

Global Justice Ecology Project, Inc.

**Financial Statements
As of March 31, 2020
Together With
Independent Auditor's Report**

Global Justice Ecology Project, Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Global Justice Ecology Project, Inc.
Buffalo, New York

We have audited the accompanying financial statements of Global Justice Ecology Project, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 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

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Justice Ecology Project, Inc. as of March 31, 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.

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Report on 2019 Financial Statements

The financial statements of Global Justice Ecology Project, Inc. as of March 31, 2019, were reviewed by another accountant whose report dated December 26, 2019, stated that based on her procedures, she is not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2019 is consistent in all material respects within the reviewed financial statements from which it has been derived.

Allied CPAs, P.C.

Tonawanda, New York
December 1, 2020

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2020 AND 2019

<u>ASSETS</u>	2020	2019
	<u>(Audited)</u>	<u>(Unaudited)</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 86,351	\$ 58,014
Cash with donor restrictions	77,934	36,801
Grants receivable	47,500	174,751
Prepaid expenses	<u>1,827</u>	<u>2,303</u>
TOTAL CURRENT ASSETS	213,612	271,869
<u>PROPERTY AND EQUIPMENT</u>		
Property and equipment	6,036	4,457
Less: accumulated depreciation	<u>(3,143)</u>	<u>(2,122)</u>
	<u>2,893</u>	<u>2,335</u>
TOTAL ASSETS	<u>\$ 216,505</u>	<u>\$ 274,204</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 1,827	\$ 423
Credit card payable	1,732	7,547
Accrued compensation expense	5,200	4,881
Deferred service fees	3,066	-
Notes payable	<u>-</u>	<u>1,595</u>
TOTAL CURRENT LIABILITIES	11,825	14,446
<u>LONG-TERM LIABILITIES</u>		
Loan payable	<u>13,110</u>	<u>13,110</u>
TOTAL LIABILITIES	24,935	27,556
<u>NET ASSETS</u>		
Without donor restrictions	37,348	(8,189)
With donor restrictions	<u>154,222</u>	<u>254,837</u>
TOTAL NET ASSETS	<u>191,570</u>	<u>246,648</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 216,505</u>	<u>\$ 274,204</u>

The accompanying notes are an integral
part of these financial statements

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED MARCH 31, 2020 AND 2019

	2020	2019
	<u>(Audited)</u>	<u>(Unaudited)</u>
<u>CHANGES IN NET ASSETS</u>		
Revenues, gains, and other support:		
Grants	\$ 363,541	\$ 256,414
Contributions	88,817	45,982
Program revenue	18,520	1,000
Other income	1,545	-
Loss on sale of marketable securities	<u>(686)</u>	<u>-</u>
Total revenues, gains, and other support	471,737	303,396
Support provided by expiring time and purpose restrictions	254,837	50,722
TOTAL REVENUES, GAINS, AND OTHER SUPPORT		
WITHOUT DONOR RESTRICTIONS	<u>726,574</u>	<u>354,118</u>
Expenses:		
Program service expense:		
Biofuel Watch	322,870	96,582
No Genetically Engineered Trees	154,306	121,188
Social Justice Media	<u>122,289</u>	<u>34,107</u>
Total program expenses	599,465	251,877
Supporting service expense:		
Management and general	48,348	23,487
Fundraising and development	<u>33,224</u>	<u>48,404</u>
Total supporting service expenses	81,572	71,891
TOTAL EXPENSES	<u>681,037</u>	<u>323,768</u>
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	45,537	30,350
<u>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</u>		
Grants (Note 6)	154,222	254,837
Net assets released from donor restrictions	<u>(254,837)</u>	<u>(50,722)</u>
(DECREASE) INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	(100,615)	204,115
(DECREASE) INCREASE IN NET ASSETS	(55,078)	234,465
NET ASSETS AT BEGINNING OF YEAR	<u>246,648</u>	<u>12,183</u>
NET ASSETS AT END OF YEAR	<u>\$ 191,570</u>	<u>\$ 246,648</u>

