National Alliance To End Homelessness, Inc.

Financial Statements

December 31, 2019

CALIBRE
CPA GROUP

National Alliance To End Homelessness, Inc.

Financial Statements

Year Ended December 31, 2019

Contents

CALIBRE
CPA GROUP

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
National Alliance To End Homelessness, Inc.

We have audited the accompanying financial statements of National Alliance To End Homelessness, Inc. (the Alliance), which comprise the statement of financial position as of December 31, 2019, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Alliance'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 Alliance's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alliance as of December 31, 2019, 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.

Calibre CPA Group, PLLC

Bethesda, MD
June 29, 2020

National Alliance To End Homelessness, Inc.

Statement of Financial Position

December 31, 2019

Assets	
Current assets	
Cash and cash equivalents	$ 7,929,938
Investments	4,863,799
Grants and contributions receivable	111,629
Bequest receivable	-
Accounts receivable	192,816
Prepaid expenses	127,958
Total current assets	13,226,140
Property and equipment	
Furniture and equipment	260,517
Less: accumulated depreciation	(193,606)
Property and equipment, net	66,911
Other assets	
Deposits	1,000
Total assets	$ 13,294,051
Liabilities and Net Assets	
Current liabilities	
Accounts payable	$ 102,126
Accrued expenses	197,564
Deferred revenue	464,772
Deferred rent	35,916
Total current liabilities	800,378
Noncurrent liabilities	
Deferred rent, net of current portion	24,636
Total liabilities	825,014
Net assets	
Without donor restrictions	11,927,653
With donor restrictions	541,384
Total net assets	12,469,037
Total liabilities and net assets	$ 13,294,051

See accompanying notes to financial statements.

National Alliance To End Homelessness, Inc.

Statement of Activities

Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Grant and contributions	$ 3,836,430	$ 62,000	$ 3,898,430
Conference registrations fee	1,194,220	-	1,194,220
Contract income	412,472	-	412,472
Other revenue	22,907	-	22,907
Investment income	597,729	-	597,729
Net assets released from restrictions	1,233,953	(1,233,953)	-
Total support and revenue	7,297,711	(1,171,953)	6,125,758
Expenses			
Program services			
Advocacy	272,867	-	272,867
Capacity building	707,063	-	707,063
Conferences	1,389,119	-	1,389,119
HRI/Research education	1,511,453	-	1,511,453
Lobbying	30,082	-	30,082
Total program services	3,910,584	-	3,910,584
Supporting services			
General and administrative	274,842	-	274,842
Fundraising	131,145	-	131,145
Total supporting expenses	405,987	-	405,987
Total expenses	4,316,571	-	4,316,571
Change in net assets	2,981,140	(1,171,953)	1,809,187
Net assets			
Beginning of year	8,946,513	1,713,337	10,659,850
End of year	$ 11,927,653	$ 541,384	$ 12,469,037

See accompanying notes to financial statements.

National Alliance To End Homelessness, Inc.

Statement of Functional Expenses

Year Ended December 31, 2019

	Program Services						Supporting Services				
	Advocacy	Capacity Building	Conferences	HRI/Research Education	Lobbying	Total Program Services	General and Administrative	Fundraising	Total Support Services	Overhead	Total
Salaries	$ 172,676	$ 392,699	$ 331,058	$ 875,394	$ 14,712	$ 1,786,539	$ 167,953	$ 45,856	$ 213,809	$ 7,488	$ 2,007,836
Benefits and payroll taxes	37,518	85,611	74,892	191,940	3,226	393,187	36,561	9,775	46,336	-	439,523
Advertising and promotion	-	95	-	194	-	289	1,214	6,909	8,123	-	8,412
Bad debt expenses	-	3,244	-	-	-	3,244	-	-	-	-	3,244
Conference registrations	-	149	-	335	-	484	-	-	-	-	484
Consultant fees	21,150	73,686	22,788	157,139	-	274,763	-	-	-	-	274,763
Depreciation	-	-	-	-	-	-	-	-	-	16,572	16,572
Dues and subscriptions	2,000	-	-	35,322	-	37,322	-	7,689	7,689	1,276	46,287
Insurance	-	-	-	-	-	-	-	-	-	12,038	12,038
Lodging	-	20,460	38,398	26,973	-	85,831	-	-	-	-	85,831
Meals	1,700	8,572	548,156	15,750	-	574,178	2,029	-	2,029	1,272	577,479
On-line management system	-	8,947	-	-	-	8,947	-	-	-	-	8,947
Other expenses	-	658	30,706	-	-	31,364	6,845	37,683	44,528	3,804	79,696
Payroll services	-	-	-	-	-	-	3,571	-	3,571	-	3,571
Postage and delivery	-	803	8,826	556	-	10,185	25	2,454	2,479	2,530	15,194
Printing and copying	4,318	10	16,418	-	5,901	26,647	-	2,320	2,320	3,623	32,590
Professional fees	-	-	-	-	-	-	19,129	5,455	24,584	7,687	32,271
Rent	-	16,922	-	-	-	16,922	-	-	-	208,633	225,555
Repairs, maintenance and leases	-	-	159,119	4,868	-	163,987	530	-	530	6,080	170,597
Supplies	22	911	42,387	406	-	43,726	3,947	4,884	8,831	3,675	56,232
Technology	475	560	11,035	10,926	2,700	25,696	4,286	1,033	5,319	52,006	83,021
Telephone	-	1,988	40	2,542	-	4,570	-	-	-	27,644	32,214
Travel	1,118	20,882	48,604	33,204	-	103,808	406	-	406	-	104,214
Overhead allocation	31,890	70,866	56,692	155,904	3,543	318,895	28,346	7,087	35,433	(354,328)	-
	$ 272,867	$ 707,063	$ 1,389,119	$ 1,511,453	$ 30,082	$ 3,910,584	$ 274,842	$ 131,145	$ 405,987	$ -	$ 4,316,571

