

Pinelands Preservation Alliance, Inc.
Financial Statements
Years Ended September 30, 2020 and 2019

Pinelands Preservation Alliance, Inc.
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Years Ended December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Pinelands Preservation Alliance, Inc.
Southampton, NJ 08088

Report on the Financial Statements

I have audited the accompanying financial statements of Pinelands Preservation Alliance, Inc. (a nonprofit organization) which comprise the statements of financial position as of September 30, 2020 and 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pinelands Preservation Alliance, Inc. as of September 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.

Other

The financial statements as of September 30, 2019 and for the year then ended were audited by a predecessor auditor whose report dated June 19, 2020 expressed an unmodified opinion on those financial statements.

James M. Wood, CPA

July 27, 2021
Hillsborough, New Jersey

Pinelands Preservation Alliance, Inc.
 Statements of Financial Position
 September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash	\$ 1,288,074	\$ 603,033
Pooled investments	3,325,846	3,041,560
Grants receivable	89,191	-
Inventory	30,455	-
Property & equipment, net	<u>3,843,810</u>	<u>3,802,708</u>
Total assets	<u>\$ 8,577,376</u>	<u>\$ 7,447,301</u>
Liabilities & Net Assets		
Liabilities		
Accounts payable & accrued expenses	\$ 74,693	\$ 126,575
Grants received in advance	-	214,865
Loans payable	248,804	-
Security deposits	<u>2,020</u>	<u>5,020</u>
Total liabilities	<u>325,517</u>	<u>346,460</u>
Net Assets		
Without donor restriction		
Undesignated	4,863,013	4,059,281
Designated	<u>3,325,846</u>	<u>3,041,560</u>
	8,188,859	7,100,841
With donor restriction	<u>63,000</u>	-
Total net assets	<u>8,251,859</u>	<u>7,100,841</u>
Total liabilities & net assets	<u>\$ 8,577,376</u>	<u>\$ 7,447,301</u>

See accompanying notes to financial statements.

Pinelands Preservation Alliance, Inc.
Statements of Activities
Years Ended September 30, 2020 and 2019

	2020			2019		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
Public Support						
Foundations	\$ 704,888	\$ 248,000	\$ 952,888	\$ 10,000	\$ 727,451	\$ 737,451
Corporations	19,700	-	19,700	525,994	-	525,994
Individuals	845,985	-	845,985	434,570	-	434,570
Bequests	697,383	-	697,383	-	-	-
Trustees	56,974	-	56,974	51,496	-	51,496
Special projects	132,435	-	132,435	347,232	600,455	947,687
	<u>2,457,365</u>	<u>248,000</u>	<u>2,705,365</u>	<u>1,369,292</u>	<u>1,327,906</u>	<u>2,697,198</u>
Revenue						
Programs & events	16,003	-	16,003	94,258	-	94,258
Programs & events - Pinelands Adventures	237,358	-	237,358	436,735	-	436,735
Rentals	104,410	-	104,410	-	-	-
Sales, net of direct costs	63,717	-	63,717	25,256	-	25,256
Investment income	285,497	-	285,497	108,421	-	108,421
	<u>706,985</u>	<u>-</u>	<u>706,985</u>	<u>664,670</u>	<u>-</u>	<u>664,670</u>
Net assets released from restriction	<u>185,000</u>	<u>(185,000)</u>	<u>-</u>	<u>1,327,906</u>	<u>(1,327,906)</u>	<u>-</u>
Total support & revenue	3,349,350	63,000	3,412,350	3,361,868	-	3,361,868
Functional Expenses						
Program Services						
Education & stewardship	1,593,015	-	1,593,015	1,365,330	-	1,365,330
Monitoring public agencies	265,496	-	265,496	351,267	-	351,267
	<u>1,858,511</u>	<u>-</u>	<u>1,858,511</u>	<u>1,716,597</u>	<u>-</u>	<u>1,716,597</u>
Supporting Services						
Management & general	175,426	-	175,426	199,552	-	199,552
Fund raising	227,395	-	227,395	255,942	-	255,942
	<u>402,821</u>	<u>-</u>	<u>402,821</u>	<u>455,494</u>	<u>-</u>	<u>455,494</u>
Total functional expenses	<u>2,261,332</u>	<u>-</u>	<u>2,261,332</u>	<u>2,172,091</u>	<u>-</u>	<u>2,172,091</u>
Increase in net assets	1,088,018	63,000	1,151,018	1,189,777	-	1,189,777
Net assets						
Beginning of year	7,100,841	-	7,100,841	5,911,064	-	5,911,064
End of year	<u>\$ 8,188,859</u>	<u>\$ 63,000</u>	<u>\$ 8,251,859</u>	<u>\$ 7,100,841</u>	<u>\$ -</u>	<u>\$ 7,100,841</u>

See accompanying notes to financial statements.

