

RAIN FOR THE SAHEL AND SAHARA, INC.
Financial Statements
For the Years Ended September 30, 2022 and 2021

RAIN FOR THE SAHEL AND SAHARA, INC.
Financial Statements
For the Years Ended September 30, 2022 and 2021

TABLE OF CONTENTS

Accountant's Compilation Report	1
Financial Statements	
Statements of Financial Position.....	2
Statements of Activities	3 and 4
Statements of Functional Expenses	5 and 6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8 through 12
Supplemental Schedules of Functional Expense	
Percentages	13



Murphy, Powers & Wilson

Certified Public Accountants, P.C.

Michael J. Murphy, CPA
Daniel E. Wilson, CPA

William R. Powers, CPA (Retired)

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Rain for the Sahel and Sahara, Inc.

Management is responsible for the accompanying financial statements of Rain for the Sahel and Sahara, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The September 30, 2022 and 2021 supplementary information contained in the accompanying schedule of functional expense percentages is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to Rain for the Sahel and Sahara, Inc.

Murphy, Powers & Wilson
Certified Public Accountants, P.C.

Hampton, New Hampshire
December 15, 2023

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2022 and 2021
(See Accountant's Compilation Report)

ASSETS	2022	2021
CURRENT ASSETS		
Cash and cash equivalents (Note 1)	\$138,704	\$156,577
Prepaid expenses	2,347	2,406
Pledge receivable (Note 1)	20,000	0
Program advances (Note 1)	<u>108</u>	<u>95</u>
Total current assets	<u>161,159</u>	<u>159,078</u>
PROPERTY AND EQUIPMENT, net (Note 1)		
Land and building	158,983	158,983
Office and other equipment	11,328	11,487
Vehicles	<u>28,725</u>	<u>11,970</u>
	199,036	182,440
Accumulated depreciation	<u>-56,031</u>	<u>-35,310</u>
Total property and equipment, net	<u>143,005</u>	<u>147,130</u>
OTHER ASSETS		
Security Deposit	<u>850</u>	<u>850</u>
Total other assets	<u>850</u>	<u>850</u>
TOTAL ASSETS	<u>\$305,014</u>	<u>\$307,058</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 15,348	\$ 1,459
Accrued expenses	<u>4,983</u>	<u>4,825</u>
Total current liabilities	<u>20,331</u>	<u>6,284</u>
LONG TERM LIABILITIES		
Payroll protection program loan (Note 7)	<u>0</u>	<u>23,585</u>
Total liabilities	<u>20,331</u>	<u>29,869</u>
NET ASSETS		
Net assets without donor restrictions	284,683	277,189
Net assets with donor restrictions	<u>0</u>	<u>0</u>
Total net assets	<u>284,683</u>	<u>277,189</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$305,014</u>	<u>\$307,058</u>

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(See Accountant's Compilation Report)

2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND SUPPORT			
Grants	\$ 185,564	\$ 109,453	\$295,017
Fundraising events	52,847	-	52,847
Contributions	142,366	-	142,366
Investment Income (Loss)	-19,410		-19,410
Sale of Niger goods	2,454	-	2,454
In kind donations	3,000		3,000
Payroll protection loan forgiveness	<u>23,585</u>	<u>-</u>	<u>23,585</u>
Total revenue and support	390,406	109,453	499,859
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	<u>109,453</u>	<u>-109,453</u>	<u>-</u>
Total revenue and support and net assets released	499,859	0	499,859
EXPENSES			
Programs			
Food & water security	58,804	-	58,804
Access to education	97,571	-	97,571
Agadez learning center	110,080	-	110,080
Women's entrepreneurship	<u>55,295</u>	<u>-</u>	<u>55,295</u>
Total program expenses	321,750	-	321,750
Management and general expenses	38,626	-	38,626
Fundraising expenses	<u>131,668</u>	<u>-</u>	<u>131,668</u>
Total expenses	<u>492,044</u>	<u>-</u>	<u>492,044</u>
Change in net assets	7,815	0	7,815
Net assets, beginning	277,189	0	277,189
Realized loss on foreign currency exchange	<u>-321</u>	<u>-</u>	<u>-321</u>
Net assets, ending	<u>\$284,683</u>	<u>\$ 0</u>	<u>\$284,683</u>

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(See Accountant's Compilation Report)

