

THE LEFT FOUNDATION INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

**TOGETHER WITH INDEPENDENT
ACCOUNTANT'S REVIEW REPORT**

THE LEIT FOUNDATION INC.
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2019

INDEX

	<u>PAGE</u>
Independent Accountant's Review Report	2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

Dear Board Members:

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, 2019, 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 entity 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

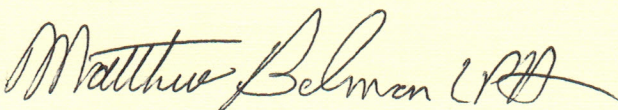
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and 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

September 24, 2020

THE LEFT FOUNDATION INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

Current Assets:

Cash	\$ 510,322
Donations Receivable	1,575
Loan Receivable-Current Portion	5,100

Total Current Assets	<u>516,997</u>
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Loan Receivable-Long Term Portion	11,872
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TOTAL ASSETS	<u><u>\$ 528,869</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accrued Expenses	\$ 1,838
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Total Liabilities	<u>1,838</u>
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Net Assets Without Donor Restrictions	527,031
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Total Net Assets	<u>527,031</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 528,869</u></u>
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See independent accountant's review report and accompanying notes to financial statements.

(3)

MATTHEW F. BOBMAN, CPA, P.C.

THE LEIT FOUNDATION INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

Support:

Sponsorship	\$ 106,145
Gala Income	186,109
Corporate Donations	37,600
Board Donations	81,767
General Donations	45,886

Total Support	<u>457,507</u>
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Expenses:

Management	4,461
Fundraising	51,407
Programming	272,881
Information and Education	10,682

Total Expenses	<u>339,431</u>
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Change in Net Assets from Operations	<u>118,076</u>
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Net Assets Beginning of Year	408,955
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Net Assets End of Year	<u>\$ 527,031</u>
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See independent accountant's review report and accompanying notes to financial statements.

(4)

MATTHEW F. BOBMAN, CPA, P.C.

THE LEFT FOUNDATION INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	Total	Management	Fundraising	Programming and Education	Information
Marketing Expenses:					
Travel	\$ 341	\$ -	\$ 273	\$ 68	\$ -
Advertising/Web Site	1,635	-	1,226	82	327
Event Expenses	51,774	-	41,419	-	10,355
Total	\$ 53,750	\$ -	\$ 42,918	\$ 150	\$ 10,682
Administrative Expenses:					
Office Expenses	\$ 448	\$ 291	\$ 112	\$ 45	\$ -
Postage	188	103	47	38	-
Professional Fees	3,720	3,720	-	-	-
Bank Charges	9,195	184	8,330	681	-
Miscellaneous	217	163	-	54	-
Total	\$ 13,768	\$ 4,461	\$ 8,489	\$ 818	\$ -
Operational Expenses:					
Programming Services	\$ 177,642	\$ -	\$ -	\$ 177,642	\$ -
Ethiopia Rent	25,317	-	-	25,317	-
Programming Costs	68,954	-	-	68,954	-
Total	\$ 271,913	\$ -	\$ -	\$ 271,913	\$ -
Grand Total	\$ 339,431	\$ 4,461	\$ 51,407	\$ 272,881	\$ 10,682

MATTHEW F. BOBMAN, CPA, P.C.

See independent accountant's review report and accompanying notes to financial statements.
(5)

THE LEFT FOUNDATION INC.
STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 2019

Cash flows from Operating Activities	
Change in Net Assets	\$ 118,076
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operating Activities	-
Changes in Operating Assets and Liabilities	
Donations Receivable	(1,575)
Loan Receivable-Current Portion	-
Accrued Expenses	1,388
Net Cash Provided By Operating Activities	<u>117,889</u>
Cash Flows By Investing Activities:	
Repayment of Loan Receivable	3,932
Net Cash By Investing Activities	<u>3,932</u>
Net Increase in Cash	<u>121,821</u>
Cash at Beginning of Year	388,501
Cash at End of Year	<u><u>\$ 510,322</u></u>

See independent accountant's review report and accompanying notes to financial statements.

THE LELT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS

Note 1- 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.