Pinelands Preservation Alliance, Inc.
 Statements of Functional Expenses
 Years Ended September 30, 2020 and 2019

	2020					2019				
	Program Services		Supporting Services			Program Services		Supporting Services		
	Education & Stewardship	Monitoring Public Agencies	Management & General	Fund Raising	Total	Education & Stewardship	Monitoring Public Agencies	Management & General	Fund Raising	Total
Payroll & fringe	\$ 925,440	\$ 168,344	\$ 120,360	\$ 125,461	\$ 1,339,605	\$ 691,861	\$ 207,182	\$ 157,640	\$ 146,200	\$ 1,202,883
Occupancy	109,927	16,279	11,638	12,132	149,976	57,261	8,927	7,183	6,893	80,264
Equipment & software	68,131	6,992	4,999	5,211	85,333	60,871	7,763	6,247	5,994	80,875
Telephone & internet	4,267	1,323	945	985	7,520	5,349	1,685	1,357	1,301	9,692
Professionals & consultants	61,451	36,456	11,673	11,554	121,134	99,398	93,766	3,774	23,720	220,658
Insurance	68,502	5,497	3,930	4,096	82,025	53,551	6,161	4,958	4,757	69,427
Dues & subscriptions	11,516	3,568	2,551	2,659	20,294	6,954	4,098	3,298	3,164	17,514
Office	17,156	3,472	2,482	2,587	25,697	18,829	5,996	4,824	4,629	34,278
Meetings & professional development	5,951	412	294	307	6,964	7,921	1,733	1,395	1,388	12,387
Travel	4,424	1,370	980	1,022	7,796	5,970	3,518	2,832	2,717	15,037
Educational programs & events	21,036	-	-	-	21,036	49,110	-	-	-	49,110
Publications & publicity	53,198	-	-	45,147	98,345	73,285	-	-	47,570	120,855
Special projects	129,829	-	-	-	129,829	155,790	-	-	-	155,790
Investment expense	-	-	-	-	-	15,198	4,029	2,285	2,934	24,446
Rancocas Creek Farm operations	41,882	-	-	-	41,882	-	-	-	-	-
Depreciation	70,305	21,783	15,574	16,234	123,896	63,982	6,409	3,759	4,725	78,875
	\$ 1,593,015	\$ 265,496	\$ 175,426	\$ 227,395	\$ 2,261,332	\$ 1,365,330	\$ 351,267	\$ 199,552	\$ 255,942	\$ 2,172,091

See accompanying notes to financial statements.

Pinelands Preservation Alliance, Inc.
 Statements of Cash Flows
 Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Increase in net assets	\$ 1,151,018	\$ 1,189,777
Adjustment to reconcile change in net assets to cash provided by operating activities:		
Depreciation	123,896	78,875
Unrealized gains on pooled investments	(246,665)	(43,473)
(Increase) decrease in:		
Grants receivable	(89,191)	-
Loans receivable	-	12,500
Inventory	(30,455)	-
Increase (decrease) in:		
Accounts payable & accrued expenses	(51,882)	66,102
Grants received in advance	(214,865)	(186,044)
Security deposits	(3,000)	5,020
Cash provided by operating activities	<u>638,856</u>	<u>1,122,757</u>
 Cash flows from investing activities		
Acquisition of pooled investments	(59,426)	(337,198)
Acquisition of property & equipment	<u>(143,193)</u>	<u>(1,827,382)</u>
Cash used in investing activities	<u>(202,619)</u>	<u>(2,164,580)</u>
 Cash flows from financing activities		
Proceeds from loans payable	<u>248,804</u>	<u>-</u>
 Increase (decrease) in cash	685,041	(1,041,823)
 Cash		
Beginning of period	<u>603,033</u>	<u>1,644,856</u>
End of period	\$ <u><u>1,288,074</u></u>	\$ <u><u>603,033</u></u>

