ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC.

dba ALZHEIMER'S ALLIANCE OF SMITH COUNTY

FINANCIAL STATEMENTS – MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2025 AND 2024

GMP Assurance PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
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YEARS ENDED DECEMBER 31, 2025 AND 2024

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Independent Auditors' Report

Board of Directors
Alzheimer's Alliance of Northeast Texas, Inc. dba
Alzheimer's Alliance of Smith County

Opinion

We have audited the accompanying financial statements of Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County, which comprise the statement of assets, liabilities, and net assets—modified cash basis as of December 31, 2025, and the related statement of revenue, expenses, and changes in net assets—modified cash basis, statement of functional expenses – modified cash basis, and statement of cash flows – modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note A.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alzheimer's Alliance of Northeast Texas, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Matter

The financial statements of Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County for the year ended December 31, 2024 were audited by other accountants whose report dated May 14, 2025 stated that, in their opinion, the financial statements present fairly, in all material respects, the financial position of the assets, liabilities, and net assets of Alzheimer's Alliance of Northeast Texas, Inc. dba Alzheimer's Alliance of Smith County as of December 31, 2024, and its revenue and expenses and cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note A.

GMP Assurance PLLC

Certified Public Accountants

Tyler, Texas
May 27, 2026

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents - unrestricted	$ 147,963	$ 299,335
Marketable securities	599,505	552,602
Total Current Assets	747,468	851,937
Property and Equipment		
Buildings	1,107,121	1,107,121
Building improvements	870,324	870,324
Furniture and equipment	121,324	121,324
	2,098,769	2,098,769
Less: Accumulated depreciation	(243,111)	(176,022)
Net Property and Equipment	1,855,658	1,922,747
Other Assets		
Intangible asset, net of amortization	7,778	7,688
Deposits	2,475	2,475
Total other assets	10,253	10,163
TOTAL ASSETS	$ 2,613,379	$ 2,784,847
LIABILITIES AND NET ASSETS		
Current Liabilities		
Payroll deductions	$ -	$ 10
Payroll taxes	2,961	6,095
Current portion of long-term debt	77,404	74,746
Total Current Liabilities	80,365	80,851
Long-Term Liabilities		
Long-term debt, net of current portion	901,588	978,438
Total Long-Term Liabilities	901,588	978,438
Total Liabilities	981,953	1,059,289
Net Assets		
Without donor restrictions:		
Board designated	599,505	116,256
Undesignated	988,921	1,609,302
Total without donor restrictions	1,588,426	1,725,558
With donor restrictions	43,000	-
Total Net Assets	1,631,426	1,725,558
TOTAL LIABILITIES AND NET ASSETS	$ 2,613,379	$ 2,784,847

The accompanying notes are an integral part of these financial statements.

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions, gifts, grants and pledges:			
Direct Support:			
Grants	$ 121,937	$ 43,000	$ 164,937
Contributions - individuals	218,486	-	218,486
Contributions - corporate/foundations	124,478	-	124,478
Contributions - civic organizations	200	-	200
Counseling income	6,304	-	6,304
Day care	71,993	-	71,993
Fundraising events	122,110	12,500	134,610
Games day Mahjongg for Memory	13,345	-	13,345
Mahjongg card sales	65,807	-	65,807
MARC income	16,000	-	16,000
Other misc. income	39,261	-	39,261
Project Lifesaver income	2,241	-	2,241
Interest income	7,962	-	7,962
Net realized and unrealized gain on marketable securities	44,121	-	44,121
Total Revenues	854,245	55,500	909,745
Net Assets Released From Restrictions			
Expiration of time or other restrictions	12,500	(12,500)	-
Total Net Assets Released From Restrictions	12,500	(12,500)	-
Total Revenues and Net Assets Released From Restrictions	866,745	43,000	909,745
EXPENSES			
Programs	849,865	-	849,865
Fundraising	81,863	-	81,863
General and administrative	72,149	-	72,149
Total Expenses	1,003,877	-	1,003,877
Change in Net Assets	(137,132)	43,000	(94,132)
Net Assets at December 31, 2024	1,725,558	-	1,725,558
Net Assets at December 31, 2025	$ 1,588,426	$ 43,000	$ 1,631,426

The accompanying notes are an integral part of these financial statements.

