AUDITED FINANCIAL STATEMENTS

PEE DEE LAND TRUST
Florence, South Carolina

June 30, 2020

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BURCH, OXNER, SEALE CO
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Pee Dee Land Trust
Florence, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Pee Dee Land Trust (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows and functional expenses 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 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 Pee Dee Land Trust, as of June 30, 2020 and 2019, 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.

Burch, Oxner, Seale Co., CPA's, PA

Florence, South Carolina

November 9, 2020

Pee Dee Land Trust
Statements of Financial Position

	June 30, 2020	June 30, 2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 372,947	$ 327,750
Grants receivable	-	7,559
Dividends receivables	12,885	11,223
Prepaid assets	3,693	16,448
Nonrecourse bridge loan	-	20,000
Investments, at fair value--Note 3	3,048,134	2,783,407
TOTAL CURRENT ASSETS	3,437,659	3,166,387
NONCURRENT ASSETS		
Property and equipment, net--Note 4	9,136	12,654
Donated land--Note 11	266,000	406,000
Remainder interest in land--Notes 3 & 10	-	9,328
TOTAL NONCURRENT ASSETS	275,136	427,982
TOTAL ASSETS	$ 3,712,795	$ 3,594,369
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 7,062	$ 5,972
Deferred revenues	50,000	1,500
TOTAL CURRENT LIABILITIES	57,062	7,472
NONCURRENT LIABILITIES		
PPP loan--Note 9	61,094	-
TOTAL LIABILITIES	118,156	7,472
NET ASSETS		
Without donor restrictions		
For general operations	268,121	264,848
Board designated--Note 12	1,167,919	1,182,677
With donor restrictions		
Temporary in nature--Note 7	949,609	938,079
Perpetual in nature--Note 6	1,208,990	1,201,293
TOTAL NET ASSETS	3,594,639	3,586,897
TOTAL LIABILITIES AND NET ASSETS	$ 3,712,795	$ 3,594,369

See accompanying notes to financial statements.

Pee Dee Land Trust
Statement of Activities
Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenues:			
Pledges, gifts and contributions	$ 190,389	$ 164,118	$ 354,507
Grants	31,410	285,230	316,640
Program revenue	53,848	-	53,848
Other revenue (expenses)	(5,579)	-	(5,579)
Investment income, net	30,760	70,614	101,374
Total support and other revenues	300,828	519,962	820,790
Net assets released from restrictions	500,735	(500,735)	-
Total support and other revenues and net assets released from restriction	801,563	19,227	820,790
Expenses:			
Program expenses			
Conservation activities and actions	617,804	-	617,804
Supporting services			
Fundraising	106,293	-	106,293
Management and general	88,951	-	88,951
Total supporting services	195,244	-	195,244
Total expenses	813,048	-	813,048
Change in net assets	(11,485)	19,227	7,742
Net assets, July 1, 2019	1,447,525	2,139,372	3,586,897
Net Assets, June 30, 2020	$ 1,436,040	$ 2,158,599	$ 3,594,639

See accompanying notes to financial statements.

Pee Dee Land Trust
Statement of Activities
Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenues:			
Pledges, gifts and contributions	$ 451,940	$ 290,086	$ 742,026
Grants	-	329,830	329,830
Program revenue	54,826	-	54,826
Other revenue	1,686	2,915	4,601
Remainder interest in real estate	391	-	391
Investment income, net	26,742	109,514	136,256
Total support and other revenues	535,585	732,345	1,267,930
Net assets released from restrictions	343,423	(343,423)	-
Total support and other revenues and net assets released from restriction	879,008	388,922	1,267,930
Expenses:			
Program expenses			
Conservation activities and actions	623,768	-	623,768
Supporting services			
Fundraising	98,188	-	98,188
Management and general	86,979	-	86,979
Total supporting services	185,167	-	185,167
Total expenses	808,935	-	808,935
Change in net assets	70,073	388,922	458,995
Net assets, July 1, 2018	1,377,452	1,750,450	3,127,902
Net Assets, June 30, 2019	$ 1,447,525	$ 2,139,372	$ 3,586,897

See accompanying notes to financial statements.

