

**THE PRESERVATION ALLIANCE
FOR GREATER PHILADELPHIA**

**FINANCIAL REPORT
December 31, 2019 and 2018**

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

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Independent Auditor's Report

Board of Directors
The Preservation Alliance for Greater Philadelphia
Philadelphia, PA

We have audited the accompanying financial statements of The Preservation Alliance for Greater Philadelphia (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Preservation Alliance for Greater Philadelphia as of December 31, 2019 and 2018 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



SNYDER, DAITZ & COMPANY
Philadelphia, PA

May 11, 2020

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF FINANCIAL POSITION December 31,

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 457,128	\$ 376,328
Grants and contributions receivable	96,646	169,655
Prepaid expenses	10,658	12,591
	<hr/>	<hr/>
Total Current Assets	\$ 564,432	\$ 558,574
<u>NON-CURRENT ASSETS</u>		
Grants and contributions receivable	\$ 225,795	\$ 5,000
Investments	4,008	7,580
Deposits	10,081	10,081
Property and equipment, net of depreciation	6,137	4,694
	<hr/>	<hr/>
Total Assets	\$ 810,453	\$ 585,929
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Bank term loan	0	\$ 28,271
Accounts payable and accrued liabilities	\$ 16,829	11,781
Accrued payroll liabilities	11,690	13,417
	<hr/>	<hr/>
Total Current Liabilities	\$ 28,519	\$ 53,469
<u>NET ASSETS</u>		
Without donor restrictions	\$ 370,149	\$ 293,387
With donor restrictions	411,785	239,073
	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 810,453	\$ 585,929

The accompanying notes are an integral part of this statement.

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF ACTIVITIES Years ended December 31,

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2019 Total	2018 Total
REVENUE				
Grants	\$ 8,259	0	8,259	0
Contributions	45,691	\$ 40,000	\$ 85,691	\$ 76,220
Easement donations	56,727	320,795	377,522	137,250
Member dues	236,902	0	236,902	236,137
Special projects and events	341,776	0	341,776	302,565
Investment income	1,543	0	1,543	844
Fees for program services	26,495	0	26,495	17,706
Net assets released from restrictions	188,083	(188,083)	0	0
Total Support and Revenue	\$ 905,476	\$ 172,712	\$ 1,078,188	\$ 770,722
EXPENSES				
Program services	\$ 401,500		\$ 401,500	\$ 447,424
General and administrative	117,711		117,711	75,737
Fundraising				
Membership development	100,575		100,575	60,304
Other fundraising	208,928		208,928	212,600
Total Expenses	\$ 828,714	0	\$ 828,714	\$ 796,065
Net unrealized loss on investments	0	0	0	1,461
Total Expenses and Losses	\$ 828,714	0	\$ 828,714	\$ 797,526
Change in Net Assets	\$ 76,762	\$ 172,712	\$ 249,474	\$ (26,804)
CHANGE IN NET ASSETS				
Without donor restrictions	\$ 76,762	0	\$ 76,762	\$ (2,122)
With donor restrictions	0	\$ 172,712	172,712	(24,682)
Change in Net Assets	\$ 76,762	\$ 172,712	\$ 249,474	\$ (26,804)
Net Assets, Beginning	293,387	239,073	532,460	559,264
Net Assets, Ending	\$ 370,149	\$ 411,785	\$ 781,934	\$ 532,460

The accompanying notes are an integral part of this statement.

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF ACTIVITIES Year ended December 31, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUE			
Contributions	\$ 71,220	\$ 5,000	\$ 76,220
Easement donations	17,250	120,000	137,250
Member dues	236,137	0	236,137
Special projects and events	302,565	0	302,565
Investment income	844	0	844
Fees for program services	17,706	0	17,706
Net assets released from restrictions	149,682	(149,682)	0
Total Support and Revenue	\$ 795,404	\$ (24,682)	\$ 770,722
EXPENSES			
Program services	\$ 447,424		\$ 447,424
General and administrative	75,737		75,737
Fundraising			
Membership development	60,304		60,304
Other fundraising	212,600		212,600
Total Expenses	\$ 796,065	0	\$ 796,065
Net unrealized loss on investments	\$ 1,461	0	\$ 1,461
Total Expenses and Losses	\$ 797,526	0	\$ 797,526
Change in Net Assets	\$ (2,122)	\$ (24,682)	\$ (26,804)
CHANGE IN NET ASSETS			
Without donor restrictions	\$ (2,122)	0	\$ (2,122)
With donor restrictions	0	\$ (24,682)	\$ (24,682)
Change in Net Assets	\$ (2,122)	\$ (24,682)	\$ (26,804)
Net Assets, Beginning	295,509	263,755	559,264
Net Assets, Ending	\$ 293,387	\$ 239,073	\$ 532,460

The accompanying notes are an integral part of this statement.