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions, gifts, grants and pledges:			
Direct Support:			
Grants	$ 258,762	$ 1,000	$ 259,762
Contributions - individuals	154,329	4,500	158,829
Contributions - corporate/foundations	88,226	10,000	98,226
Contributions - civic organizations	1,765	-	1,765
Counseling income	3,135	-	3,135
Day care	49,986	-	49,986
Donated professional services	19,000	-	19,000
Fundraising events	99,207	-	99,207
Games day Mahjongg for Memory	47,634	-	47,634
Mahjongg card sales	49,036	-	49,036
MARC income	19,200	-	19,200
Other misc. income	17,614	-	17,614
Project Lifesaver income	4,406	-	4,406
Interest income	8,357	-	8,357
Net realized and unrealized gain on marketable securities	35,138	-	35,138
Total Revenues	855,795	15,500	871,295
Net Assets Released From Restrictions			
Expiration of time or other restrictions	87,281	(87,281)	-
Total Net Assets Released From Restrictions	87,281	(87,281)	-
Total Revenues and Net Assets Released From Restrictions	943,076	(71,781)	871,295
EXPENSES			
Programs	852,459	-	852,459
Fundraising	77,785	-	77,785
General and administrative	72,641	-	72,641
Total Expenses	1,002,885	-	1,002,885
Change in Net Assets	(59,809)	(71,781)	(131,590)
Net Assets at December 31, 2023	1,785,367	71,781	1,857,148
Net Assets at December 31, 2024	$ 1,725,558	$ -	$ 1,725,558

The accompanying notes are an integral part of these financial statements.

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	TOTAL EXPENSES	PROGRAM	FUNDRAISING	GENERAL AND ADMINISTRATIVE
Auxiliary expenses	$ 50,471	$ -	$ 47,947	$ 2,524
Bank, credit card, and management fees	3,899	3,275	195	429
Depreciation and amortization expense	68,462	57,508	3,423	7,531
Dues and assessments	3,373	2,800	236	337
Employee benefits	64,196	53,925	3,210	7,061
Insurance expense	19,257	16,176	963	2,118
Interest expense	36,172	30,384	1,809	3,979
Management fee	3,517	-	-	3,517
Occupancy expense	47,774	40,130	2,866	4,778
Office expense	35,109	29,140	2,107	3,862
Personnel expense	440,189	396,170	15,407	28,612
Professional services	74,004	62,903	3,700	7,401
Programs & services	157,454	157,454	-	-
Total Expenses	$ 1,003,877	$ 849,865	$ 81,863	$ 72,149

The accompanying notes are an integral part of these financial statements.

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	TOTAL EXPENSES	PROGRAM	FUNDRAISING	GENERAL AND ADMINISTRATIVE
Auxiliary expenses	$ 45,745	$ -	$ 43,458	$ 2,287
Bank, credit card, and management fees	3,494	2,935	175	384
Depreciation and amortization expense	89,589	75,255	4,479	9,855
Dues and assessments	2,973	2,468	208	297
Employee benefits	61,267	51,464	3,063	6,740
Insurance expense	19,022	15,978	951	2,093
Interest expense	38,985	32,747	1,949	4,289
Management fee	3,255	-	-	3,255
Occupancy expense	45,901	38,557	2,754	4,590
Office expense	35,463	29,434	2,128	3,901
Personnel expense	457,805	412,025	16,023	29,757
Professional services	51,932	44,142	2,597	5,193
Programs & services	147,454	147,454	-	-
Total Expenses	$ 1,002,885	$ 852,459	$ 77,785	$ 72,641

The accompanying notes are an integral part of these financial statements.

ALZHEIMER'S ALLIANCE OF NORTHEAST TEXAS, INC. dba
ALZHEIMER'S ALLIANCE OF SMITH COUNTY
STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (94,132)	$ (131,590)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	67,089	89,589
Amortization	1,373	-
Interest earned on investments (net of fees)	(2,782)	(4,141)
Net realized and unrealized gains on marketable securities	(44,121)	(35,138)
(Decrease) Increase in:		
Payroll tax liability	(3,144)	3,107
Net Cash Used in Operating Activities	(75,717)	(78,173)
CASH FLOWS FROM INVESTING ACTIVITIES		
Website development	(1,463)	(7,688)
Net Cash Used in Investing Activities	(1,463)	(7,688)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of principal on long-term debt	(74,192)	(71,379)
Net Cash Used in Financing Activities	(74,192)	(71,379)
Net decrease in cash	(151,372)	(157,240)
Cash and cash equivalents, beginning of year	299,335	456,575
CASH AND CASH EQUIVALENTS, AT YEAR END	$ 147,963	$ 299,335
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest Paid	$ 36,172	$ 38,985

The accompanying notes are an integral part of these financial statements.

NOTE A: SUMMARY OF ACCOUNTING POLICIES

Organization and Nature of Activities

The Alzheimer's Alliance of Northeast Texas, Inc., the "Alliance", provides support and assistance to the afflicted patients and their families and provides awareness and education of the disease throughout Northeast Texas.