Note 2- Summary of Significant Accounting Policies:

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 net assets, net assets with donor restrictions and net assets without donor restrictions. There are no net assets with donor restrictions at December 31, 2019.

Without Donor Restrictions:

Net assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally considered "restricted" under GAAP, though for internal reporting, The Organization tracks such grants and contributions to verify that the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board designated.

With Donor Restrictions:

Net assets subject to donor-imposed stipulations that are more restrictive than The Organization's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity.

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.

THE LEIT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS

Note 2- Summary of Significant Accounting Policies:

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 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.

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, 2019, the Organization exceeded these limits. Management is in the process of reorganizing their cash and investments.

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. All net assets are without restrictions as of December 31, 2019.

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, based on management's analysis of costs.

Marketing expenses were allocated based on a time involved with the process. Administrative expenses were allocated based on purpose. Operational expenses were considered entirely for programming.

THE LEFT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS

Note 2- Summary of Significant Accounting Policies:

Financial Accounting Standards Board("FASB") issued Accounting Standards Update ("ASU") No. 2016-14, Not-for-Profit Entities (Topic 958)-Presentation of Financial Statements of Not-for-Profit-Entities was adopted for the year ended December 31, 2019. ASU No. 2016-14 provides for a number of changes, including the presentation of two classes of net assets and enhanced disclosure on liquid resource and expense allocation. As a result of adopting this standard, there was no effect on the Organization's total net assets for the year ended December 31, 2019.

Note 3- Donations in-Kind:

The Organization had donations in-kind in 2019 of \$7,000. The Organization has volunteers that donate significant time to The Organization's activities. This value does not meet the criteria of being recognized as revenue.

Note 4- Related Party Transactions:

The Organization has no related party transactions.

Note 5-Unconditional Promises to Give:

There were no promises to give and funds at December 31, 2019.

Note 6- Commitments:

The Organization has no commitments or contingent liabilities as of statement date of December 31, 2019 as well as through the report date of September 24, 2020.

Note 7-Significant Contribution:

The Organization had one individual who had a specific contribution that was in excess of 10% of its total contributions.

Note 8- Donations Receivable: Donations receivable were received in early 2020 and were pledged in late 2019.

Note 9-Available Resources and Liquidity:

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The main source of liquidity is their operating cash. The loan discussed in Note 11 is not a cash generating item. For purposes of analyzing resources available to meet general expenditures over a 12-month period, The Organization considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

THE LEFT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS

Note 9-Available Resources and Liquidity:

In addition to the financial assets available to meet general expenditures over the next 12 months, The Organization anticipates collecting sufficient revenue to cover general expenditures not covered by any donor-restricted resources. Refer to the statement of cash flows, which identifies the sources and uses of The Organization's cash and shows positive cash generated by operations for the fiscal year ended 2019.

As of December 31, 2019, the following listings show the total financial assets held by The Organization and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures:

Financial Assets of \$511,897 consisting of \$510,322 in cash and \$1,575 in donations receivable.

Note 10- Concentration of Credit Risk:

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, 2019, the Organization exceeded these limits. Management is in the process of reorganizing their cash and investments.

Note 11- 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 \$267,000 from The Organization in 2019.

In addition, The Organization gave an interest free loan Wubalence Ashenafi for \$48,456 starting in 2013. The balance due at December 31, 2019 is \$18,376. Wubalence 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 \$500 per month, as a reduction of aid. The \$500 will be recorded as rent that Ms. Ashenafi incurs on behalf of The Organization. No cash will be exchanged.

THE LEIT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS

Note 11- Aid to Ethiopia:

The loan was for a residence that houses people whom the organization provides aid to. \$30,080 has been repaid through December 31, 2019. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the loans are received. Amortization of the discounts is included in general donations. The repayment plan is as follows at 4%.

<u>Year</u>	<u>Amount</u>
Less than one year	\$5,100
One to five years	13,276
Thereafter	<u>-0-</u>
Total	\$18,376
Less: discount to present value	<u>(1,404)</u>
Net Loan Receivable	\$16,972

Note 12- Evaluation of Subsequent Events:

The Organization has evaluated subsequent events through September 24, 2020 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.