customers, respectively.

During 2020 and 2019, the Organization received approximately 46% and 58%, respectively, of its annual revenue from store sales and donated inventory and approximately 3% and 5%, respectively, from salvage revenue. In addition, during 2020, the Organization received approximately 97% of its contributions from one donor.

During 2020 and 2019, the Organization received approximately .8% and 4%, respectively, of its annual revenue each year from Federally funded state and local pass-through grants. At December 31, 2020 and 2019, approximately .5% and 4%, respectively, of net trade accounts receivable were due under those grants. Amounts are received and expended by the Organization under Federal programs and are subject to audit by cognizant government agencies. Noncompliance with certain provisions of laws regulations, contracts, and grants relating to Federal programs could have a direct and material effect on the determination of financial statement amounts.

During 2020 and 2019, the Organization received approximately 26% and 32%, respectively, of its revenue from Federal government contracts to provide employment for individuals with disabilities to perform custodial services at the Fort Benning Military Installation in Ft. Benning, Georgia, and the Marine Corps Logistics Base in Albany, Georgia. In October 2008, the Organization expanded services and revenue diversification to include a grounds maintenance contract at the Marine Corps Logistics Base in Albany, Georgia. These contracts expire at various times and renewal is not guaranteed. At December 31, 2020 and 2019, 99% and 94%, respectively, of accounts receivable represents amounts due under these contracts.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE M – CONCENTRATIONS AND COMMITMENTS (Continued)

Geographic Concentration

The Organization conducts its operations in central and south Georgia as well as central Alabama, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in contributions concurrently with an increase in community need for the Organization's services.

Commitments

The contracts for the services provided at the Marine Corps Logistics Base are five-year contracts and continue through May and June 2022 and February 2023. The contracts for the services provided at the Fort Benning Military Installation are four and five-year contracts and continue through February 2021 and June 2025. Contracts are normally updated annually and are anticipated to continue.

At December 31, 2020, Goodwill is party to various contracts and commitments:

<u>Services</u>	<u>Amount</u>
Cash management services	\$4,349 per month for five years
Software support	\$58,519 remaining for software support

Claims and litigation

The Organization is party to various claims and legal proceedings covering matters that arose in the ordinary course of business activities. These matters are being handled by the Organization's insurance company. Management believes that any liability that may ultimately result from these matters will not have a material effect on the financial condition or results of operations.

NOTE M – RELATED PARTY TRANSACTIONS

Goodwill has a management contract with Powerworks. The contract is normally renewed annually and is structured so that it can be terminated by either party. This contract requires Powerworks to pay Goodwill a management fee and to reimburse any directly identifiable expenses incurred by Goodwill on its behalf. During 2020 and 2019, Powerworks paid management fees totaling \$1,522,656 and \$1,565,290 and reimbursed Goodwill for expenses totaling \$1,302,013 and \$1,060,400, respectively. Management fees represent overhead support costs. In addition, the contract calls for Goodwill to receive compensation from Powerworks of 75% of Powerworks' monthly net income after depreciation and management fees. During the years ended December 31, 2020 and 2019, Goodwill received \$3,341,097 and \$2,876,357,

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE M – RELATED PARTY TRANSACTIONS (Continued)

respectively, under this agreement. At December 31, 2020 and 2019, the receivable owed to Goodwill from Powerworks totals \$533,260 and \$439,313, respectively.

During the years ended December 31, 2020 and 2019, Goodwill invoiced the Association \$7,973 and \$5,744, respectively, for various expenses. Goodwill also collected a rental management fee during the years ended December 31, 2020 and 2019, of \$12,000 and \$57,036, respectively, from the Association. During the year ended December 31, 2020, a reconciliation of management fees assessed the Association in prior years resulted in a refund to the Association in the amount of \$90,072. Occasionally, Goodwill will advance cash to the Association. During the years ended December 31, 2020 and 2019, Goodwill made no cash advances to the Association.