2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND SUPPORT			
Grants	\$ 91,100	\$105,614	\$196,714
Fundraising events	62,621	-	62,621
Contributions	155,713	-	155,713
Sale of Niger goods	1,644	-	1,644
In kind donations	2,500	-	2,500
Payroll protection loan forgiveness	<u>23,586</u>	<u>-</u>	<u>23,586</u>
Total revenue and support	337,164	105,614	442,778
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	<u>107,614</u>	<u>-107,614</u>	<u>-</u>
Total revenue and support and net assets released	444,778	-2,000	442,778
EXPENSES			
Programs			
Food & water security	131,060	-	131,060
Access to education	80,546	-	80,546
Agadez learning center	83,596	-	83,596
Women's entrepreneurship	<u>44,986</u>	<u>-</u>	<u>44,986</u>
Total program expenses	340,188	-	340,188
Management and general expenses	40,538	-	40,538
Fundraising expenses	<u>87,036</u>	<u>-</u>	<u>87,036</u>
Total expenses	<u>467,762</u>	<u>-</u>	<u>467,762</u>
Change in net assets	-22,984	-2,000	-24,984
Net assets, beginning	310,947	2,000	312,947
Realized loss on foreign currency exchange	<u>-10,774</u>	<u>-</u>	<u>-10,774</u>
Net assets, ending	<u>\$277,189</u>	<u>\$ 0</u>	<u>\$277,189</u>

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(See Accountant's Compilation Report)

	FOOD & WATER SECURITY	ACCESS TO EDUCATION	AGADEZ LEARNING CENTER	WOMEN'S ENTREPRE- NEURSHIP	TOTAL PROGRAM	MANAGEMENT AND GENERAL EXPENSES	FUND RAISING EXPENSES	TOTAL
Salaries and labor	\$29,386	\$35,584	\$49,667	\$35,466	\$150,103	\$14,461	\$64,462	\$229,025
Office expense	807	1,296	2,631	565	5,300	1,034	7,179	13,513
Payroll taxes and benefits	4,462	6,439	6,655	6,436	23,992	1,523	7,406	32,921
Fundraising events expense	0	0	0	0	0	0	4,608	4,608
Professional fees	446	446	430	446	1,768	7,136	47,636	56,540
Well expense	0	0	0	0	0	0	0	0
Utilities	1,187	1,560	1,626	1,043	5,417	1,604	0	7,021
Rent	1,494	1,494	1,494	1,494	5,977	10,560	0	16,537
Depreciation and amortization	9,946	3,730	3,523	3,523	20,721	0	0	20,721
School market gardens	75	75	5,505	75	5,730	0	0	5,730
Mentoring and tutoring	0	15,736	4,688	0	20,425	0	0	20,425
Food and school supplies	6,219	23,762	27,019	4,458	61,458	0	0	61,458
Auto expenses	849	1,150	999	12	3,010	0	0	3,010
Travel and meals	3,751	6,021	5,412	1,672	16,856	140	27	17,023
Cost of Niger goods	0	0	0	0	0	0	350	350
Insurance	181	278	430	104	993	2,168	0	3,161
	<u>\$58,804</u>	<u>\$97,571</u>	<u>\$110,080</u>	<u>\$55,295</u>	<u>\$321,749</u>	<u>\$38,626</u>	<u>\$131,668</u>	<u>\$492,044</u>

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(See Accountant's Compilation Report)

	FOOD & WATER SECURITY	ACCESS TO EDUCATION	AGADEZ LEARNING CENTER	WOMEN'S ENTREPRE- NEURSHIP	TOTAL PROGRAM	MANAGEMENT AND GENERAL EXPENSES	FUND RAISING EXPENSES	TOTAL
Salaries and labor	\$28,175	\$34,417	\$43,788	\$34,417	\$140,797	\$13,692	\$28,544	\$183,033
Office expense	616	4,687	2,151	531	7,986	2,588	8,269	18,843
Payroll taxes and benefits	3,202	4,520	6,494	4,519	18,736	1,655	2,913	23,303
Fundraising events expense	0	0	0	0	0	0	1,256	1,256
Professional fees	369	397	374	397	1,537	8,754	45,952	56,243
Well expense	85,913	0	0	0	85,913	0	0	85,913
Utilities	1,114	1,566	1,619	994	5,292	1,620	0	6,912
Rent	1,442	1,442	1,442	1,442	5,768	10,560	0	16,328
Depreciation and amortization	2,538	952	899	899	5,287	0	0	5,287
School market gardens	0	0	964	0	964	0	0	964
Mentoring and tutoring	0	14,436	5,127	0	19,563	0	0	19,563
Food and school supplies	2,952	12,047	15,514	500	31,012	0	0	31,012
Auto expenses	1,790	1,774	1,386	463	5,413	0	0	5,413
Travel and meals	2,782	4,141	3,670	724	11,317	0	102	11,420
Insurance	168	168	168	101	604	1,669	0	2,273
	<u>\$131,060</u>	<u>\$80,546</u>	<u>\$83,596</u>	<u>\$44,986</u>	<u>\$340,188</u>	<u>\$40,538</u>	<u>\$87,036</u>	<u>\$467,762</u>

