

**THE LEFT FOUNDATION INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**(REVIEW)**

THE LETT FOUNDATION INC.  
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YEAR ENDED DECEMBER 31, 2015  
(REVIEW)

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# MATTHEW F. BOBMAN, CPA, P.C.

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Trustees  
The Lelt Foundation Inc.  
242 Riverside Drive Suite MZ2  
New York, NY 10025

To the Board of Trustees:

I have reviewed the accompanying financial statements of The Lelt Foundation Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

### **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.

### **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

### **Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Matthew Bobman CPA  
New York, NY  
June 8, 2016

THE LEFT FOUNDATION INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015  
(REVIEW)

ASSETS

Current Assets:

Cash \$ 71,078  
Loan-Current Portion 5,400

Total Current Assets 76,478

Loan-Long Term Portion 35,777

TOTAL ASSETS \$ 112,255

LIABILITIES AND NET ASSETS

Current Liabilities:

Accrued Expenses \$ 1,253

Total Current and Long-Term Liabilities 1,253

Net Assets: 111,002

TOTAL LIABILITIES AND NET ASSETS \$ 112,255

See accountant's report and note to financial statements.

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**MATTHEW F. BOBMAN, CPA, P.C.**

THE LEFT FOUNDATION INC.  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED DECEMBER 31, 2015  
 (REVIEW)

	Current Funds		Total
	Unrestricted	Restricted	All Funds
Support:			
Sponsorship	\$ -	\$109,122	\$ 109,122
Merchandising Income	6,828		6,828
General Donations	78,754		78,754
Event Income	5,785		5,785
<b>Total Support</b>	<b>91,367</b>	<b>109,122</b>	<b>200,489</b>
Expenses:			
Program Services	78,841	109,122	187,963
Information and Education	796		796
Fundraising Expenses	7,739		7,739
Management Expenses	4,460		4,460
<b>Total Expenses</b>	<b>91,837</b>	<b>109,122</b>	<b>200,959</b>
<b>Change in Net Assets</b>	<b>\$ (470)</b>	<b>\$ -</b>	<b>\$ (470)</b>
Net Assets Beginning of Year			111,472
<b>Net Assets End of Year</b>			<b>\$ 111,002</b>

See accountant's report and note to financial statements.

THE LETT FOUNDATION INC.  
 STATEMENT OF FUNCTIONAL EXPENSES  
 YEAR ENDED DECEMBER 31, 2015  
 (REVIEW)

	Total	Management	Fundraising	Programming and Education	Information
<b>Marketing Expenses:</b>					
Fundraising Costs	\$ 2,613	\$ -	\$ 2,090	\$ -	\$ 523
Merchandise	953		953		
Event Expenses	939		751		188
<b>Total</b>	<b>\$ 4,505</b>	<b>\$ -</b>	<b>\$ 3,795</b>	<b>\$ -</b>	<b>\$ 710</b>
<b>Administrative Expenses:</b>					
Office Expenses	\$ 1,137	\$ 739	\$ 284	\$ 114	\$ -
Postage	793	436	198	159	
Web Site	429	236	107		86
Bookkeeping	1,976	1,581		395	
Bank Charges	4,473	1,118	3,355		
Miscellaneous	467	350		117	
<b>Total</b>	<b>\$ 9,275</b>	<b>\$ 4,460</b>	<b>\$ 3,945</b>	<b>\$ 784</b>	<b>\$ 86</b>
<b>Operational Expenses:</b>					
Sponsorships	\$ 89,858	\$ -	\$ -	\$ 89,858	\$ -
Programming Services	53,079			53,079	
Ethiopia Rent	14,451			14,451	
Programming Costs	18,152			18,152	
Business Creation	11,639			11,639	
<b>Total</b>	<b>\$ 187,179</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 187,179</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 200,959</b>	<b>\$ 4,460</b>	<b>\$ 7,739</b>	<b>\$ 187,963</b>	<b>\$ 796</b>

**MATTHEW F. BOBMAN, CPA, P.C.**

See accountant's report and note to financial statements.  
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THE LEFT FOUNDATION INC.  
STATEMENT OF CASH FLOW  
YEAR ENDED DECEMBER 31, 2015  
(REVIEW)

Cash flows from Operating Activities	
Change in Net Assets	\$ (470)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operating Activities	-
Changes in Operating Assets and Liabilities	
Accrued Expenses	367
Net Cash Provided from Operating Activities	<u>(103)</u>
Cash Flows Used in Investing Activities:	-
Long-Term Loan	1,691
Net Cash Used in Investing Activities	<u>1,691</u>
Net Increase (Decrease) in Cash	<u>(1,794)</u>
Cash at Beginning of Year	72,872
Cash at End of Year	<u><u>\$ 71,078</u></u>

See accountant's report and note to financial statements.