Goodwill pays dues to the Association for its respective share of common expenses of the campus property. During the years ended December 31, 2020 and 2019, Goodwill paid dues of \$79,305 and \$116,133, respectively. During the year ended December 31, 2020, a reconciliation of common expenses charged to Goodwill in prior years resulted in a refund to Goodwill in the amount of \$36,971. At December 31, 2020 and 2019, the receivable owed to Goodwill from the Association totals \$7,861 and \$90,684, respectively.

Three Goodwill senior management members hold seats on the Board of Directors of B.R.I.D.G.E. of Columbus, Inc. (B.R.I.D.G.E.), a local non-profit organization. During 2019, Goodwill entered into a management contract with B.R.I.D.G.E. The contract is structured so that it can be terminated by either party upon ninety days written notice. This contract requires B.R.I.D.G.E. to pay Goodwill a management fee and to reimburse any directly identifiable expenses incurred by Goodwill on its behalf. During the years ended December 31, 2020 and 2019, B.R.I.D.G.E. paid management fees totaling \$2,400 and \$1,200, respectively and reimbursed Goodwill for expenses totaling \$91,781 and \$46,279, respectively. Management fees represent overhead support costs. In addition, the contract calls for Goodwill to receive compensation from B.R.I.D.G.E. of 75% of B.R.I.D.G.E.'s monthly net income after depreciation and management fees. During the years ended December 31, 2020 and 2019, Goodwill received \$0 and \$0, respectively, under this agreement. At December 31, 2020 and 2019, the receivable owed to Goodwill from B.R.I.D.G.E. totals \$37,631 and \$10,357, respectively.

The contract also provides that Goodwill can make cash advances to B.R.I.D.G.E. During the years ended December 31, 2020 and 2019, Goodwill made no cash advances to B.R.I.D.G.E. Goodwill made a contribution to B.R.I.D.G.E. in the amount of \$46,884 and \$0, respectively, during the years ended December 31, 2020 and 2019.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019

NOTE O – RETIREMENT PLANS

The Organization sponsors a defined contribution 401(k) plan. All full-time employees are eligible to participate upon completion of a consecutive ninety-day period of service and being 21 years of old or older. Employees may elect to defer, on a before-tax basis, a minimum amount of 1% of their compensation up to the limit for participant contributions set by the Internal Revenue Service. For the Goodwill 401(k) plan, the employer will contribute a safe harbor matching contribution equal to 100% of a participant’s salary deferral that does not exceed 6% of the participant’s compensation. For the Powerworks 401(k) plan, the employer may make a matching contribution. Retirement plan expense, including select administrative fees, for the years ended December 31, 2020 and 2019, is \$322,357 and \$271,392, respectively.

NOTE P – HEALTH AND WELFARE PLAN

The Organization sponsors a defined contribution health and welfare benefit plan for employees associated with Javits-Wagner-O’Day Act set-aside contracts. The plan is 100% employer paid and provides health, dental, emergency, and prescription card coverage. Contributions to the plan during the years ended December 31, 2020 and 2019, are \$921,441 and \$917,977, respectively.

NOTE Q – OPERATING LEASE COMMITMENTS

The Organization leases office space to tenants on a month-to-month basis and under non-cancelable operating leases with a remaining term of twelve months at December 31, 2020. The cost of the leased property is \$3,124,667 and \$3,124,667 at December 31, 2020 and 2019, respectively, and the carrying amount at December 31, 2020 and 2019, is \$1,701,025 and \$1,797,864, respectively, which reflects \$1,423,462 and \$1,326,803 of accumulated depreciation at December 31, 2020 and 2019, respectively.

The following is a schedule by year of future minimum rentals, including utilities, under the leases:

Year ending December 31,	
2021	\$ <u>128,201</u>
Total	\$ <u>128,201</u>

The lease agreements contain renewal options for one to five years. Rental income earned under these leases and other leases during the years ended December 31, 2020 and 2019, is \$172,035 and \$243,402, respectively.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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For the Years Ended December 31, 2020 and 2019

NOTE R – FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents - The carrying amount approximates fair value because of the short maturities of those instruments.