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF FUNCTIONAL EXPENSES
Years ended December 31,

	2019					2018	
	Program Services	General & Administration	Fundraising			Total	Total
			Membership Development	Other Fundraising	Fundraising Total		
EXPENSES							
Salaries	\$ 204,558	\$ 22,121	\$ 55,422	\$ 101,999	\$ 157,421	\$ 384,100	\$ 358,834
Payroll tax expense	18,188	2,170	4,971	9,048	14,019	34,377	31,819
Employee benefits	26,582	3,000	7,202	13,254	20,456	50,038	50,958
Auditing and accounting	0	32,319	0	0	0	32,319	31,287
Conference and meetings	737	96	0	0	0	833	712
Consultants	43,748	36,070	2,244	8,292	10,536	90,354	83,639
Depreciation	1,468	404	365	802	1,167	3,039	3,424
Dues and subscriptions	1,829	1,688	2,577	0	2,577	6,094	4,535
Easement services	12,819	0	0	0	0	12,819	10,450
Equipment	3,103	329	824	1,578	2,402	5,834	4,419
Financial fees	0	8,091	0	0	0	8,091	9,731
Insurance	1,995	216	541	995	1,536	3,747	3,376
Legal fees	0	0	0	0	0	0	7,626
Office supplies	3,873	3,390	532	8,943	9,475	16,738	13,014
Postage and courier	1,478	291	266	798	1,064	2,833	2,582
Printing and graphics	9,657	1,650	0	11,735	11,735	23,042	24,067
Rent and occupancy	24,409	3,474	6,613	12,170	18,783	46,666	49,363
Special events	39,521	453	17,701	36,609	54,310	94,284	90,969
Telephone	3,510	420	951	1,751	2,702	6,632	6,917
Travel and meals	4,025	1,529	366	954	1,320	6,874	8,343
	<u>\$ 401,500</u>	<u>\$ 117,711</u>	<u>\$ 100,575</u>	<u>\$ 208,928</u>	<u>\$ 309,503</u>	<u>\$ 828,714</u>	<u>\$ 796,065</u>

The accompanying notes are an integral part of this statement.

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2018

	Program Services	General & Administration	Fundraising			Total
			Membership Development	Other Fundraising	Fundraising Total	
EXPENSES						
Salaries	\$ 203,179	\$ 21,385	\$ 38,239	\$ 96,031	\$ 134,270	\$ 358,834
Payroll tax expense	18,188	1,644	3,411	8,576	11,987	31,819
Employee benefits	28,843	3,005	5,428	13,682	19,110	50,958
Auditing and accounting	0	31,287	0	0	0	31,287
Conference and meetings	650	62	0	0	0	712
Consultants	73,292	914	1,563	7,870	9,433	83,639
Depreciation	1,939	204	365	916	1,281	3,424
Dues and subscriptions	575	1,433	2,527	0	2,527	4,535
Easement services	10,450	0	0	0	0	10,450
Equipment	2,502	263	471	1,183	1,654	4,419
Financial fees	1,997	3,261	0	4,473	4,473	9,731
Insurance	1,912	201	360	903	1,263	3,376
Legal fees	7,626	0	0	0	0	7,626
Office supplies	2,571	3,058	448	6,937	7,385	13,014
Postage and courier	1,150	304	155	973	1,128	2,582
Printing and graphics	10,108	869	1,230	11,860	13,090	24,067
Rent and occupancy	27,263	4,084	4,963	13,053	18,016	49,363
Special events	46,088	811	431	43,639	44,070	90,969
Telephone	3,787	627	713	1,790	2,503	6,917
Travel and meals	5,304	2,325	0	714	714	8,343
	<u>\$ 447,424</u>	<u>\$ 75,737</u>	<u>\$ 60,304</u>	<u>\$ 212,600</u>	<u>\$ 272,904</u>	<u>\$ 796,065</u>

The accompanying notes are an integral part of this statement.

PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

STATEMENT OF CASH FLOWS Years ended December 31,

	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 249,474	\$ (26,804)
Adjustments to reconcile to cash from operations		
Depreciation	3,039	3,424
Donated securities	(3,938)	0
Realized gain on investments	(714)	0
Unrealized loss on investments	783	321
(Increase) decrease in:		
Grants receivable	(147,786)	90,476
Prepaid expenses	1,933	(2,459)
Increase (decrease) in:		
Accounts payable	5,048	(19,040)
Accrued payroll liabilities	(1,727)	318
	\$ 106,112	\$ 46,236
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from sale of investments	\$ 7,644	0
Reinvested dividends	(203)	\$ (185)
Purchase of office furniture	(4,482)	0
	\$ 2,959	\$ (185)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment on term loan	\$ (28,271)	\$ (65,292)
Net Increase (Decrease) in Cash for Year	\$ 80,800	\$ (19,241)
Cash balance, beginning	376,328	395,569
Cash balance, ending	\$ 457,128	\$ 376,328
<u>SUPPLEMENTAL DISCLOSURES:</u>		
Cash paid for interest	\$ 331	\$ 3,197

The accompanying notes are an integral part of this statement.

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS December 31, 2019 and 2018

NOTE 1 – THE ORGANIZATION

Organization and Nature of Activities

The Preservation Alliance for Greater Philadelphia (the "Organization") was created on May 1, 1996 with the merger of the Preservation Coalition of Greater Philadelphia and the Philadelphia Historic Preservation Corporation. The Organization's primary operations are to encourage the restoration and preservation of historic buildings and landmarks in the Greater Philadelphia region, to acquire, inspect and monitor façade easements, to advocate and facilitate strong public preservation policies and to provide technical assistance and develop and administer private and public resources for preservation projects. The Organization's support comes primarily from Foundation grants and individual contributions, including special events and preservation easements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Date of Management's Review

Subsequent events were evaluated through May 11, 2020, which is the date the financial statements were available to be issued.

Basis of Accounting

The Organization prepares its financial statements in accordance with accounting principles generally accepted in United States of America, which involves the application of accrual accounting. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958 Presentation of Financial Statements of Not-for-Profit Entities. Under FASB ASC 958, the Organization 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. Net assets with donor restrictions are detailed in Note 8.

Adoption of New Accounting Standards

Effective January 1, 2019, the Organization adopted ASU 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, ASC 606) which (i) creates a single framework for recognizing revenue from contracts with customers that fall within its scope and (ii) revises when it is appropriate to recognize a gain (loss) from the transfer of nonfinancial assets. The Organization's revenue that fall within the scope of ASC 606 are presented as such and are recognized as revenue as the Organization satisfies its obligation to the customer. Revenue within the scope of ASC 606 primarily includes its fees for program services. Funds received in advance, with the obligation to the customer yet to be delivered are recorded as deposit liabilities on the balance sheet. Results for the reporting period beginning January 1, 2019 are presented under ASC 606 while prior period amounts continue to be reported in accordance with legacy GAAP. The net effect of the change on revenue and net assets was immaterial.

Management 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes cash and highly liquid instruments purchased with an original maturity of three months or less.

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS December 31, 2019 and 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Accounts Receivable Reserves

The Organization reviews its receivables on a regular basis for collectability. The Organization considers all receivables fully collectible; accordingly, no allowance for doubtful accounts is required. When a question of the collectability of a particular receivable arises, it is written off or reserved for at that time. Recoveries of items previously charged off are recognized as income when received.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation of property and equipment is provided over the estimated useful lives of the related assets, 5 to 10 years, using the straight-line method. Major renewals and improvements are recorded to the assets accounts while maintenance and repairs which do not improve or extend the life of the respected assets are expensed.

Easement Acquisitions

Easements acquired are not capitalized. While the easements grant certain legal rights and remedies in relation to the properties, the Organization has no economic interest in the properties subject to an easement.