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**MATTHEW F. BOBMAN, CPA, P.C.**

THE LELT FOUNDATION INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(REVIEW)

Note 1- Organization and Summary of Significant Accounting Policies:

Organization:

The Lelt Foundation Inc. "The Organization" is a nonprofit organization under Section 501 (c)(3) of the Internal Revenue Code. It was originally founded in September 26th, 2011. It is dedicated to improving the safety and quality of life for disadvantaged families in Addis Ababa, Ethiopia. The aid is limited to the residents of Lelt, a neighborhood in Addis Ababa. This is done through orphan care, education, entrepreneurship programs and child sponsorships.

Accounting Method:

The Organization is reporting its financial statements on an accrual basis.

Basis of presentation:

The Organization is required to present its financial statements according to two classes of assets, unrestricted net assets and restricted net assets. There are no restricted assets at December 31, 2015.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Unrestricted Resources:

Unrestricted contributions are recognized as revenue when pledged. All contributions are considered available for unrestricted use, unless specifically restricted by donors or received in response to specific solicitations.

Contributions:

All contributions are recognized as revenue when received or unconditionally promised. Gifts of cash and other assets are classified as restricted support if received with donor stipulations that limit the use of the contributions. When such restrictions expire, that is, when a stipulated time restrictions ends or a purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and reclassified to unrestricted net assets and reported as assets released from restrictions. Restricted contributions are reported as unrestricted support when the restriction is met in the same period as the contribution is received or when appropriated for expenditure by the Board. Conditional promises to give are not recognized as revenue until the conditions are substantially met. Investments received as gifts are initially recorded at estimated fair value at the date of the donation.



THE LEFT FOUNDATION INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(REVIEW)

Note 1- Organization and Summary of Significant Accounting Policies:

Cash and Cash Equivalents:

Cash and cash equivalents include bank accounts subject to immediate withdrawal, money market accounts and highly liquid investments with an original maturity of three months or less. The Organization places its temporary cash investments with high credit quality financial institutions. At times, such investments may exceed insured limits by the Federal government. At December 31, 2015, the Organization was within these limits.

Restricted Funds:

Restricted funds are contributions restricted by a donor for a particular operating purpose. They are deemed to be restricted and are recognized as revenue when pledged.

Note 2- Donations in-Kind:

The Organization had no donations in-kind in 2015.

Note 3- Related Party Transactions:

The Organization has no related party transactions.

Note 4- Unconditional Promises to Give:

There were no promises to give and funds at December 31, 2015.

Note 5- Commitments:

The Organization has no commitments or contingent liabilities as of statement date of December 31, 2015 as well as through the report date of June 8, 2016.

Note 6- Significant Contribution:

The Organization received a specific contribution that was in excess of 10% of its total contributions.

Note 7- Merchandising Income:

The merchandising program is being phased out by the Organization. Net merchandising income was derived as follows for the year ended 2015:

Sales	\$6,828
Cost of Merchandise	<u>953</u>
Gross Margin	\$5,875

Note 8- Functional Allocation of Expenses:

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

THE LEFT FOUNDATION INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(REVIEW)

Note 9-Evaluation of Subsequent Events:

The Organization has evaluated subsequent events through June 8, 2016, the financial statement issue date. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with accounting principles generally accepted in the United States of America. The Organization has determined that there are no unrecognized subsequent events that require additional disclosure.

Note 10- Aid to Ethiopia:

The Organization has a working relationship with Trees of Glory, an unrelated nongovernmental organization (NGO) located in Addis Ababa, Ethiopia. Trees of Glory provides the programing on behalf of The Organization. Trees of Glory received approximately \$166,000 from The Organization in 2015.

In addition, The Organization gave an interest free loan Wubalance Ashenafi for \$50,227. Wubalance Ashenafi is the executive director of Trees of Glory, the organization mentioned in the prior paragraph. The loan will be paid back at the rate of \$450 per month, as a reduction of aid. The \$450 will be recorded as rent and other expenses that Mr. Ashenafi incurs on behalf of The Organization. No cash will be exchanged. The loan was for a residence that houses people whom the organization provides aid to. \$9,050 has been repaid through December 31, 2015. The repayment plan is as follows:

<u>Year</u>	<u>Amount</u>
2016	\$5,400
2017	5,400
2018	5,400
2019	5,400
2020	5,400
Thereafter	<u>14,177</u>
Total	\$41,177