Accounts receivable, accrued interest receivable, accounts payable, accrued wages, and accrued and withheld expenses - The carrying amounts of those instruments approximates their fair value because of the short maturities of those instruments.

Investments - The fair values of investments, except the real estate investment trust and mutual funds, are measured on a recurring basis based on quoted prices in active markets for identical assets.

Investments - real estate investment trust and mutual funds - The fair value of the real estate investment trust and mutual funds are based on price of interests at initial offering or the net asset value per share as determined by the manager of the investment company.

Long-term debt and obligations under capital leases - The carrying amount of these items approximates its fair value because rates are similar to rates currently available to the Organization for debt with similar terms and remaining maturities.

The fair value and carrying amounts of financial instruments at December 31, 2020, are as follows:

	<u>Fair Value</u>	<u>Carrying Amount</u>
Cash and cash equivalents	\$ 10,440,867	\$10,440,867
Accounts receivable	3,221,713	3,221,713
Accrued interest receivable	3,248	3,248
Accounts payable	92,021	92,021
Accrued wages	1,449,963	1,449,963
Accrued and withheld expenses	1,208,774	1,208,774
Long-term debt	2,961,214	2,961,214
Obligations under capital leases	19,815	19,815

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
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NOTE R – FINANCIAL INSTRUMENTS (Continued)

The fair values for the above assets and liabilities reported at fair value at December 31, 2020, fall within the level 1 and 2 inputs of the fair value hierarchy. Level 1 inputs are those inputs that are measured at quoted prices in an active market for an identical asset or liability. Level 2 measurements generally use available indirect information, such as quoted prices for *similar* assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets and liabilities reported at fair value on a recurring basis at December 31, 2020, are as follows:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Unobservable (Level 3)
Mutual funds	\$ 243,496	\$ --	\$ 243,496
Real estate investment trust	66,994	--	66,994
U.S. Treasury notes	124,779	124,779	--
Common stocks	2,498,319	2,498,319	--
Corporate bonds	<u>9,188,512</u>	<u>9,188,512</u>	<u>--</u>
Total	<u>\$12,122,100</u>	<u>\$ 11,811,610</u>	<u>\$ 310,490</u>

Level 3 measurements are unobservable inputs which are based on the investment company's assumptions about the assumptions market participants would use.

Level 3 investments, beginning of year, December 31, 2019	\$ 538,910
Total loss included in net investment gain (loss)	(156,097)
Sales	(87,735)
Purchases	<u>15,412</u>
Level 3 investments, end of year, December 31, 2020	<u>\$ 310,490</u>

Unrealized losses of \$42,158 are included in total gain and are shown in net investment gain on the Consolidated Statement of Activities.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019

NOTE S – INCOME TAXES

The Organization’s evaluation on December 31, 2020, revealed no uncertain tax provisions that would have a material impact on the financial statements. The 2017 through 2019 tax years remain subject to examination by the IRS. In addition, the 2017 through 2019 tax years remain subject to examination by the State of Georgia. The Organization does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

NOTE T – LINES OF CREDIT

The Organization has lines of credit with interest rates ranging from 7.15% to 10.15% and a combined limit of \$225,000. The Organization owes \$25,601 at December 31, 2020.

NOTE U – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization’s financial assets as of December 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date, if applicable.

	<u>2020</u>	<u>2019</u>
Financial assets at year-end	\$ 25,787,928	\$ 16,239,850
Less those unavailable for general expenditures within one year, due to:	-----	-----
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 25,787,928</u>	<u>\$ 16,239,850</u>

As part of the Organization’s liquidity management, it maintains excess cash reserves in highly liquid bank accounts.