See accompanying notes to financial statements.

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 1,809,187
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	16,572
Net appreciation in fair value of mutual funds	(498,901)
Change in assets	
Grants and contributions receivable	961,561
Bequest receivable	25,000
Accounts receivable	(38,394)
Prepaid expenses	(99,540)
Change in liabilities	
Accounts payable	78,764
Accrued expenses	(4,158)
Deferred revenue	193,782
Deferred rent	(25,382)
Net cash provided by operating activities	2,418,491
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of furniture and software	-
Proceeds from sale of investments	1,808,288
Purchase of investments	(3,346,244)
Net cash used for investing activities	(1,537,956)
NET CHANGE IN CASH AND CASH EQUIVALENTS	880,535
CASH AND CASH EQUIVALENTS	
Beginning of year	7,049,403
End of year	$ 7,929,938

See accompanying notes to financial statements.

NOTE 1. ORGANIZATION

Organization

National Alliance to End Homelessness, Inc. (the Alliance) is a non-profit organization incorporated in the District of Columbia in 1983 as the National Citizens Committee on Food and Shelter and changed their name in 1988 for the purpose of addressing the long-term problems of homelessness through program research, advocacy, project operation, and public awareness.

The Alliance offers the following program services:

Advocacy - The Alliance is a leading voice on federal homelessness policy. The Alliance analyzes and educates the public about proposed and enacted federal legislation and consults with partners around the country about the impact on homelessness of federal policy. The Alliance works collaboratively with public, private, and nonprofit partners to develop, analyze, and advocate for policy solutions to homelessness.

Capacity Building - The Alliance provides capacity-building assistance through its Center for Capacity Building to help communities turn policy solutions and proven best practices into viable, on-the-ground programs. The Alliance provides communities across the country with best practices, how-to kits, technical assistances, and training to help them implement solutions developed through policy, research, and practice.

Conferences - The Alliance holds two Conferences each year that focus on strategies to end homelessness, including rapid re-housing and family intervention, as well as the development of a crisis response system and coordinated entry process, retooling transitional housing, the role of mainstream programs, and federal policy goals for Congress. Attendees and speakers include national and local experts on homelessness.

HRI/Research Education - The Homelessness Research Institute (HRI), the research and education arm of the National Alliance to End Homelessness, builds the intellectual capital around solutions to homelessness. HRI advances data and research so that policymakers, practitioners, and the public have the best information about trends in homelessness and emerging solutions.

Lobbying - The Alliance's staff spends a small proportion of its time attempting to influence the content of specific federal legislation, on issues directly related to the Alliance's mission. A portion of this work involves enlisting others from outside the organization to communicate with Congressional offices.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Alliance prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Revenue is recognized when earned and expenses are recorded as incurred.

Financial Statement Presentation

Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC), *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, the Alliance is required to report information regarding its financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturities of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturity terms of those financial instruments. The Alliance maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. The Alliance believes it is not exposed to any significant credit risk on cash or cash equivalents.