Contributions

In accordance with FASB ASC 958 (formerly SFAS No. 116) Accounting for Contributions Received and Contributions Made, contributions received are recorded as “without donor restrictions” or “with donor restrictions”, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as without donor restriction if the restriction expired in the reporting period in which the contribution was recognized.

All other donor-restricted support is reported as an increase in with donor restricted net assets. 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 Statement of Activities as net assets released from restrictions. Only a donor can impose a restriction; the Board may designate contributions for a purpose, but the contribution is classified as unrestricted in that case. If a contribution is made with a donor-imposed condition, it is not recorded until the condition has been met.

Promises to Give

Unconditional promises to give are recognized as support in the period received and as net assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Revenue

The organization accounts for its revenue primarily from tours, as exchange transactions. Revenue is recognized in the statement of activities when earned, and any amounts received but not earned are recorded as refundable advances on the statement of financial position.

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS December 31, 2019 and 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Functional Allocation of Expenses

Salaries and benefits are allocated based on estimates of time and effort. Rent and occupancy, insurance, telephone, equipment, and depreciation are allocated based on the percentages derived from the estimated allocation of salaries. Professional fees, including those for legal, accounting, financial, and easement related services, which can be related directly to either program or administrative are reflected as such. Certain other cost including conferences and meetings, consultants, dues and subscriptions, office supplies, postage and courier, printing and graphics, special events, and travel and meals are allocated based on cost, usage and related benefits of the specific services provided.

Income Taxes

The Preservation Alliance for Greater Philadelphia is a non-profit corporation exempt from taxes under Section 501(c)(3) of the Internal Revenue Code.

Reclassifications

Certain prior year's amounts have been reclassified to conform with the December 31, 2019 presentation. Such reclassifications were not material and had no effect on the Organization's net assets or changes in net assets.

NOTE 3 – LIQUIDITY MANAGEMENT

Preservation Alliance for Greater Philadelphia's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Financial assets at year end:	
Cash and cash equivalents	\$ 457,128
Grants and contributions receivable	322,441
Investments	4,008
Total financial assets	<u>\$ 783,577</u>
Less: Amounts not available to be used within one year:	
Net assets with purpose restrictions	
Cash	(\$ 125,990)
Grants and contributions receivable	(25,000)
Net assets with time restrictions beyond one year:	
Grants and contributions receivable	<u>(225,795)</u>
	<u>(\$ 376,785)</u>
Financial assets available to meet general expenditures	
Over the next year	<u>\$ 406,792</u>

Cash and cash equivalents of \$457,128 reflected on the statement of financial position includes \$125,990 of cash restricted by donors for certain purposes.

Grants and contributions receivable of \$322,441 reflected on the statement of financial position includes \$25,000 restricted by donors for certain purposes, and \$225,785 subject to a time implied restriction beyond one year.

The investments of \$4,008 reflected on the statement of financial position can be liquidated with board authorization and would be available if necessary.

Preservation Alliance for Greater Philadelphia's goal is generally to maintain financial assets available to meet 90 days of operating expenses.

As part of its liquidity plan, the finance committee performs a monthly review of its financial statements and cash flows with management and accountant. Excess cash is invested in short-term investments, primarily money market accounts, where it is available to be drawn upon as needed.

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS December 31, 2019 and 2018

NOTE 4 – INVESTMENT AND FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position as follows:

	<u>Cost</u>	<u>Fair Value</u>	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)
<u>2019</u>			
Equity securities	<u>\$ 3,942</u>	<u>\$ 4,008</u>	<u>\$ 4,008</u>
<u>2018</u>			
Equity securities	<u>\$ 6,295</u>	<u>\$ 7,580</u>	<u>\$ 7,580</u>

Gains and losses (realized and unrealized) included in changes in net assets for the years ended December 31, 2019 and 2018 are reported in investment income. All such losses for 2019 and 2018 were a result of transactions where values have been measure using Level 1 inputs.

FASB ASC 820-10 (formerly No. 157, *Fair Value Measurements*), establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs are those other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and Level 3 inputs are those unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities, and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value, with fair value of investments based on quoted net asset values of shares held at year-end. Level 2 inputs were used where available to the Organization, and Level 3 inputs are only used when Level 1 and 2 inputs are not available

Level 1 Fair Value Measurements

The fair value of mutual funds are based on quoted net asset values of the shares held at year-end.