Pee Dee Land Trust
Statement of Functional Expenses
Year Ended June 30, 2020

	Program Services	Supporting Services: Fundraising	Supporting Services: Management and General	Total Program and Supporting Services
Salaries	$ 183,825	$ 56,562	$ 42,421	$ 282,808
Payroll taxes	14,238	4,381	3,286	21,905
TOTAL SALARIES AND RELATED EXPENSES	198,063	60,943	45,707	304,713
Accounting	31,364	8,961	4,481	44,806
Attorney fees	12,926	-	4,308	17,234
Bank charges	155	155	463	773
Computer service	2,751	1,375	1,375	5,501
Conferences, conventions & meetings	2,278	-	2,277	4,555
Consultants	8,546	-	950	9,496
Contributions and donations	20,125	-	-	20,125
Depreciation	-	-	3,519	3,519
Dues and subscriptions	3,367	2,357	1,010	6,734
Event expense	30,783	7,104	9,471	47,358
Food, Catering, etc.	20,787	4,797	6,396	31,980
Gift expense	157	-	-	157
Award expense	4,320	-	-	4,320
Easement purchases	219,635	-	-	219,635
Insurance	20,606	2,747	4,121	27,474
Land management expenses	4,469	-	-	4,469
Mailing preparation	87	63	8	158
Marketing media	8,798	6,399	800	15,997
Meals, travel and entertainment	6,372	797	796	7,965
Miscellaneous	-	-	215	215
Office supplies	1,309	302	403	2,014
PDLT paraphernalia	712	474	-	1,186
Postage	2,325	1,691	211	4,227
Printing	4,428	3,220	402	8,050
Rent	5,045	2,523	841	8,409
Telephone	3,991	1,140	570	5,701
Utilities	4,323	1,235	617	6,175
Website	82	10	10	102
TOTAL FUNCTIONAL EXPENSES	$ 617,804	$ 106,293	$ 88,951	$ 813,048

See accompanying notes to financial statements.

Pee Dee Land Trust
Statement of Functional Expenses
Year Ended June 30, 2019

	Program Services	Supporting Services: Fundraising	Supporting Services: Management and General	Total Program and Supporting Services
Salaries	$ 176,083	$ 54,179	$ 40,635	$ 270,897
Payroll taxes	13,466	4,143	3,107	20,716
TOTAL SALARIES AND RELATED EXPENSES	189,549	58,322	43,742	291,613
Accounting	22,929	6,551	3,276	32,756
Attorney fees	9,005	-	3,001	12,006
Bank charges	68	68	203	339
Computer service	4,459	2,230	2,230	8,919
Conferences, conventions & meetings	3,506	-	3,505	7,011
Consultants	6,254	-	695	6,949
Contributions and donations	100	-	-	100
Depreciation	-	-	4,337	4,337
Dues and subscriptions	3,031	2,121	909	6,061
Event expense	22,703	5,239	6,986	34,928
Food, Catering, etc.	24,140	5,571	7,428	37,139
Gift expense	100	-	-	100
Easement Purchase	275,000	-	-	275,000
Insurance	20,069	2,676	4,014	26,759
Land management expenses	4,511	-	-	4,511
Mailing preparation	90	65	8	163
Marketing media	2,870	2,087	261	5,218
Meals, travel and entertainment	7,578	947	947	9,472
Miscellaneous	-	-	853	853
Office supplies	5,979	1,380	1,840	9,199
PDLT paraphernalia	716	477	-	1,193
Postage	1,908	1,388	173	3,469
Printing	5,696	4,142	518	10,356
Property tax	(51)	-	-	(51)
Rent	5,020	2,510	836	8,366
Telephone	4,268	1,219	610	6,097
Utilities	4,110	1,175	587	5,872
Website	160	20	20	200
TOTAL FUNCTIONAL EXPENSES	$ 623,768	$ 98,188	$ 86,979	$ 808,935

See accompanying notes to financial statements.