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$7,815	\$-24,984
Adjustments to reconcile change in net assets to cash provided by operating activities		
Depreciation and amortization	20,721	5,287
(Increase) decrease in assets		
Pledges and other receivable	-20,000	2,000
Prepaid expenses	59	539
Program advances	-13	-95
Increase (decrease) in liabilities		
Accounts payable	13,889	-3,854
Accrued expenses	158	2,425
Payroll protection program loan forgiveness	<u>-23,585</u>	<u>-23,586</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>-956</u>	<u>-42,268</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	<u>-16,596</u>	<u>-4,555</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>-16,596</u>	<u>-4,555</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loss on foreign currency exchange	-321	-10,774
Advances from payroll protection program loan	<u>0</u>	<u>23,585</u>
NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES	<u>-321</u>	<u>12,811</u>
NET DECREASE IN CASH	-17,873	-34,012
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>156,577</u>	<u>190,589</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$138,704</u>	<u>\$156,577</u>

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Rain for the Sahel and Sahara, Inc. (RAIN) is a New Hampshire non-profit corporation incorporated in 2001. RAIN works in partnership with underserved rural and nomadic peoples of Niger to increase educational opportunities and improve livelihoods for more resilient communities. RAIN envisions a world where Nigerien communities have the resources and opportunities to determine their own future.

Programs

Ranked 189th out of 191 countries on the UN's Human Development Index, Niger's pervasive poverty is exacerbated by a rapidly growing population. With 76% of girls married by age 18 and 28% married by 15, Niger has the highest rate of child marriage in the world, and, as a result, the youngest population – with 50% of the country under the age of 15. Further, over 80% of this population lives in rural areas with limited access to education or resources to support themselves. Without supportive infrastructure and increased opportunity, this new and growing generation will face even more challenges than those who came before them.

RAIN seeks to enable greater resiliency by meeting immediate needs and laying the groundwork for future needs. Meeting immediate needs often requires resources and infrastructure that don't exist locally, while meeting long-term needs necessitates training and establishing processes so resources can be sourced and leveraged effectively. To build community resiliency, we help implement the following programs:

Our *Access to Education Program* trains women mentors to advocate for youth enrollment, support students in their studies, and provide or connect them with the tools they need to succeed. RAIN also provides free, daily after-school classes for all students enrolled in partner middle schools. Finally, we provide homestays and run the residential Agadez Learning Center for students without access to a local middle school in their communities.

Our *Sustainable Food and Water Program* ensures communities have the infrastructure to establish and maintain access to safe water and nutritious food as well as the skills to leverage those resources to build livelihoods. These projects are designed for environmental and economic sustainability.

Our *Entrepreneurship Program* trains women and youth in the basics of finance and business. We seek to render income-generating opportunities more accessible, to set women up to support themselves and one another, and to set marginalized youth on a productive and meaning path.

These strategic focus areas enable RAIN to address systemic challenges through sustainable approaches. As one of few organizations working on-the-ground in the region, we know first-hand that rural and nomadic communities are particularly vulnerable to Niger's limited educational opportunities, as they are least catered to by the government and often considered too inaccessible for most non-profits. Other partners are not present in these communities and that is exactly why RAIN is there.

Method of Accounting and Revenue Recognition

The financial statements of RAIN have been prepared on the accrual basis of accounting. Revenue is derived from the following principal sources – contributions, grants, fundraising activities, and the sale of Niger goods.

Contributions are recognized when received. Revenue from grants is recognized when the grant is awarded. Other revenue is recognized when earned.

Accounting Standard Adopted

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for Profit Entities. ASU 2016-14 requires not-for-profits to present on the face of the statement of financial position amounts for two classes of net assets at the end of the period. ASU 2016-014 is effective for the fiscal years beginning after December 15, 2017, and interim periods within fiscal years, beginning after December 15, 2018.