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 5 – GRANTS AND CONTRIBUTIONS RECEIVABLE

Represents unconditional promises to give, as explained in Note 1, consisting of the following:

	2019	2018
Easements	0	\$120,000
Historic Religious Properties Fund	\$ 25,000	0
Better Philadelphia Exhibition	0	7,200
Unrestricted contributions and pledges	11,646	32,455
Time restricted operating grants	295,000	15,000
	\$331,646	\$174,655
Less: Unamortized discount	(9,205)	0
	\$322,441	\$174,655
Amounts due in:		
Less than one year	\$ 96,646	\$169,655
One to five years	225,795	5,000
	\$322,441	\$174,655

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31, 2019 and 2018:

	2019	2018
Office equipment	\$108,840	\$104,358
Office furniture	4,341	4,341
	113,181	108,699
Less: Accumulated depreciation	107,044	104,005
	\$ 6,137	\$ 4,694

NOTE 7 – BANK TERM LOAN

The Organization had available a revolving line of credit with The Bancorp Bank in the amount of \$150,000.

Effective September 1, 2016, a Change in Terms Agreement was entered into, whereby the loan type was changed to a term loan. The principal amount of the new loan is \$146,923.76, which was the balance on the line on the date of the change of terms. The maturity date was also extended to June 1, 2019. Monthly payments required are interest only until June 1, 2019, when a payment of all outstanding principal and interest is due. Outstanding balances carry an interest rate of 5%, and are secured by the Organization's business assets.

The loan was paid in full in May 2019.

NOTE 8 – NET ASSETS

Net Assets without Donor Restrictions

Net assets without donor restrictions represent funds retained by The Preservation Alliance for Greater Philadelphia that were received without any donor-imposed restrictions. In addition, donor-restricted contributions whose restrictions have been met in the same reporting period are reported as unrestricted support.

Board Designated

The Board of Directors has elected to designate a certain amount of unrestricted net assets to be used for certain purposes as follows:

	2019	2018
Easement Fund	\$ 77,931	\$ 33,343
John Gallery Advocacy Fund	11,760	7,725
	\$ 89,691	\$ 41,068

THE PRESERVATION ALLIANCE FOR GREATER PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS December 31, 2019 and 2018

NOTE 8 – NET ASSETS – CONTINUED

Net Assets with Donor Restrictions

Net Assets with donor restrictions represent resources restricted by the donor as to time or use with the expectation that such restrictions will be satisfied in the future.

Net assets with donor restrictions are available for the following purposes:

	<u>2019</u>	<u>2018</u>
Easements	\$ 50,145	\$130,145
Mid-Century Modern	46,350	46,350
Historic Religious Properties Fund	25,000	0
1947 Better Philadelphia Exhibition	4,495	4,778
Neighborhood Treasures Conference	0	2,800
Time restricted	<u>285,795</u>	<u>55,000</u>
	<u>\$411,785</u>	<u>\$239,073</u>

NOTE 9 – COMMITMENTS

The Organization entered into a lease for office space, which under a lease amendment dated August 28, 2017, has been extended through March 2023. The lease currently calls for minimum monthly payments of \$3,967 through March 2020, and increase annually up to \$4,234 in the final year of the lease. Total office rent expense was \$46,666 and \$46,573 for 2019 and 2018, respectively.

Future minimum rental payments, including those for office equipment, are as follows:

	<u>Office Space</u>	<u>Equipment</u>
Year ending December 31, 2020	\$ 48,426	\$ 4,333
2021	49,485	4,333
2022	50,543	4,333
2023	<u>12,702</u>	<u>0</u>
	<u>\$161,156</u>	<u>\$ 12,999</u>

And none thereafter

NOTE 10 – CONCENTRATIONS

Cash

The Organization maintains cash balances in accounts with the same bank which at various times during the year exceed \$250,000, the amount insured by the Federal Deposit Insurance Corporation (FDIC).

Revenue

For the year ended December 31, 2019, revenue from one source was in excess of 10% of the organization's revenue. Revenue from this source totaled approximately \$330,000 or 31% of total revenue.

For the year ended December 31, 2018, revenue from one source was in excess of 10% of the organization's revenue. Revenue from this source totaled \$120,000 or 16% of total revenue.