The accompanying notes are an integral
part of these financial statements

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended March 31, 2020
(with Comparative Totals for 2019)

	2020 (Audited)							2019 (Unaudited)
	Program Services				Supporting Services			Total
	Biofuel Watch	No Genetically Engineered Trees	Social Justice Media	Programs Subtotals	Management and General	Fundraising and Development	Total	
Compensation and related expenses								
Compensation	\$ 13,520	\$ 41,719	\$ 15,411	\$ 70,650	\$ 13,520	\$ 14,781	\$ 98,951	\$ 118,600
Employee benefits								
Medical	2,630	3,278	707	6,615	906	10	7,531	7,838
Payroll taxes	1,248	3,851	1,423	6,522	1,248	1,364	9,134	10,917
Conferences, meetings, and training	1,549	11,944	2,112	15,605	1,570	1,693	18,868	1,782
Contracting and professional fees	142,218	28,594	10,209	181,021	14,062	8,281	203,364	85,492
Depreciation	511	296	112	919	71	31	1,021	546
Dues and subscriptions	2,595	2,178	198	4,971	7,112	1,373	13,456	5,801
Charitable contributions	1,366	4,216	1,657	7,239	1,366.00	1,445	10,050	400
Printing and copying	25	868	-	893	977	2,289	4,159	1,043
Insurance								
Property and casualty	307	946	350	1,603	308	335	2,246	1,474
Workers' compensation	116	337	125	578	862	119	1,559	281
Equipment	21	589	1,302	1,912	188	23	2,123	423
Marketing, media, & design	-	1,228	407	1,635	2,833	48	4,516	4,707
Miscellaneous	-	-	-	-	-	-	-	9
Occupancy								
Rent	8,680	5,034	1,910	15,624	1,215	521	17,360	11,000
Parking	3	2	1	6	1	-	7	-
Security	218	126	48	392	30	13	435	260
Cleaning	-	-	-	-	-	-	-	370
Repairs	125	73	28	226	16	8	250	-
Information technology	372	1,992	219	2,583	175	-	2,758	4,635
Grants to other organizations	136,705	3,871	81,250	221,826	-	-	221,826	24,340
Photography	3,228	85	88	3,401	28	31	3,460	5,765
Special events expense	-	2,735	-	2,735	-	61	2,796	6,008
Reimbursements	81	250	92	423	81	89	593	2,118
Program supplies	241	3,230	362	3,833	255	372	4,460	1,222
Office supplies	4,907	2,846	1,079	8,832	686	295	9,813	6,879
Bank and merchant fees	-	45	54	99	538	-	637	1,123
Interest expense	96	56	21	173	13	6	192	390
Investment Expense	165	4	2	171	1	1	173	-
Telephone and telecommunications	1,670	2,277	517	4,464	110	-	4,574	4,021
Travel and transportation	273	31,636	2,605	34,514	176	35	34,725	16,324
Total expenses	<u>\$ 322,870</u>	<u>\$ 154,306</u>	<u>\$ 122,289</u>	<u>\$ 599,465</u>	<u>\$ 48,348</u>	<u>\$ 33,224</u>	<u>\$ 681,037</u>	<u>\$ 323,768</u>