Basis of Accounting

The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, revenues are recorded in the period in which they are received, and expenses are recorded in the period in which they are paid. Marketable securities, depreciation, and amortization are an exception to the modified cash basis of accounting as marketable securities are reflected at fair value, see Note B, and depreciation and amortization are non-cash expenses.

The financial statement presentation also follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification 958, *Financial Statements of Not-for-Profit Organizations* (ASC 958).

Property and Equipment

Property and equipment are stated at cost, or if donated, at fair market value at the date the donation is made. Major expenditures for property and those which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their cost and related accumulated depreciation are removed from the accounts. The resulting gains or losses are included in income. Depreciation is computed using the straight-line method over the estimated useful lives ranging from 3 to 40 years. Depreciation expense for the years ended December 31, 2025 and 2024 was $67,089 and $89,589, respectively.

Intangible assets

Intangible assets with a finite life are amortized on a straight-line basis over the estimated useful lives. As of December 31, 2025 and 2024, intangible assets consist of website development amortized over five years. Intangible assets are reviewed annually for impairment or when events or circumstances indicate their carrying amount may not be recoverable. Based on the review of intangible assets for the years then ended, no impairment was recorded.

Support and Revenues

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. All contributions are considered to be without donor restrictions unless specifically restricted by the donor or subject to legal restrictions.

Donated Services

The Alliance may receive donated services in the course of fulfilling its mission. Donated professional services are recorded as revenue at fair market value, based on the Alliance's cost to acquire the same services. These revenues are recorded with a corresponding expense in the same amount. The Alliance received commercial advertising services valued at $-0- and $19,000 for the years ended December 31, 2025 and 2024, respectively.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Alliance with program services and fundraising activities. No amounts have been reflected in the financial statements for these donated services as the volunteer's time does not meet the criteria for recognition.

NOTE A: SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of presentation in the "Statement of Cash Flows", the Alliance considers cash equivalents to be short-term, highly liquid investments, such as investments in money market funds that are readily convertible to cash and have original maturities when acquired of three months or less.

Income Taxes

The Alliance is an Internal Revenue Code Section 501(c)(3) charitable organization. Accordingly, income and expenses related to the purpose of the Alliance, as approved by the Internal Revenue Service, are exempt from taxation. Accordingly, no provision for federal income taxes has been recorded in the accompanying financial statements. The Alliance has not been classified by the Internal Revenue Service as a private foundation and all donations made to the Alliance are tax deductible.

The Alliance has adopted the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. The Alliance records a liability for uncertain tax positions when it is probable that a loss has been incurred and the amount can be reasonably estimated. The Alliance believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Alliance continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The Alliance has to file income tax returns in the U.S. federal jurisdiction. The Alliance is no longer subject to U.S. tax examinations by tax authorities for years before the 2022 tax year.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of revenue, expenses, and changes in net assets – modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services based on estimates made by management.

Fair Value Measurements

The Alliance follows FASB ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value as an exit price, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The provisions of ASC 820 apply to all financial assets and liabilities measured at fair value.

As a basis for considering these assumptions, ASC 820 defines a three-tier value hierarchy that prioritizes the inputs used in the valuation methodologies in measuring fair value.

- Level 1 – Quoted prices in active markets for identical assets or liabilities.

- Level 2 – Inputs 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.

- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

At December 31, 2025 and 2024, the Alliance had Level 1 investments which are measured at fair value on a recurring basis.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes from the prior year in methodologies used at December 31, 2025 and 2024.

NOTE A: SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (continued)

Mutual Funds - Mutual funds are valued at the published net asset value (NAV) per share, which is the basis for current transactions.

Principal Growth Annuity – The principal growth annuity is valued by calculating the present value of the projected future cash flows expected to be generated by the annuity.

Marketable securities

Investments in marketable securities with readily determinable fair values are measured at fair value in the Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis as an increase or decrease in unrestricted net assets unless the income or loss is restricted by the donor or law.

Use of Estimates

The preparation of modified cash basis financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences

Employees of the Alliance are entitled to paid vacation and sick days, depending on job classification, length of service, and other factors. The Alliance's policy is to recognize the costs of compensated absences when actually paid to employees.

Presentation of Financial Statements of Not-for Profit Entities

The Company follows the presentation guidelines under Accounting Standards Update (ASU) No. 2016-14, "Presentation of Financial Statements of Not-for-Profit Entities". Under this ASU, the Alliance reports its net assets under two categories: 1) with donor restrictions and 2) without donor restrictions and it reflects the necessary information in the notes about liquidity, financial performance, and cash flows.

Advertising Costs

The Alliance uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2025 and 2024 was $24,381 and $39,044, respectively, and is included with program and services on the Statement of Functional Expenses – Modified Cash Basis.