Pee Dee Land Trust
Statements of Cash Flows

	Year Ended June 30, 2020	Year Ended June 30, 2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	$ 7,742	$ 458,995
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,518	4,337
Beneficial interest in remainder trust	9,328	(391)
Contributed property	140,000	-
Forgiveness of nonrecourse loan	20,000	-
Net realized and unrealized gain on investments	(74,019)	(78,276)
(Increase) decrease in:		
Pledges receivable	7,559	(7,559)
Nonrecourse bridge loan	-	(20,000)
Other receivables	(1,662)	(9,559)
Prepaid assets	12,755	(8,545)
Increase (decrease) in:		
Accounts payable	1,090	(3,723)
Deferred revenues	48,500	(53,949)
NET CASH PROVIDED BY OPERATING ACTIVITIES	174,811	281,330
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	667,683	3,319,107
Purchases of investments	(858,391)	(3,503,201)
Purchases of property and equipment	-	(6,156)
NET CASH USED BY INVESTING ACTIVITIES	(190,708)	(190,250)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from PPP loan	61,094	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	61,094	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	45,197	91,080
Beginning cash and cash equivalents	327,750	236,670
ENDING CASH AND CASH EQUIVALENTS	$ 372,947	$ 327,750
Supplemental Data:		
Interest paid	$ -	$ -

See accompanying notes to financial statements.

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operation and Nature of Activities

Pee Dee Land Trust (the Organization) is a nonprofit organization founded in 1998 with the mission to protect and to promote an appreciation of the significant natural, agricultural, and historical areas of the Pee Dee Watershed of South Carolina. The Organization receives third-party donations, grants from organizations and governments entities and private industry, and income from asset sales and investment.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenue and related assets are recognized when earned, and expenses are recognized when the obligation is incurred.

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 of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The actual outcome of the estimates could differ materially from the estimates made in the preparation of the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank demand deposits and short-term, highly liquid investments which are readily convertible to cash within ninety days of purchase. For the statement of cash flows, the Organization considers all instruments with a maturity of three months or less at the date of purchase to be cash equivalents.

Investments

Investments are carried at estimated fair value on the statement of financial position. Fair values of investments are estimated based on quoted market prices where available. Investments consist of shares of registered investment companies (mutual funds). Realized gains and losses on dispositions are based on the net proceeds and the adjusted cost of the investments sold using the average cost of the investments sold. Unrealized gains and losses are included in the change in net assets in the statements of activities.

Land and Land Interests

The Organization records land and land interests at cost, if purchased, or at fair value at the date of acquisition, if all or part of the land was received as a donation. Fair value is generally determined by appraisal.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred.

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are recorded as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Conservation Easements

A conservation easement is an agreement between a landowner and the Organization in which the landowner relinquishes some or all of the rights to develop the property for commercial, residential or industrial use in order to protect specific conservation values for the public good. The easement is publicly recorded and is binding on all future owners of the property. The Organization's principle responsibility is to ensure compliance with the terms of the easement. It meets this responsibility by periodically inspecting the property and, if necessary, taking appropriate action to enforce this easement. Associated costs of monitoring this easement are expensed as incurred.

The estimated value of easements is not recorded on the statement of financial position because the easements do not represent a future economic benefit to the Organization. As of June 30, 2020 the Organization has 81 easements totaling 31,392 acres, compared to 75 easements totaling 29,721 acres as of June 30, 2019.

Net Assets

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

- Without donor restrictions net assets - net assets that are not subject to donor-imposed restrictions, as well as funds designated for specific purposes by action of the Board of Directors.
- With donor restrictions net assets - net assets subject to donor-imposed restrictions, including underwater endowments that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, with donor restrictions net assets are reclassified to without donor restrictions net assets and reported in the statement of activities as net assets released from restrictions.

When a donor 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 are reported on the statement of activities as net assets released from restrictions.