The accompanying notes are an integral part of these financial statements

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

	2020	2019
	<u>(Audited)</u>	<u>(Unaudited)</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (55,078)	\$ 234,465
Adjustments to reconcile changes in net assets to net cash flow from operating activities:		
Depreciation	1,021	546
Proceeds from sale of marketable securities	13,452	-
Loss on sale of marketable securities	686	-
Decrease (Increase) in:		
Grants receivable	127,251	(174,751)
Prepaid expenses	476	(1,177)
Increase (Decrease) in:		
Accounts payable	1,404	106
Credit card payable	(5,815)	4,464
Accrued payroll	319	(4,221)
Deferred service fees	3,066	-
	<u>86,782</u>	<u>59,432</u>
NET CASH FLOW FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(1,579)	(1,599)
Investment in contributed securities	(14,138)	-
	<u>(15,717)</u>	<u>(1,599)</u>
NET CASH FLOW FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of notes payable	(1,595)	1,595
	<u>(1,595)</u>	<u>1,595</u>
NET CASH FLOW FROM FINANCING ACTIVITIES		
Change in cash and cash equivalents	69,470	59,428
Cash and cash equivalents, beginning	<u>94,815</u>	<u>35,387</u>
Cash and cash equivalents, ending	<u><u>\$ 164,285</u></u>	<u><u>\$ 94,815</u></u>

Supplemental Disclosure of Cash Flow Information

Cash Paid for Interest	<u><u>\$ -</u></u>	<u><u>\$ 101</u></u>
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The accompanying notes are an integral
part of these financial statements

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 1—NATURE OF ACTIVITIES

Nature of Operations

Global Justice Ecology Project, Inc. (the Organization), began in the state of Vermont, on October 10, 2003 and formed as a domestic nonprofit corporation on July 7, 2008. During 2012 the organization began conducting activities in Western New York for the purpose of promoting diversity and equal rights by confronting social injustice and oppression, challenging the power elites, and working in cooperation to build grassroots power through prioritizing campaigns for systematic change and strengthening movements with strategic action, information, and analysis.

Global Justice Ecology Project, Inc. is supported primarily through grants, donor contributions and program revenue. For the year ended March 31, 2020 and 2019, respectively, approximately 19% and 15%, of the organization's support came from donor contributions.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The organization prepares its financial statements using the accrual basis of accounting and accounting principles generally accepted in the United States of America.

Use of 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 of assets and liabilities, disclosures of contingencies as the date of the financial statements, and reported amounts of revenues and expenses recognized during the reporting period and disclosures. Accordingly, actual results could differ from those estimates.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. At times cash may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with regards to cash.

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash with Donor Restrictions

On February 1, 2014, the Organization entered into a contract with Biofuelwatch US. The contract contains a clause that calls for an independent bank account to hold funds dedicated to Biofuelwatch projects.

Grants Receivable

Grants receivable are primarily unsecured non-interest-bearing amounts due from grantors on cost reimbursement or performance grants. As of March of 2020, the Organization's grants receivable consisted of \$35,000 due from a \$70,000 grant awarded from the CS Fund and \$12,500 from the New Visions Foundation for the remainder of a \$37,500 grant awarded in August of 2018.

Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. There were no contributions receivable as of March 31, 2020.

Property and Equipment

Property and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$1,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Furnishings and equipment	5–7 years
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Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period. Depreciation expenses for the year ended March 31, 2020 and 2019, was \$1,021 and \$546, respectively.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Contributed Securities

On April 22, 2019 the organization received donation of 25 shares of Apple Inc. stock and 38 shares of Prestige Consumer Health Care stock. The donation was made with donor stipulations and valued at \$13,063. On May 28, 2019 the organization received a general use donation of 105 share of Abbott Laboratories valued at \$1,075. It is the Global Justice Ecology Project, Inc.'s policy to record stock donations at the fair market value on the date the donation was received. On May 31, 2019, donor stipulations where met and the Organization sold the stock on for \$13,452. A loss of \$686 has been recognized in the statement of activities.

Revenue Recognition

Revenue is recognized when the services are rendered in an amount that reflects the consideration the Organization expects to receive in exchange for those services. The Organization accounts for revenue at established rates and enters into contracts with other foundations which may include various combinations of services, which are generally capable of being distinct and accounted for as separate performance

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

obligations. Service fees received in advance are deferred to the contractual period they relate and are recognized as performance obligations are met. Contracts with other foundations include multiple services. Determining whether services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgement. As of March 31, 2020 and March 31, 2019 deferred service fee revenue from contracts was \$3,066 and \$-, respectively.