NOTE V – REVENUE FROM CONTRACTS WITH CUSTOMERS

In the following table, revenue is disaggregated by timing of revenue recognition for the years ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Goods/services transferred to customers at a point in time	\$22,302,021	\$22,261,510
Goods/services transferred to customers over time	<u>12,259,636</u>	<u>12,570,652</u>
Total	<u>\$34,561,657</u>	<u>\$34,832,162</u>

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE V – REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Contract receivables included in accounts receivable - trade and related party at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
	<u>\$3,166,965</u>	<u>\$2,008,358</u>

The following is a description of principal activities from which the Organization generates its revenue:

Products and services	Nature, timing of satisfaction of performance obligations, and significant payment terms
Store sales and donated inventory	The Organization recognizes revenue when a customer takes possession of merchandise. This occurs at the point of sale in the retail locations. The amount of revenue recognized is the total sales price as no refunds are provided.
Salvage revenue	The Organization recognizes revenue when a customer takes possession of merchandise. This occurs at the point of sale. The amount of revenue recognized is the total sales price.
Mission services	Mission services include vocational training, pre-employment, job search, educational literacy, personal management, and work experience services. The Organization recognizes revenue as services are provided. Services are billed and paid on a monthly basis.
Federal and other contracts	Contract revenue includes janitorial and grounds maintenance services. The Organization recognizes revenue as services are provided. Services are billed and paid on a monthly basis.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019

NOTE W – ADOPTION OF NEW ACCOUNTING STANDARDS

In August 2018, the Financial Accounting Standards Board ("FASB") issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"), which eliminates, adds and modifies certain disclosure requirements for fair value measurements. The Organization adopted ASU 2018-13 as of the effective date January 1, 2020. The adoption of the standard did not have a material impact on the Organization's consolidated financial statements or disclosures.

In March 2020, the Financial Accounting Standards Board issued ASU 2020-03, "Codification Improvements to Financial Instruments" ("ASU 2020-03"). ASU 2020-03 improves and clarifies various financial instruments topics. ASU 2020-03 includes seven different issues that describe the areas of improvement and the related amendments to GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. The Organization adopted ASU 2020-03 upon issuance, which did not have a material effect on the Organization's current financial position, results of operations or financial statement disclosures.

OTHER FINANCIAL INFORMATION

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF FINANCIAL POSITION WITHOUT ELIMINATIONS
December 31, 2020 and 2019

	ASSETS				
	Goodwill Industries	Powerworks Industries	Columbus Community Campus Condominium Association, Inc.	Combined Total	2019 Total
Cash and cash equivalents	\$ 8,149,415	\$ 2,233,311	\$ 58,141	\$ 10,440,867	\$ 9,994,372
Accounts receivable - trade, net	111,806	3,071,305	970	3,184,081	1,998,001
Accounts receivable - related party	578,753	--	--	578,753	540,354
Accrued interest receivable	3,248	--	--	3,248	3,248
Inventories	1,691,447	--	--	1,691,447	1,583,228
Investments	12,122,100	--	--	12,122,100	4,233,872
Prepaid expenses and assets	964,918	89,199	150	1,054,267	187,505
Fixed assets - net	<u>8,515,066</u>	<u>790,570</u>	<u>--</u>	<u>9,305,636</u>	<u>6,049,602</u>
 Total Assets	 <u>\$ 32,136,753</u>	 <u>\$ 6,184,385</u>	 <u>\$ 59,261</u>	 <u>\$ 38,380,399</u>	 <u>\$ 24,590,182</u>