Support

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported restricted support and increase net assets with donor restrictions. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

Grants and Contracts

The Organization receives grants and contracts from federal, state, and local agencies, as well as from private organizations, to be used for specific programs, conservation easement bargain sale purchases or land purchases. For government grants and contracts, the excess of reimbursable expenditures over cash receipts is included in government grant receivable and any excess of cash receipts over reimbursable expenditures is included in deferred revenue. For private grants and contracts, any excess of cash receipts over reimbursable expenditures is included in deferred revenue.

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Grants and Contracts - - Continued

The Organization's costs incurred under its government grants and contracts are subject to audit by government agencies. Management believes that disallowance of costs, if any, would not be material to the financial position of changes in net assets of the Organization.

Income Taxes

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. The Organization incurred no unrelated business income for the years ended June 30, 2020 and 2019.

The Organization files income tax returns in the U.S. federal jurisdiction and the state of South Carolina. The Organization is no longer subject to U.S. federal, state and local, tax examinations by tax authorities for years before 2016.

Because the Organization is exempt from taxation under Internal Revenue Code 501(c)(3), the Organization is generally not exposed to interest and penalties related to income taxes. When applicable, the Organization recognizes interest and penalties paid related to tax obligations and benefits in management and general expenses.

Revenue Recognition

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. The Organization accounts for its contributions per Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 720-25. In accordance with FASB ASC 720-25, contributions received are recorded as an increase in net assets without donor restrictions or with donor restrictions support depending on the existence and/or nature of any donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Concentration of Credit Risk

The Organization currently maintains checking and money market accounts at various banks in South Carolina. All non-interest bearing and interest-bearing accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Company had $0 of uninsured cash at June 30, 2020 and 2019.

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Planned Major Equipment Maintenance Activities

The Organization uses the direct expensing method to account for its major equipment maintenance activities. The method has been used historically, and no costs have been accrued in advance.

Recently Issued Accounting Standards

Revenue Recognition

The FASB issued ASU 2014-09 and subsequent amendments which eliminates the transaction and industry-specific revenue recognition guidance and replaces it with a principle-based approach for determining revenue recognition. On May 20, 2020, the FASB approved a one-year effected date deferral making ASU 2014-09 effective for the Organization for reporting periods beginning after December 15, 2019, with early adoption permitted. The Organization is currently evaluating the impact of this new guidance on its financial statement presentation.

Leases

The FASB issued an ASU requiring organizations that lease assets to recognize on the balance sheet (statement of financial position) the assets and liabilities for the rights and obligations created by those leases. Under the new guidance, a lessee will be required to recognize assets and liabilities for leases with terms of more than 12 months. Additional disclosure will also be required. The accounting standards update on leases will be effective for fiscal years beginning after December 15, 2020. The Organization plans to comply with the standard when it becomes effective.

Other accounting standards that have been issued or proposed by the FASB or other standard-setting bodies are not expected to have a material impact on the Organization's net assets or changes in net assets.

NOTE 2. - LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following as of June 30, 2020:

Cash and cash equivalents	$ 372,947
Other receivables	12,885
Investments	3,048,134
Financial assets available at year end	3,433,966
Donor restricted funds – endowment	(1,208,990)
Donor restricted funds – conserving and promoting appreciation of , the significant natural, agricultural and historical resources of the Pee Dee Watershed of South Carolina	(949,609)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,275,367

As part of the Organization's liquidity management plan, the Board of Directors invests cash in excess of daily requirements in short-term investments and money market funds.

NOTE 3. - FAIR VALUE OF FINANCIAL INSTRUMENTS

Accounting principles generally accepted in the United States of America provide a framework for measuring fair value (FASB ASC 820). The framework provides a 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 or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

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

Level 2 Inputs to the valuation methodology include:

- 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;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (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.

Following is a description of the valuation methodologies used for assets measured at fair value:

- *Remainder interest in land:* Valued using the income approach based on calculating the present value of the future distribution expected to be received, using published life expectancy tables and an applicable discount rate.

- *Shares of registered investment companies:* Valued at daily closing price as reported by the fund. Mutual funds held by the Company are open-end mutual funds that are registered with the Securities and Exchange Commission.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, while the Organization 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.