See accompanying notes to financial statements.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
Years Ended September 30, 2020 and 2019

(1) Nature of Organization

Pinelands Preservation Alliance, Inc. (the Alliance) is a New Jersey not-for-profit charitable organization established in 1989. The Alliance's primary purpose is to protect and preserve the resources of the New Jersey Pinelands by involving the public and educating them on the values of Pinelands resources and the issues involved in their preservation. Pursuant to this goal, the Alliance monitors public agency decisions and activities and provides public information concerning such activities for educational purposes.

The Alliance has two additional initiatives: *Pinelands Adventures*, an outdoor recreation program aimed at fostering public understanding of and devotion to the Pinelands, and *Rancocas Creek Farm*, a sustainable, chemical-free farm connected to our mission to protect the Pinelands.

(2) Summary of Significant Accounting Policies

Basis of Presentation

The Alliance's financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Net assets and the changes therein are classified and reported as follows:

Without donor restriction - Net assets that are not subject to donor imposed restrictions or law.

With donor restriction - Net assets subject to donor imposed restrictions or law wherein (a) the restriction will be met by actions of the Alliance and/or the passage of time or (b) the principal will be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restriction unless their use is limited by explicit donor imposed restrictions or by law. Expenses are reported as decreases in net assets.

Accounting estimates

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

Cash

For the purposes of the statement of cash flows, all demand deposit accounts in financial institutions are classified as cash.

Pooled investments

Investments are held in pooled funds invested with the Community Foundation of New Jersey and the Princeton Area Community Foundation. Underlying investments consist of cash and mutual funds. As a participant in the pooled funds, the Alliance's ownership interest is based on the allocation of the fair value of the Alliance's units to the total fair value of the investment pool. The pool is revalued periodically and investment income is allocated to participants based on their units. Pooled investments are measured at fair value in the statements of financial position. The change in fair value of pooled funds is included in investment income as unrestricted net assets unless the income or loss is restricted by donor or law.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
Years Ended September 30, 2020 and 2019

Property and equipment

Property and equipment are stated at cost, less accumulated depreciation. Expenditures for maintenance and repairs are charged directly to expense; major replacements and betterments are capitalized and depreciated over the estimated useful life of the assets using the straight line method of depreciation.

Inventory

The Alliance sells educational materials and supplies related to its programming. The inventory is carried at the lower of cost or market.

Contributions

Contributions are recorded as revenue when pledged. Contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor-imposed conditions.

Program Service Fees

Fees for services are recognized as income when the related services are rendered, and the earnings process is complete.

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Expenses are charged to each program based on direct expenditures incurred. Management and fund raising expenses are charged as supporting services. Indirect costs are allocated to functions based on employee hours, occupancy square footage, or other applicable bases of allocation.

Fair value of financial instruments

Financial instruments are carried at fair value which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In determining fair value, the Alliance uses various valuation approaches based on a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are readily available market data provided by independent sources and widely accepted by market participants to price assets and liabilities. Unobservable inputs are those that apply to funds and the underlying assets/liabilities that do not trade regularly in the open market, such as real estate funds, private equity funds, and hedge funds. Absent an active market for these investments, pricing inputs require that valuation estimates be based on the best information available in the circumstances, using informed judgment and experience. The valuation hierarchy is broken down into three levels based on the observability of inputs, as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets. Valuation adjustments and block discounts are not applied to Level 1 instruments. Because valuations are based on quoted prices that are readily and regularly available in the active market, valuation of these products does not entail subjective judgement.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
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Level 2 - Valuations based on one or more quoted price for investments that are not exchange-traded, but for which all significant inputs are observable, either directly or indirectly, and for which transaction activity is unrestricted and occurs on a regular basis (e.g. individual fixed income securities as well as commingled stock and bond funds).

Level 3 - Valuations based on (a) inputs that are unobservable and significant to the overall fair value measurements, as is the case in all funds invested in real estate or private equity, and in some hedge funds; and/or (b) inputs that are observable but apply to assets in commingled vehicles from which the Alliance cannot fully redeem within 30 days.