RAIN FOR THE SAHEL AND SAHARA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

NOTE 1 continued

Financial Statement Presentation

RAIN presents its financial statements in accordance with the Financial Accounting Standards Board (FASB) in its Statement of Financial Accounting Standards, *Financial Statements of Not-for-Profit Organizations*. Accordingly, RAIN reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

- Without donor restricted net assets represent net assets that are not subject to donor-imposed stipulations.
- With donor restricted net assets represent gifts and pledges for which donor-imposed restrictions have not been met and for which the ultimate purpose of the proceeds is not permanently restricted or represent gifts and pledges for which donor restrictions require that the corpus be invested in perpetuity and only the income be made available for program operations, in accordance with donor restrictions.

Net assets without donor restrictions include the revenues and expenses associated with the principal operating mission of RAIN. It records as contributions without donor restrictions, restricted contributions whose restrictions are met in the same reporting period. In 2022, RAIN received unrestricted grants and contributions from various individuals and the following grantors: Ivor and Barbara Freeman Fund of Combined Jewish Philanthropies, Hurlbut Johnson Trust, Mary H. Rice Foundation, The Zimmer Family Foundation, Evelyn & Richard Gunst Foundation, and Geoffrey and Martha Fuller Clark. In 2021, RAIN received unrestricted grants and contributions from various individuals and the following grantors: Ivor and Barbara Freeman Fund of Combined Jewish Philanthropies, Hurlbut Johnson Trust, Ethel Looram Foundation, Mary H. Rice Foundation, The Good Works Institute, The Zimmer Family Foundation, Evelyn & Richard Gunst Foundation, Henry Niles and HRK Foundation.

Net assets with donor restrictions include gifts and grants for which donor or grantor imposed restrictions have not yet been met. Assets are released from restrictions as expenditures are made in line with the restrictions called for under the terms of the contribution or grant.

Permanently restricted net assets include gifts which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions. RAIN has no permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statements of cash flows, RAIN considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Program Advances

Program advances consist of funds forwarded to Rain staff for the purpose of implementing specific programs. Once the employee has spent the funds, a complete report is submitted with receipts to the New Hampshire office. The expenditure is then moved from a program advance to the appropriate category of program expenses.

Property and Equipment

Purchased assets are carried at cost, and donated assets are recorded based on their fair market values at the time of the donation. Major additions are included in the property accounts while maintenance and repairs which do not improve or extend the life of the assets are expensed currently. Depreciation is calculated using the straight-line method over the estimated useful lives of property and equipment. Depreciation expense for 2022 and 2021 was \$20,721 and \$5,287, respectively.

RAIN FOR THE SAHEL AND SAHARA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

NOTE 1 continued

Pledge Receivable

The Organization has a pledge receivable, \$20,000 and \$0, respectively at September 30, 2022 and 2021, from Pathfinder International.

Use of Estimates

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

Income Taxes

RAIN is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. As such, no tax provisions have been made in the accompanying financial statements.

RAIN has adopted provisions of the Financial Accounting Standards Board in Accounting Standards Codification (ASC) Topic 740-10. RAIN's policy is to evaluate all tax positions on an annual basis in conjunction with the filing of the annual return of organization exempt from income tax. Interest and penalties assessed by income taxing authorities are included in administrative expense. For 2022 and 2021, there were no penalties or interest assessed or paid. RAIN files informational returns in the U.S. federal and state jurisdictions. RAIN's federal and state informational returns for 2020, 2021 and 2022 are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

Advertising

RAIN expenses advertising costs as incurred with the exception of promotional videos. Costs incurred in connection with the creation and production of promotional videos totaled \$28,239 and have been capitalized and amortized using the straight-line method over 10 years. These costs are presented in the Statements of Financial Position as intangible assets. Accumulated amortization totaled \$28,239 and \$28,239 at September 30, 2022 and 2021, respectively.