NOTE 3. - FAIR VALUE OF FINANCIAL INSTRUMENTS--Continued

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2020 and 2019:

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Shares of Registered Investment Companies Equities:				
Aerospace products/parts	$ -	$ -	$ -	$ -
Basic materials/resources	19,015	-	-	19,015
Business/consumer services	65,224	-	-	65,224
Energy services	48,472	-	-	48,472
Consumer goods	130,422	-	-	130,422
Communication services	41,327	-	-	41,327
Financial services	307,618	-	-	307,618
Healthcare/life sciences	231,868	-	-	231,868
Industrial goods	176,034	-	-	176,034
Leisure/arts/hospitality	30,254	-	-	30,254
Media/entertainment	72,433	-	-	72,433
Real estate/construction	36,597	-	-	36,597
Retail wholesale	254,134	-	-	254,134
Technology	441,199	-	-	441,199
Telecommunication services	31,700	-	-	31,700
Fixed Income:				
US Treasuries	130,313	-	-	130,313
Agency securites	257,313	-	-	257,313
Corporate bonds	709,627	-	-	709,627
Other Assets:				
Real estate/construction	39,080	-	-	39,080
Agency funds	25,504	-	-	25,504
	3,048,134	-	-	3,048,134
Total assets at fair value	$ 3,048,134	$ -	$ -	$ 3,048,134

NOTE 3. - FAIR VALUE OF FINANCIAL INSTRUMENTS--Continued

	Assets at Fair Value as of June 30, 2019			
	Level 1	Level 2	Level 3	Total
Shares of Registered Investment Companies Equities:				
Aerospace products/parts	$ 30,941	$ -	$ -	$ 30,941
Basic materials/resources	23,393	-	-	23,393
Business/consumer services	40,156	-	-	40,156
Energy services	142,835	-	-	142,835
Consumer goods	135,414	-	-	135,414
Financial services	330,820	-	-	330,820
Healthcare/life sciences	229,685	-	-	229,685
Industrial goods	148,144	-	-	148,144
Leisure/arts/hospitality	63,328	-	-	63,328
Media/entertainment	78,887	-	-	78,887
Real estate/construction	32,392	-	-	32,392
Retail wholesale	167,364	-	-	167,364
Technology	358,544	-	-	358,544
Telecommunication services	32,850	-	-	32,850
Fixed income:				
US Treasuries	125,006	-	-	125,006
Agency securites	256,497	-	-	256,497
Corporate bonds	587,151	-	-	587,151
	2,783,407	-	-	2,783,407
Beneficial interest in real estate	-	-	9,328	9,328
Total assets at fair value	$ 2,783,407	$ -	$ 9,328	$ 2,792,735

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

Beneficial interest in donated land

June 30, 2018	$ 8,937
Increase in value of beneficial interest	391
June 30, 2019	9,328
Sale of beneficial interest	(9,328)
June 30, 2020	$ -

NOTE 4. - PROPERTY AND EQUIPMENT

	June 30, 2020	June 30, 2019
Computer hardware and software	$ 31,133	$ 31,132
Furniture, fixtures and equipment	27,841	27,841
	58,974	58,973
Less: accumulated depreciation	(49,838)	46,319
	$ 9,136	$ 12,654

NOTE 5. - LEASE OBLIGATIONS

Effective January 1, 2012, the Organization began renting office space in a building from a third party. Under the terms of the lease agreement, the Organization is required to pay monthly rent equal to one-half of the common area maintenance expenses of the building. The lease expired on December 31, 2019 and is now being accounted for on a month-to-month basis.

In addition to the office space, the Organization rents offsite storage space. Total rent expense during the years ended June 30, 2020 and 2019 was $8,409 and $8,366, respectively.