Accounts, Grants and Contributions Receivables

Accounts, grants and contributions receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon review of outstanding receivables, historical collection of information, and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. Management believes all receivables are fully collectible within one year or less and no provision for allowance for doubtful accounts is deemed necessary.

Unconditional promises to give are recognized as support when the donor makes a promise to give to the Alliance that is, in substance, unconditional. Pledges that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on these amounts are computed using a risk-free interest rate applicable to the year in which the pledge is made. All unconditional promises to give are expected to be received in one year or less and therefore there was no discount calculated on these pledges.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments consist of amounts held in equities and mutual funds, all of which are reported at fair value, generally as determined by published market prices. Income earned is derived from interest, dividends and changes in fair value. Unrealized gains (losses) resulting from increases (decreases) in fair value of securities held as well as the net realized gains (losses) arising from sales of securities are included in investment income. Dividends and interests are recognized as they are earned. Investment income is reported in the statement of activities net of all external and direct internal investment expenses.

Net Assets

Net assets are reported in two distinct classes as follows:

Net assets without donor restrictions - These net assets are available to finance the general operations of the Alliance. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Alliance, the environment in which it operates, and the purposes specified in its organizing documents.

Net assets with donor restrictions - These net assets result from contributions and other inflows of assets, the use of which by the Alliance is limited by donor-imposed time or purpose restrictions that are either temporary or perpetual.

Revenue Recognition

Revenue from contracts with customers consists primarily of conference registrations fee and contract income. Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. The revenue is recognized net of discounts, waivers, and refunds. Revenue is recognized using the five-step approach required by ASC Topic 606, as follows:

- Identification of the contract with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, performance obligations are satisfied

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Performance Obligations and Significant Judgments

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each performance obligation identified in the arrangement based on the relative standalone selling price of each distinct good or service and recognized as revenue when, or as, the performance obligation is satisfied. If a distinct good or service does not have an observable standalone selling price, then the primary method used to estimate the standalone selling price is the adjusted market assessment approach, under which we evaluate the market and estimate a price that a customer would be willing to pay for the goods and services we provide.

Conference registrations fee and contract income are recognized as revenue as services are provided.

Contract Balances

The timing of billings, cash collections, and revenue recognition result in contract assets and contract liabilities reported in the statements of financial position. Contract assets consist entirely of trade accounts receivable, which are recognized only to the extent that it is probable that the Alliance will collect substantially all of the consideration to which it is entitled in exchange for the goods or services that will be or have been transferred. Contract liabilities consist entirely of deferred revenue that results when the Alliance receives advance payments from our customers before revenue is recognized.

Costs to Obtain a Contract

The Alliance has elected the practical expedient available in ASC Subtopic 340-40, in which any incremental costs of obtaining a contract are recognized as an expense when incurred if the amortization period of the asset that would have been recognized is one year or less.

Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are generally 3 to 7 years. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred. Depreciation expense for the year ended December 31, 2019 totaled $16,572.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and supporting activities of the Alliance have been summarized on a functional basis in the statements of activities and functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Other costs are allocated among the program and supporting services benefited based on management's best estimates. Salaries and related fringe benefits are allocated based on employee time and effort studies. Other common costs such as occupancy, depreciation and related infrastructure costs are allocated based on employee time and effort studies.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

New Accounting Pronouncement Adopted

During the year ended December 31, 2019, the Alliance adopted the provisions of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). ASU 2014-09 prescribes a single model for revenue recognition, with a set of principles to be used for determining when revenue should be recognized, including performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and allocating the transaction price to each separate performance obligation. It also requires expanded disclosures about the nature, amount, and timing of revenues and cash flows. The adoption of ASU 2014-09 did not have a material impact on the Alliance's financial statements.

During the year ended December 31, 2019, the Alliance also adopted the provisions of ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 provides a framework for determining whether a particular transaction is an exchange or a contribution, including how to evaluate whether a resource provider receives commensurate value in an exchange transaction, and guidance to assist entities in determining whether a contribution is either conditional or unconditional. The adoption of ASU 2018-08 did not have a material impact on the Alliance's financial statements

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of the Alliance's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Alliance invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term earnings with acceptable risk to investment principal.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (CONTINUED)

The following table represents the Alliance's financial assets available to meet cash needs for general expenditures within one year of December 31, 2019:

Total assets at end of year	$ 13,294,051
Less: nonfinancial assets	
Prepaid expenses	(127,958)
Deposits	(1,000)
Property and equipment, net	(66,911)
Total financial assets at end of year	13,098,182
Less: amounts not available to meet general expenditures coming due within one year	
Donor restricted funds	(541,384)
Total financial assets available for general expenditures within one year	$ 12,556,798

NOTE 4. INCOME TAXES

The Alliance is a 501(c)(3) entity exempt from federal income tax under Section 501(a) of the Internal Revenue Code. The Alliance is, however, subject to tax on business income unrelated to their exempt purpose.