LIABILITIES AND NET ASSETS

	<u>Goodwill Industries</u>	<u>Powerworks Industries</u>	<u>Columbus Community Campus Condominium Association, Inc.</u>	<u>Combined Total</u>	<u>2019 Total</u>
LIABILITIES					
Accounts payable	\$ 64,163	\$ 24,233	\$ 3,625	\$ 92,021	\$ 667,833
Accounts payable - related party	--	533,260	7,861	541,121	529,997
Deferred revenue	1,090,803	--	--	1,090,803	1,070,585
Accrued wages	1,292,598	157,365	--	1,449,963	1,694,309
Accrued and withheld expenses	905,358	303,416	--	1,208,774	672,180
Long-term debt	2,961,214	--	--	2,961,214	--
Obligations under capital leases	19,815	--	--	19,815	101,590
	<u>6,333,951</u>	<u>1,018,274</u>	<u>11,486</u>	<u>7,363,711</u>	<u>4,736,494</u>
Total liabilities					
NET ASSETS					
Without donor restrictions	<u>25,802,802</u>	<u>5,166,111</u>	<u>47,775</u>	<u>31,016,688</u>	<u>19,853,688</u>
Total net assets	<u>25,802,802</u>	<u>5,166,111</u>	<u>47,775</u>	<u>31,016,688</u>	<u>19,853,688</u>
Total Liabilities and Net Assets	<u>\$ 32,136,753</u>	<u>\$ 6,184,385</u>	<u>\$ 59,261</u>	<u>\$ 38,380,399</u>	<u>\$ 24,590,182</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
For Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT, REVENUE AND GAINS			
Store sales and donated inventory	\$ 20,844,071	\$ --	\$ 20,844,071
Salvage revenue	1,384,327	--	1,384,327
Mission services grants	487,499	--	487,499
Net investment gain	437,714	--	437,714
Contributions	10,307,393	--	10,307,393
Rental income	172,035	--	172,035
Gain on disposal of fixed assets	57,441	--	57,441
Other contracts	33,823	--	33,823
Other income (loss)	(3,435)	--	(3,435)
Net assets released from restrictions	--	--	--
Total support, revenue and gains	<u>33,720,868</u>	<u>--</u>	<u>33,720,868</u>
EXPENSES			
Stores	19,234,623	--	19,234,623
Salvage	157,601	--	157,601
Mission services	3,946,397	--	3,946,397
Total program services	<u>23,338,621</u>	<u>--</u>	<u>23,338,621</u>
Supporting services			
Administrative	364,446	--	364,446
Community relations/fundraising	24,121	--	24,121
Total supporting services	<u>388,567</u>	<u>--</u>	<u>388,567</u>
Total expenses	<u>23,727,188</u>	<u>--</u>	<u>23,727,188</u>
Change in Net Assets	9,993,680	--	9,993,680
NET ASSETS, beginning of year	<u>15,809,122</u>	<u>--</u>	<u>15,809,122</u>
NET ASSETS, end of year	\$ <u><u>25,802,802</u></u>	\$ <u><u>--</u></u>	\$ <u><u>25,802,802</u></u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
For Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT, REVENUE AND GAINS			
Store sales and donated inventory	\$ 20,778,967	\$ --	\$ 20,778,967
Salvage revenue	1,496,925	--	1,496,925
Mission services grants	1,188,544	--	1,188,544
Net investment gain	555,212	--	555,212
Contributions	306,925	--	306,925
Rental income	243,402	--	243,402
Loss on disposal of fixed assets	(6,950)	--	(6,950)
Other contracts	14,745	--	14,745
Other income	157,223	--	157,223
Total support, revenue and gains	<u>24,734,993</u>	<u>--</u>	<u>24,734,993</u>
EXPENSES			
Stores	18,175,063	--	18,175,063
Salvage	169,981	--	169,981
Mission services	4,584,921	--	4,584,921
Total program services	<u>22,929,965</u>	<u>--</u>	<u>22,929,965</u>
Supporting services			
Administrative	513,703	--	513,703
Community relations/fundraising	24,631	--	24,631
Total supporting services	<u>538,334</u>	<u>--</u>	<u>538,334</u>
Total expenses	<u>23,468,299</u>	<u>--</u>	<u>23,468,299</u>
Change in Net Assets	1,266,694	--	1,266,694
NET ASSETS, beginning of year	<u>14,542,428</u>	<u>--</u>	<u>14,542,428</u>
NET ASSETS, end of year	<u>\$ 15,809,122</u>	<u>\$ --</u>	<u>\$ 15,809,122</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
COLUMBUS COMMUNITY CAMPUS CONDOMINIUM ASSOCIATION, INC.
For Year Ended December 31, 2020