NOTE 6. - NET ASSETS - ENDOWMENT

The Organization's Endowment (Endowment) provides stable financial support to a variety of programs and activities in perpetuity, playing a critical role in enabling the Organization to achieve its mission of protecting and promoting an appreciation of the significant natural, agricultural, and historical areas of the Pee Dee Watershed of South Carolina. The Endowment is made up of donor-restricted endowment funds. As required by Generally Accepted Accounting Principals (GAAP), net assets associated with endowment funds, including Board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Effective July 1, 2008, the Organization adopted the FASB's guidance regarding Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for all Endowment Funds.

UPMIFA, as enacted by the General Assembly of South Carolina, under which laws the Organization is incorporated, and is interpreted by the Organization, requires the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. In addition, net appreciation on donor-restricted endowment funds is required to be classified and reported as net assets with donor restrictions

Interpretation of Relevant Law – The State of South Carolina adopted UPMIFA effective July 1, 2008. The Board of Directors of the Organization has interpreted UPMIFA as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (1) the original value of the gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instruments at the time the accumulation is added to the fund.

NOTE 6. - NET ASSETS - ENDOWMENT--Continued

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of various fund;
- The purposes of the organization and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation or deflation;
- The expected total return from income and appreciation of investments;
- Other resources of the organization; and
- The Organization's investment policy.

Return Objectives and Risk Parameters – The Organization has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by the Organization. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor specified period. Under this policy, as adopted by the Board of Directors, the endowment assets are invested in a manner that is intended to preserve and grow capital, strive for consistent absolute returns, preserve purchasing power by striving for long-term returns which either match or exceed the set payout, fees and inflation without putting the principal value at imprudent risk, and diversify investments consistent with commonly accepted industry standards to minimize the risk of large losses.

Strategies Employed by Achieving Objectives – To satisfy long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that meets the Organization's long-term rate of return objectives while avoiding undue risk from imprudent concentration in any single asset class or investment vehicle.

Spending Policy and How the Investment Objectives Relate to the Spending Policy – The Organization's spending policy is consistent with its objective or preservation of the fair value of the original gift of the endowment assets held in perpetuity as well as to provide additional real growth through investment returns. Only the interest income can be appropriated by the board for expenditure from the endowment fund.

From time to time, certain restricted endowment funds may have fair values less than the amount required to be maintained by donor by law (underwater) endowment. The Board of Directors of the Organization has interpreted UPMIFA to permits spending, from underwater endowments in accordance with prudent measures required by law.

At June 30, 2020, the Organization had the following endowment net assets composition by type of Fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 1,208,990	$ 1,208,990
Total funds	$ -	$ 1,208,990	$ 1,208,990

NOTE 6. - NET ASSETS - ENDOWMENT--Continued

At June 30, 2019, the Organization had the following endowment net assets composition by type of Fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 1,201,293	$ 1,201,293
Total funds	$ -	$ 1,201,293	$ 1,201,293

Changes in endowment fund net asset classification for the year ended June 30, 2020 is summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, July 1, 2019	$ -	$ 1,201,293	$ 1,201,293
Contributions	-	27,488	27,488
Investment return: Investment income	32,546	-	32,546
Net gains (realized and unrealized)	-	11,720	11,720
Appropriation of endowment assets for expenditure	(32,546)	(31,511)	(64,057)
Endowment Net Assets, June 30, 2020	$ -	$ 1,208,990	$ 1,208,990

Changes in endowment fund net asset classification for the year ended June 30, 2019 is summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, July 1, 2018	$ -	$ 1,058,355	$ 1,058,355
Contributions	-	139,324	139,324
Investment return: Investment income	26,135	-	26,135
Net gains (realized and unrealized)	-	45,948	45,948
Appropriation of endowment assets for expenditure	(26,135)	(42,334)	(68,469)
Endowment Net Assets, June 30, 2019	$ -	$ 1,201,293	$ 1,201,293

NOTE 7. - CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS – TEMPORARY IN NATURE

Changes in net assets with donor restrictions - temporary in nature at June 30, 2020 and 2019 are as follows:

	2020	2019
Balance at beginning of year - July 1	$ 938,079	$ 692,095
Support	448,208	520,984
Net assets released from restrictions	(436,678)	(275,000)
Balance at end of year - June 30	$ 949,609	$ 938,079

The following amounts remain as net assets with donor restrictions – temporary in nature at June 30, 2020 and 2019:

	June 30,	
	2020	2019
To conserve, and to promote an appreciation of, the significant natural, agricultural, and historical resources of the Pee Dee Region of South Carolina	$ 949,609	$ 938,079

NOTE 8. - CONTINGENCIES

The Organization is dependent on grants and contributions. The Organization must apply for renewals of grants. Funding is subject to increases or decreases at the discretion of the grantors or donors.