NOTE B: MARKETABLE SECURITIES

Marketable securities are presented in the financial statements at fair value based on quoted prices in active markets (all Level 1 measurements). Market risk could occur and is dependent on the future changes in market prices of the various investments held. An analysis of the investments held as of December 31, 2025 and 2024 is as follows:

NOTE B: MARKETABLE SECURITIES (continued)

Costs and fair market values of investments were as follows as of the dates indicated:

December 31, 2025:	Fair Value	Cost
Mutual funds	$ 337,999	$ 241,442
Principal growth annuity	261,506	186,018
	$ 599,505	$ 427,460

December 31, 2024:	Fair Value	Cost
Mutual funds	$ 298,712	$ 241,442
Principal growth annuity	253,890	186,018
	$ 552,602	$ 427,460

Return on investments consisted of the following as of December 31, 2025 and 2024:

	2025	2024
Interest and dividends	$ 7,617	$ 7,395
Advisory fees	(3,517)	(3,255)
Net realized and unrealized gains	44,121	35,138
Total unrestricted investment return	$ 48,221	$ 39,278

NOTE C: CONCENTRATION OF CREDIT RISK

The Alliance maintains its bank accounts at two financial institutions located in Tyler, Texas. As of December 31, 2025 and 2024, the combined bank balance of these accounts was $130,773 and $271,284, respectively. The balances were insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 for each financial institution. The Alliance had no bank balances that were uninsured and not covered by pledged securities at December 31, 2025 and 2024.

NOTE D: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2025 and 2024 were available for the following uses:

	2025	2024
Caregiver Education, Bilingual Day Club, and Education Expansion	43,000	-
Total net assets with donor restrictions	$ 43,000	$ -

NOTE E: DESIGNATION OF NET ASSETS

The Alliance's Board designated the following net assets without donor restrictions at December 31, 2025 and 2024:

	2025	2024
Marketable securities, board designated	599,505	-
Money market account, board designated	-	116,256
Net assets without donor restrictions	988,921	1,609,302
Total net assets without donor restrictions	$ 1,588,426	$ 1,725,558

NOTE F: MEMORY ASSESSMENT RESEARCH CENTER LEASE

The Alliance leases building space to a local entity in which the entity operates a Memory Assessment Research Center (MARC). The entity offers neuropsychological screening and evaluation services to community members with suspected or existing cognitive impairment, and performs research utilizing test data. The lease operates on a month-to-month basis with fixed payments recognized as income in the period received. MARC rental income for the years ended December 31, 2025 and 2024 was $16,000 and $19,200, respectively.

NOTE G: INTANGIBLE ASSETS

During 2025, the Alliance placed a new website into service with a gross carrying amount of $9,151. All fees incurred related to the development and implementation of the website have been capitalized. Amortization on the website is computed using the straight-line method over a period of five years. Amortization expense for the years ended December 31, 2025 and 2024 were $1,373 and $-0-, respectively.

NOTE H: LIQUIDITY AND AVAILABILITY OF RESOURCES

As of December 31, 2025 and 2024, the Alliance had $747,468 and $851,937, respectively, of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditure consisting of cash of $147,963 and $299,335 and marketable securities (fair value) of $599,505 and $552,602. None of this amount is subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The Alliance has a goal to maintain financial assets, which consist of cash and marketable securities to meet 90 days of average budgeted operating expenses. The Alliance has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE I: LONG TERM DEBT

Long-term debt consists of the following at December 31, 2025 and 2024:

	2025	2024
Note payable to Cadence Bank, payable in monthly principal and interest payments of $9,197 with a rate of 3.5% until April 2026, then subject to a rate of FHLB +0.25% adjusted every year. The note is to mature April 7, 2041. The note is collateralized by real property.	$ 978,992	$ 1,053,184
Total debt	978,992	1,053,184
Less: current portion	(77,404)	(74,746)
Long-term debt	$ 901,588	$ 978,438

The following table presents future principal requirements:

2026	$ 77,404
2027	80,157
2028	83,008
2029	85,961
2030	89,018
Thereafter	563,444
	$ 978,992

NOTE J: DEFINED CONTRIBUTION PLAN

The Alliance sponsors a 401(k) salary-deferral plan that covers all employees. The Alliance offers matching up to 4% of employees' yearly wages. The Alliance's contribution to the plan for the year ended December 31, 2025 and 2024 was $15,779 and $17,046, respectively.

NOTE K: RECLASSIFICATIONS

Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation of the current year financial statements. These reclassifications have no affect on the change in net assets.

NOTE L: SUBSEQUENT EVENTS

The Alliance has evaluated subsequent events through May 27, 2026, the date which the financial statements were available to be issued.