Gifts-in-Kind Contributions

The organization receives contributions in a form other than cash or investments. Most are donated supplies, which are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed. If the organization receives a contribution of land, buildings, or equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the organization's capitalization policy.

The organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the organization's program operations and in its fund-raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. GAAP allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

The Organization received web-design through Catchafire. The service meets the criteria of services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills and are included in in-kind contributions in the statement of activities.

Grant Revenue

Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. The Organization recognizes grants as net assets with donor restrictions when they are committed and makes reclassifications to net assets without donor restrictions as related grant expenses are incurred to satisfy donor stipulations. As of March 31, 2020 the Global Justice Ecology Project, Inc. did not receive any cost-reimbursement grants and the Organization reclassified \$254,837 in grants for satisfying donor stipulations.

Other Donor Advised Funds

The Organization has an agreement with a third party to provide donation-processing services related to a donor-advised giving program as offered to the public. Throughout the year the Organization participates in various events with other not-for-profit organizations and the Board maintains a policy that all donor advised fund (DAF) contributions received from the events are to set aside and passed through to the recipient organization. As of March 31, 2020, there were no DAF contributions due to other not-for-profit-organizations.

New Accounting Pronouncements

On June 18, 2018, FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The update addresses the difficulty and diversity in characterizing contracts with government agencies and others as reciprocal transactions (exchanges) or nonreciprocal transactions (contributions) and distinguishing between conditional and unconditional contributions. Global Justice Ecology Project, Inc. has incorporated the new guidance in their policies and procedures for interpreting contracts and recognizing revenue.

In May of 2014, FASB issued ASU 2014-09 Revenue from Contracts with Customers (Topic 606). Global Justice Ecology Project, Inc. has adopted the new revenue recognition guidance during the year ended March 31, 2020, and has applied the standard retrospectively for the year ended March 31, 2019.

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on the time devoted to each program and supporting activity
- Occupancy, depreciation, office expense, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space.
- Telephone and internet services, insurance, and supplies and miscellaneous expenses that cannot be directly identified are allocated on the basis of employee hours dedicated to each program and supporting activity.

When new space or programs are added or as the staff expands, the Organization will review and evaluate the bases on which costs are allocated.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Compensated Absences

Employees of the Organization are entitled to paid vacation and sick days off, depending on job classification, length of service and other factors. It is the Organization's policy to recognize the cost of compensated absences when the related amounts are actually paid. The Organization believes that it is impracticable to estimate the cost of future absences; accordingly, no provision for compensated absences has been reflected in the accompanying financial statements.

Marketing, Media, & Design

The Organization expenses advertising costs as they are incurred. Marketing, media and design expenses total \$4,516 and \$4,708 for the years ended March 31, 2020 and 2019, respectively.

Tax Status

The organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 3—LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of March 31, 2020 and 2019 are:

	2020	2019
Financial assets at year end:		
Cash and cash equivalents	\$ 164,285	\$ 94,815
Grants receivable	47,500	174,751
Total financial assets	211,785	269,566
Less financial assets held to meet donor-imposed restrictions:		
Net assets with donor restrictions (Note 6)	(154,222)	(254,837)
Financial assets available to meet general expenditures		
over the next twelve months	\$ 57,563	\$ 14,729

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$167,927).

NOTE 4—RELATED PARTY TRANSACTIONS

Photography Services

Orin Langelle, former Board Chair and proprietor of Langelle Photography provides the Organization with unlimited photography services including studio use for a monthly stipend of \$365 per month plus reimbursement for out of pocket expenditures. Anne Petermann, Executive Director and Orin Langelle, former Board Chair are husband and wife. As of March 31, 2020 and 2019, amounts paid for photography services and studio use were \$11,180 and \$5,765, respectively.