The availability of observable inputs can vary from asset to asset. It is affected by a wide variety of factors, including, but not limited to: the type of instrument, whether it is new and not yet established in the marketplace, the liquidity of markets, other characteristics particular to the investment. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires some degree of judgment. In determining fair value, investments are categorized as Level 3 if judgement is applied to the valuation process, and/or the Alliance could not fully redeem the investment within 30 days of the Alliance's measurement date.

In certain cases, the inputs used to measure the fair value of an investment entity may fall into different levels of the fair value hierarchy. In such cases, the entire investment has been assigned to the lowest significant level applicable to the valuation of such investments.

The Alliance's financial statements use prices and inputs that were current as of the measurement date. Following is a description of the valuation techniques used for Level 1, 2 and 3 assets measured at fair value on dates of the statements of financial position.

Pooled investments - Withdrawals may be made based on the ownership interest shares times the per share market value of the pool at each valuation date and are not subject to any significant withdrawal limitations. Pooled investments are classified as Level 2.

Concentrations of credit and market risk

Financial instruments that potentially expose the Alliance to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash and cash equivalents are maintained at high quality financial institutions and credit exposure is limited to any one institution. The Alliance has not experienced any losses on its cash and cash equivalents. The Alliances' investments are generally diversified within each pooled investment.

Income taxes

The Alliance qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes. All applicable returns for the exempt organization are filed in a timely manner. The Alliance is liable for payment of payroll tax as an employer; all such amounts are paid in a timely manner as required by state and federal regulations.

It is the Alliance's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable and to disclose contingencies relating to uncertain tax positions when a liability is not probable or estimable. Management is not aware of any violation of tax status or exposure to uncertain tax positions that could require disclosure or which could affect its liquidity or future cash flows.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
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The Alliance's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ended September 30, 2017 through 2020 are subject to examination by the IRS, generally for three years after they were filed; its New Jersey Charities Registration, Form CRI-300R, are also subject to examination for those same periods.

New accounting pronouncements

The Financial Accounting Standards Board (FASB) issued Update No. 2016-02, *Leases* (Topic 842), in February 2016. Under this guidance, lessees are required to record most leases on their balance sheets but recognize expenses in the income statement. All entities will classify leases to determine how to recognize lease-related revenue and expense. In applying this guidance, entities must also determine whether an arrangement contains a lease or service agreement. Disclosures are required by lessees and lessors to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The amendments in this Update are effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this updated guidance on its financial statements.

(3) Pooled Investments

As of September 30, 2020 and 2019, pooled investments consist of the following:

	Fair Value	Cost Basis
<u>September 30, 2020</u>		
Community Foundation of New Jersey	\$1,675,347	\$1,592,083
Princeton Area Community Foundation	<u>1,650,499</u>	<u>1,369,920</u>
	<u>\$3,325,846</u>	<u>\$2,962,003</u>
<u>September 30, 2019</u>		
Community Foundation of New Jersey	\$1,596,974	\$1,513,710
Princeton Area Community Foundation	<u>1,444,586</u>	<u>1,164,008</u>
	<u>\$3,041,560</u>	<u>\$2,677,718</u>

Investment income is comprised of the following for the years ended September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Interest & dividends	\$ 67,030	\$ 64,948
Investment gains	246,665	43,473
Investment fees	<u>(28,198)</u>	<u>-</u>
	<u>\$285,497</u>	<u>\$108,421</u>

Pooled investments have been designated as endowment by the board of trustees.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
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(4) Recurring Fair Value Measurements

The following table summarizes financial instruments which are recorded at fair value on a recurring basis as of September 30, 2020 and 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
September 30, 2020				
Pooled investments	\$ <u> -</u>	\$ <u>3,325,846</u>	\$ <u> -</u>	\$ <u>3,325,846</u>
September 30, 2019				
Pooled investments	\$ <u> -</u>	\$ <u>3,041,560</u>	\$ <u> -</u>	\$ <u>3,041,560</u>

(5) Property and Equipment

As of September 30, 2020 and 2019, property and equipment consist of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 873,412	\$ 840,099
Buildings & improvements	3,080,528	3,008,537
Furniture & equipment	<u>513,619</u>	<u>453,925</u>
	4,467,559	4,302,561
Less accumulated depreciation	(<u>623,749</u>)	(<u>499,853</u>)
	<u>\$3,843,810</u>	<u>\$3,802,708</u>