The Alliance believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

The Alliance's income tax returns are subject to examination by the Internal Revenue Service for a period of three years from the date they were filed, except under certain circumstances. The Alliance's Form 990 tax returns for the years ended December 31, 2016 through 2018 are open for a tax examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

NOTE 5. INVESTMENT AND FAIR VALUE MEASUREMENTS

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Alliance has the ability to access.

NOTE 5. INVESTMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is the description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodology at December 31, 2019 and 2018.

Mutual funds are valued at the closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Alliance's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table set forth by level, within the fair value hierarchy, the Alliance's investments at fair value as of December 31, 2019:

	2019			
Description	Total	Quoted Market Prices for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 4,863,799	$ 4,863,799	$ -	$ -

NOTE 5. INVESTMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

Investment income consisted of the following for the year ended December 31, 2019:

Interest and dividend	$ 138,175
Unrealized loss	359,200
Realized loss	139,701
Investment expenses	(39,347)
	$ 597,729

NOTE 6. PENSION PLAN

The Alliance offers a 403(b) retirement plan to all eligible employees. Effective January 1, 2009, the Alliance revised its pension plan agreement. According to the revised terms, the Alliance will decide each year how much, if any, to contribute to the retirement plan. To qualify as a participant under the plan, employees must meet certain requirements. Employees may make voluntary contributions to the plan. Pension expense for the year ended December 31, 2019 totaled $135,188.

NOTE 7. COMMITMENTS AND CONTINGENCIES

In 2013, the Alliance entered into a new agreement for its office lease beginning May 1, 2014 for an 87-month period, ending July 31, 2021. According to the lease terms, the base rental rate shall be $16,052 per month for the first lease year, and each successive lease year the base rental rate shall be increased by 4.5%. The total rent due and lease incentives provided under the lease agreement are being recognized on a straight-line basis in the financial statements.

Total future minimum lease payments are as follows:

2020	$ 244,548
2021	146,328
Total	$ 390,876

Total rent charged to operations for the year ended December 31, 2019 totaled $225,555.

NOTE 8. TEMPORARILY NET ASSETS WITH DONOR RESTRICTIONS

The Alliance had the following temporarily net assets with donor restrictions as of December 31, 2019:

Bill and Melinda Gates Foundation	$	50,000
Conrad N. Hilton Foundation		128,514
PetSmart Charities		8,333
Melville Charitable Trust		180,937
Oak Foundation		150,000
Blue Cross/Anthem		23,600
Total	$	541,384

NOTE 9. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of Revenue from Contracts with Customers

The following table disaggregates the Alliance's revenue based on the timing of satisfaction of performance obligations for the years ended December 31, 2019:

Performance obligations satisfied at a point in time	
Conference registrations fee	$ 1,194,220
Contract income	412,472
Other revenue	22,907
Other revenue*	
Grant and contributions	3,898,430
Investment income (loss)	597,729
	$ 6,125,758

* Due to the nature of these revenue streams, these items are excluded from required disaggregation under ASC Topic 606. They are included here to provide a reconciliation to total revenues reported in the statements of activities.

NOTE 9. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Contract Balances

All of the Alliance's contract assets are included with accounts receivable in the statements of financial position, and all of its contract liabilities are included with deferred revenues. Balances in these accounts as of the beginning and end of the year ended December 31, are as follows:

	2019	2018
Accounts receivable		
Contract income	$ 192,816	$ 154,422
Deferred revenue		
Conference registrations fee	$ 464,772	$ 270,990

NOTE 10. CONCENTRATION OF CREDIT RISK

The Alliance maintains cash and cash equivalent balances at two financial institutions in the United States. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of December 31, 2019, amounts on deposit exceeded the FDIC insurance limit by approximately $1,374,000. The Alliance has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash balances.

NOTE 11. SUBSEQUENT EVENTS

Subsequent to year-end, U.S. and global business and financial markets have been severely impacted by the Coronavirus pandemic. The potential impacts on the Alliance's financial condition and activities cannot be determined at this time. All subsequent events have been evaluated through June 29, 2020, which is the date the financial statements were available to be issued. This review and evaluation revealed no other material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.