REVENUE AND GAINS WITHOUT DONOR RESTRICTIONS	
Dues revenue	S 104,460
Other revenue	47,608
	152,068
Total revenue and gains without donor restrictions	152,068
EXPENSES	
Bank and credit card fees	524
Insurance	17,708
Professional and consulting fees	13,244
Repairs and maintenance	36,247
Supplies	10,500
Taxes and licenses	30
Utilities	18,195
	18,195
Total expenses	96,448
Change in Net Assets Without Donor Restrictions	55,620
NET ASSETS, beginning of year	(7,845)
NET ASSETS, end of year	S 47,775

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
COLUMBUS COMMUNITY CAMPUS CONDOMINIUM ASSOCIATION, INC.
For Year Ended December 31, 2019

REVENUE AND GAINS WITHOUT DONOR RESTRICTIONS	
Dues revenue	\$ <u>133,389</u>
Total revenue and gains without donor restrictions	<u>133,389</u>
EXPENSES	
Bank and credit card fees	200
Insurance	17,730
Professional and consulting fees	58,100
Repairs and maintenance	52,438
Taxes and licenses	30
Utilities	<u>14,940</u>
Total expenses	<u>143,438</u>
Change in Net Assets Without Donor Restrictions	(10,049)
NET ASSETS, beginning of year	<u>2,204</u>
NET ASSETS, end of year	\$ <u><u>(7,845)</u></u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
POWERWORKS INDUSTRIES, INC.
For Year Ended December 31, 2020

REVENUE AND SUPPORT WITHOUT DONOR RESTRICTIONS	
Federal contracts	\$ 11,747,059
Other contracts	46,932
Other income	<u>16,818</u>
Total revenue and support without donor restrictions	<u>11,810,809</u>
EXPENSES	
Program services	
Contracts	10,539,974
Supporting services	
Management and general	<u>157,135</u>
Total expenses	<u>10,697,109</u>
Change in Net Assets Without Donor Restrictions	1,113,700
NET ASSETS, beginning of year	<u>4,052,411</u>
NET ASSETS, end of year	<u><u>\$ 5,166,111</u></u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SUPPLEMENTAL STATEMENT OF ACTIVITIES
POWERWORKS INDUSTRIES, INC.
For Year Ended December 31, 2019

REVENUE AND SUPPORT WITHOUT DONOR RESTRICTIONS	
Federal contracts	\$ 11,287,125
Other contracts	77,467
Other income	<u>19,707</u>
Total revenue and support without donor restrictions	<u>11,384,299</u>
EXPENSES	
Program services	
Contracts	10,273,029
Supporting services	
Management and general	<u>152,485</u>
Total expenses	<u>10,425,514</u>
Change in Net Assets Without Donor Restrictions	958,785
NET ASSETS, beginning of year	<u>3,093,626</u>
NET ASSETS, end of year	<u>\$ 4,052,411</u>

The accompanying notes are an integral part of these financial statements.

GOODWILL INDUSTRIES OF THE SOUTHERN RIVERS, INC.
AND RELATED ENTITIES
SCHEDULE OF STATE AWARDS EXPENDED
For the Year Ended December 31, 2020

	Federal CFDA Number	Award Amount	Pass-through Grantor's Number	2020 Expenditures
FUNDING AGENCY PROGRAM/GRANT				
U.S. DEPARTMENT OF EDUCATION				
Pass-through from Georgia Vocational Rehabilitation Agency Vocational Rehabilitation Grants to States	84.126	Federal \$ 322,335 State <u>87,239</u>	42700-610-0000081664	\$ 35,003
		Total \$ <u>409,574</u>		
Pass-through from Georgia Vocational Rehabilitation Agency Vocational Rehabilitation Grants to States	84.126	Federal \$ 435,922 State <u>117,982</u>	42700-610-SA-0000010192	<u>18,418</u>
		Total \$ <u>553,904</u>		
Total Grant Expenditures				\$ <u>53,421</u>

The accompanying notes are an integral part of these financial statements.