(6) Loans Payable

Paycheck Protection Program

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which spread throughout the United States. In response to the pandemic, the United States Congress passed the Coronavirus Aid, Relief and Economic Security Act (CARES) which provides direct economic assistance and loans to business entities. In April 2020, the Alliance received a loan of \$210,800 under the Paycheck Protection Program (PPP) which is a component of the CARES Act. If certain criteria are met, all or a portion of the loan may be forgiven. As of September 30, 2020 the loan remained outstanding, repayable over 5 years at a rate of 1%. In 2021, the Alliance met the forgiveness criteria for the full amount of the loan; \$210,800 will be recognized as income during the year ending September 30, 2021.

Kubota Credit Corporation

The Alliance has a loan for the acquisition of a tractor. Future principal commitments are as follows for years ending September 30, 2020:

2021	\$ 8,445
2022	8,445
2023	8,445
2024	8,445
2025	<u>4,224</u>
	<u>\$38,004</u>

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
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(7) Retirement Plan

The Alliance sponsors a 403(b) retirement plan. Employees are eligible to receive employer contributions after completing an initial 1,000 hours of service and are fully vested in employer contributions after 6 years of service. Employer contributions match employee elective deferrals up to \$6,000 per employee per year. The Alliance's contributions to the plan totaled \$36,007 and \$28,173 for the years ended September 30, 2020 and 2019, respectively.

(8) Net Assets

As of September 30, 2020 and 2019, net assets with donor restrictions are as follows:

	<u>2020</u>	<u>2019</u>
Delaware River Watershed Initiative	\$62,000	\$ -
Legal defense	<u>1,000</u>	<u>-</u>
	<u>\$63,000</u>	<u>\$ -</u>

Net assets were released from donor restrictions by incurring expenses and satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Delaware River Watershed Initiative	\$120,000	\$ -
Equipment	50,000	-
Property acquisition	15,000	-
Other specified use	<u>-</u>	<u>1,327,906</u>
	<u>\$185,000</u>	<u>\$1,307,906</u>

(9) Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are comprised of the following as of September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash	\$1,288,074	\$ 603,033
Pooled investments	3,325,846	3,041,560
Grants receivable	<u>89,191</u>	<u>-</u>
Total financial assets	4,703,111	3,644,593
Less:		
Board-designated endowment	3,325,846	3,041,560
Net assets with donor restriction	<u>63,000</u>	<u>-</u>
Financial assets available for general expenditure	<u>\$1,314,265</u>	<u>\$ 603,033</u>

Cash balances in excess of current operating requirements are placed in interest-bearing demand deposits.

Pinelands Preservation Alliance, Inc.
Notes To Financial Statements
Years Ended September 30, 2020 and 2019

(10) Commitments

Leases

The Alliance has certain office equipment under operating leases. Future minimum lease obligations for the years ending September 30 are as follows:

2021	\$1,260
2022	1,260
2023	1,260
2024	1,260
2025	<u>1,155</u>
	<u>\$6,195</u>

The Alliance is the lessor of certain property. Future lease payments receivable are as follows for years ending September 30:

2021	\$18,700
2022	<u>1,700</u>
	<u>\$20,400</u>

(11) Risks and Uncertainties

Coronavirus

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which has spread throughout the United States. On March 21, 2020, the governor of New Jersey declared a health emergency and issued an order to close all nonessential businesses and activities until further notice. The Alliance has continued operations with virtual programming and staff working remotely. This health emergency could impact donors' ability to make donations to the Alliance and negatively affect income generated from programs and events. The future impact on the Alliance's operations, earnings, cash flows and financial position cannot be reasonably estimated as of the date of these financial statements.

(12) Subsequent Events

The Alliance received a second loan in the amount of \$251,875 under the Paycheck Protection Program in February 2021. The loan may be forgiven if certain criteria are met. If not forgiven, the loan is repayable at a rate of 1% over period of 5 years. Management expects to meet the forgiveness criteria during the year ending September 30, 2021.

The Alliance has evaluated the need for adjustments resulting from subsequent events through July 27, 2021, the date the financial statements were available to be issued. Based upon this evaluation, no adjustments or additional disclosures were required to the financial statements as of as of September 30, 2020.