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Organization's donors, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain.

The Organization has obtained funding through the Small Business Administration (SBA) to assist the Company during the COVID-19 pandemic. This funding is detailed in Note 9 below.

NOTE 9. - LONG-TERM DEBT

In April 2020, the Organization received a Paycheck Protection Program (PPP) loan as provided under the CARES (Coronavirus Aid, Relief, and Economic Security) Act, and administered by the federal Small Business Administration (SBA) in the amount of $61,094. This loan bears interest at 1.0% and is repayable over a specified period depending on the timing of the loan, financial institution used, and the CARES Act guidance. The loan may be forgiven if the proceeds of the loan are spent on payroll and other qualifying non-payroll costs incurred over the applicable period specified by the CARES Act.

NOTE 10. - REMAINDER INTEREST IN REAL ESTATE

A remainder interest in a parcel of real estate was donated to the Organization in October 2008. The land is held by the beneficiary. The Organization's beneficial interest in the remainder interest attributable to the expiring life estate of the beneficiary was $9,328 as of June 30, 2019 and is reported as a noncurrent asset. The decrease in the beneficial interest of $9,328 for the year ended June 30, 2020 and the increase of $391 for the year ended June 30, 2019, is recorded in support and other revenue. A portion of the land was sold during June 30, 2018 and the remainder was sold during the year ended June 30, 2020.

NOTE 11. - DONATED LAND

Donated land, as reported on the statements of financial position, consists of the two properties, Dargan Preserve and Mozingo Preserve, transferred from Black Creek Land Trust received in December 2014. In connection with the original donation of these properties, the Organization is required to preserve the property in its natural state in perpetuity. In addition, the Organization received a donation of land from the Woodfield Land and Timber, LLC in June 2018 with the donor restriction that the property was to be sold to a conservation buyer and the proceeds be used by the Organization for designated operations and endowment funds. This property was sold during the year ended June 30, 2020 in accordance with the donor's restrictions.

NOTE 12. - BOARD DESIGNATED FUNDS – SCARBOROUGH OPPORTUNITY FUND

The Scarborough Opportunity Fund's purpose is to generate income for operations expenses of Pee Dee Land Trust, to provide financial assistance on land protection projects, and other opportunities as deemed appropriate by the Board of Directors; includes the former Revolving Land Fund for Land Protection.

The authorized expenditures are up to 4% of the value of this fund at the end of the prior fiscal year and may be spent to meet ongoing operational needs. Requests for up to $5,000 are to be approved by the Executive Committee and the full Board's majority vote's needed for approval over $5,000 in addition to the 4% expenditure. Funds may be transferred to the General Fund for this purpose. Principal may be drawn down to a minimum of $25,000. Override of the floor may only be made by 75% majority vote of the board of directors.

As of June 30, 2020 and 2019, the board designated funds for Scarborough Opportunity Funds were $1,167,919 and $1,182,677.

NOTE 13. - CHANGE IN ACCOUNTING PRINCIPLE

In June 2018, the 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 ASU clarifies and improves guidance for contributions received and contributions made and provides guidance to organizations on how to account for certain exchange transactions. This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances comparability of financial information among not-for-profit entities.

The change in accounting principle was adopted on a modified prospective basis as of July 1, 2019. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions or opening net assets with donor restrictions as of July 1, 2019. The change in accounting principle was not material to the financial statements.

NOTE 14. - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date these financial statements were available to be issued November 9, 2020.