NOTE 2 NET ASSETS WITH DONOR RESTRICTIONS

In 2022, restricted grants and donations were used for the following:

- Turing Foundation: Elementary & middle school mentoring in 2 communities
- Irwin Andrew Porter Foundation: Food & water security
- Tomberg Family Foundation
- Addax & Oryx Foundation
- Girls Rights Project
- Circle of Sisterhood Foundation

In 2021, restricted grants and donations were used for the following:

- Ivor and Barbara Freeman Fund of Combined Jewish Philanthropies: Capacity building
- Capacity Building Fund: Supported by various individual donors, for staffing in Niger and the U.S.
- Turing Foundation: Elementary & middle school mentoring in 2 communities
- The International Foundation: Food & water security
- Irwin Andrew Porter Foundation: Food & water security
- Change Happens Foundation: Agadez learning center

RAIN FOR THE SAHEL AND SAHARA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

NOTE 3 FOREIGN OPERATIONS

RAIN has operations in Niger and maintains various bank accounts in the country denominated in West African CFA currency. The aggregate foreign currency transaction losses for 2022 and 2021 were as follows:

	2022	2021
Beginning cumulative translation adjustment	\$-53,023	\$-42,249
Loss on foreign currency exchange	<u>-321</u>	<u>-10,744</u>
Ending cumulative translation adjustment	<u>\$-53,344</u>	<u>\$-53,023</u>

NOTE 4 CONCENTRATION OF GEOGRAPHIC AREA

In maintaining its foreign operations in Niger, RAIN experiences risk factors inherent in these operations, such as currency fluctuations and economic and political conditions. The net assets located in Niger were \$199,036 and \$182,440 at September 30, 2022 and 2021, respectively.

NOTE 5 LEASE COMMITMENT

RAIN leases office space in the United States and Niger, and has entered into an operating lease agreement for the Portsmouth, New Hampshire office and an operating lease agreement for the Niamey office in Niger. RAIN also rents office space on a month-to-month basis in Agadez. The term of the Portsmouth lease is two years starting November 1, 2020 and ending October 31, 2022. The term of the current Niger lease is one year with the option of renewing annually every two years for one additional year through September 2019. Rent expense for the years ended September 30, 2022 and 2021 was \$16,537 and \$16,328, respectively. The future minimum lease payments are:

October 1, 2022 through September 30, 2023	\$25,283
--	----------

NOTE 6 LIQUIDITY

The following reflects RAIN's financial assets as of September 30, 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets at year end	\$138,704
Less those unavailable for general expenditures within one year, due to:	
Contractual or Donor imposed restrictions	
Restricted by Donor with purpose or donor restrictions	<u>0</u>
Financial assets available to meet cash needs for general	
Expenditures within one year	<u>\$138,704</u>

RAIN is supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, RAIN must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the RAIN's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7 PAYCHECK PROTECTION PROGRAM LOAN

On May 4, 2020, the Organization was granted a loan from Bank of America in the amount of \$23,586, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title 1 of the CARES Act, which was enacted March 27, 2020.

The loan, which was in the form of a Note dated May 4, 2020 issued by the Borrower, matures on May 4, 2022 and bears interest at a rate of 1.00% per annum., payable monthly commencing on March 4, 2021. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments,

RAIN FOR THE SAHEL AND SAHARA, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

NOTE 7 continued

rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Organization intends to use the entire loan amount of qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

As of December 31, 2020 the loan has been forgiven in full.

On February 28, 2021, the Organization was granted a second loan from Bank of America in the amount of \$23,585, pursuant to the Paycheck Protection Program (the "PPP 2") under the Consolidated Appropriations Act which was enacted December 27, 2020.

The loan, which was in the form of a Note dated February 28, 2021 issued by the Borrower, matures on February 28, 2023 and bears interest at a rate of 1.00% per annum., payable monthly commencing on December 28, 2021. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Organization intends to use the entire loan amount of qualifying expenses. Under the terms of the "PPP 2", certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the Consolidated Appropriations Act.

As of October 21, 2021 the loan has been forgiven in full.

NOTE 8 EVALUATION OF SUBSEQUENT EVENTS

RAIN has evaluated all subsequent events through December 15, 2023, the date the financial statements were available to be issued, and determined that any subsequent events that require recognition or disclosure were considered in the preparation of the financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
SUPPLEMENTAL SCHEDULES OF FUNCTIONAL EXPENSE PERCENTAGES
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021
(See Accountant's Compilation Report)

	2022		2021	
Program expenses	\$321,749	65.39%	\$340,188	72.73%
Management and general expenses	38,626	7.85%	40,538	8.67%
Fundraising expenses	<u>131,668</u>	<u>26.75%</u>	<u>87,036</u>	<u>18.60%</u>
	<u>\$492,044</u>	<u>100.00%</u>	<u>\$467,762</u>	<u>100.00%</u>

See notes to financial statements.