Interest-Free Loan

In 2003, co-founders Anne Petermann, Executive Director and Orin Langelle, former Board Chair advanced funds to the Organization to cover the early costs of operations. The advance is noninterest bearing and is due on demand. The Organization has calculated the note at net present value with an imputed interest rate equivalent to the incremental borrowing rate of 1.47%. Management has presented the loan at face value and recognizes the annual interest as contribution revenue. As of March 31, 2020 and 2019, contribution revenue of \$193 and \$288 has been reflected in the statement of activities, respectively.

NOTE 5—DESCRIPTION OF LEASING ARRANGEMENTS

On August 1, 2019, the Global Justice Ecology Project, Inc. renewed their lease agreement through July 31, 2020, with Towne Housing Real Estate for a leased office space on 148 Elmwood Avenue. The lease agreement calls for a fixed monthly charge of \$1,000. The rent expense for the years ended March 31, 2020 and 2019, was \$12,000 and \$12,000, respectively. As of July 31, 2020 Global Justice Ecology Project, Inc. discontinued their leasing arrangement with Towne Housing Real Estate and is no longer renting office space at 148 Elmwood Avenue.

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 6—NET ASSETS

Net assets with donor restrictions were as follows at March 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Biofuel Watch	\$ 67,572	\$ 153,450
No Genetically Engineered Trees	86,650	70,600
Social Justice Media	-	30,787
	<u> </u>	<u> </u>
Purpose restricted	<u>\$ 154,222</u>	<u>\$ 254,837</u>

During March 31, 2020 and 2019, support provided by expiring purpose restriction are as follows:

	<u>2020</u>	<u>2019</u>
Biofuel Watch	\$ 153,450	\$ 33,195
No Genetically Engineered Trees	70,600	17,527
Social Justice Media	30,787	-
	<u> </u>	<u> </u>
Released from donor stipulated restriction	<u>\$ 254,837</u>	<u>\$ 50,722</u>

NOTE 7—COMMITMENTS AND CONTINGENCIES

The Organization enters into several grant and/or contract agreements in which funding is contingent upon compliance and agreed upon conditions. Non-compliance or failure to fulfill the outlined obligations may result in the return of monies, in whole or in part, to the funding source. Management deems this contingency to be remote and believes that it is impracticable to estimate the cost; accordingly, no provision has been reflected in the accompanying financial statements.

NOTE 8—DONOR CONCENTRATIONS

As of March 31, 2020 and 2019, respectively, the Global Justice Ecology Project, Inc. received grants from two nonprofit organization that accounted for 46% and 63% of the total grant revenue received.

NOTE 9—GRANTS AWARDED TO OTHER ORGANIZATIONS

In accordance to the Global Justice Ecology Project, Inc.'s guidelines, it makes grants to other nonprofit organizations. Grant expenses for grants awarded without substantial conditions are recognized in the period in which they are approved by the governing bodies. Grant expenses for grants awarded with substantial conditions are recognized when all significant conditions are met by grantees, all due diligence has been completed, and they are approved by staff or board committee. For the year ended March 31, 2020 and March 31, 2019 grant expenses consist primarily of grants awarded for one year or less. The amounts reflected in the statement of functional expenses are shown net of a five percent administration fee. For the years ended March 31, 2020 and March 31, 2019, grants awarded to other organizations was \$221,826 and \$24,340, respectively.

GLOBAL JUSTICE ECOLOGY PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020 (AUDITED) AND 2019 (UNAUDITED)

NOTE 10—EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 1, 2020 the date which the financial statements were available to be issued. Subsequent to March 31, 2020 local, U.S. and world governments have encouraged self-isolation to curtail the spread of the coronavirus disease (Covid-19) pandemic, by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. In addition, global markets have seen significant declines. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial or other impacts to the Organization, there is a reasonable possibility that the impact on the Organization's financial position and results of future operations could be material. To mitigate this risk, the Company applied for, and received funding from the United States Treasury's Paycheck Protection Program subsequent to year-end.