THE LELT FOUNDATION INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2021

THE LELT FOUNDATION INC.
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YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of
The Lelt Foundation Inc.
243 Riverside Drive #MZ2
New York, NY 10025

Dear Sir/Madam:

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, 2021, 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.

I am required to be independent of The Lelt Foundation Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

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

Matthew Bobman CPA

New York, NY
July 1, 2022

THE LELT FOUNDATION INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS	
Current Assets:	
Cash	$ 488,115
Donations Receivable	570
Loan Receivable-Current Portion	4,876
Total Current Assets	493,561
Loan Receivable-Long Term Portion	
TOTAL ASSETS	$ 493,561
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accrued Expenses	$ 3,208
Total Liabilities	3,208
Net Assets Without Donor Restrictions	490,353
Total Net Assets	490,353
TOTAL LIABILITIES AND NET ASSETS	$ 493,561

See accompanying notes to financial statements.

THE LELT FOUNDATION INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Support:	
Sponsorship	$ 100,347
Gala Income	-
Foundation Donations	20,000
Board Donations	116,200
General Donations	53,168
Total Support	289,715
Expenses:	
Management	9,776
Fundraising	2,691
Programming	351,835
Total Expenses	364,302
Change in Net Assets from Operations	(74,587)
Net Assets Beginning of Year	564,940
Net Assets End of Year	$ 490,353

See accompanying notes to financial statements.

THE LELT FOUNDATION INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Total	Management	Fundraising	Aid to Lelt, Addis Ababa
Marketing Expenses:				
Travel	$ 1,777	$ -	$ 1,422	$ 355
Advertising/Web Site	1,211	-	908	303
Event Expenses	-	-	-	-
Conferences	1,851	1,388	-	463
Total	$ 4,839	$ 1,388	$ 2,330	$ 1,121
Administrative Expenses:				
Office Expenses	$ 527	$ 395	$ -	$ 132
Postage	682	375	171	136
Professional Fees	3,440	3,440	-	-
Bank Charges	4,154	4,154	-	-
Internet	238	24	190	24
Total	$ 9,041	$ 8,388	$ 361	$ 292
Operational Expenses:				
Programming Services	$ 62,814	$ -	$ -	$ 62,814
Ethiopia Rent	7,790	-	-	7,790
Programming Costs	279,818	-	-	279,818
Total	$ 350,422	$ -	$ -	$ 350,422
Grand Total	$ 364,302	$ 9,776	$ 2,691	$ 351,835

See accompanying notes to financial statements.

THE LELT FOUNDATION INC.
STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 2021

Cash flows from Operating Activities	
Change in Net Assets	$ (74,587)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operatiing Activities	-
Changes in Operating Assets and Liabilities	
Donations Receivable	230
Loan Receivable-Current Portion	1,124
Accrued Expenses	(422)
Net Cash Provided By Operating Activities	(73,655)
Cash Flows By Investing Activities:	
Repayment of Loan Receivable	5,651
Net Cash By Investing Activities	5,651
Net Increase in Cash	(68,004)
Cash at Beginning of Year	556,119
Cash at End of Year	$ 488,115

See accompanying 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 and Hosanna, which is a sister community. This is done through orphan care, education, entrepeneurship 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, 2021.

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.

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 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.

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 of $250,000 by the Federal Deposit Insurance Corporation. At December 31, 2021, the Organization's did exceed these limits. The Organization went under the limit in January 2022 by moving money into an investment account.

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, 2021.

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.

Note 2- Summary of Significant Accounting Policies:

Financial Statement Presentation:

The financial statements are presented in accordance with the Statement of Financial Accounting Standard No. ASU 2016-14, "Financial Statement of Not-for-Profit Organizations" which requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Effective July 1, 2019, the Organization retroactively changed its accounting methods for revenue recognition and financial instruments as a result of implementing the requirements in the Financial Accounting Standard Board's Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers, and ASC 825-10, Financial Instruments—Overall. The new revenue recognition guidance requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services. The Organization adopted the requirements of the new revenue recognition guidance as of July 1, 2019, utilizing the invoice expedient method.
The Organization applied the following five step process to recognize revenue:
Step 1: Identified the contract with a customer.
Step 2: Identified the performance obligations in the contract.
Step 3: Determined the transaction price.
Step 4: Allocated the transaction price to the performance obligations in the contract.
Step 5: Recognized revenue when (or as) the entity satisfies a performance obligation.

The Organization used the core principals in ASC 606 in prior years. Because these principals were consistent with the Organization's previous revenue process, the transition to the new guidance did not result in any change in earnings. Therefore, no retrospective modifications were needed. There were no contracts with customers at the beginning and end of the year, and there was no revenue from contract with costumers for the year ended December 31, 2021.

Note 3- Donations in-Kind:

The Organization had no donations in-kind in 2021. 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, 2021.

Note 6- Commitments:

The Organization has no commitments or contingent liabilities as of statement date of December 31, 2021 as well as through the report date of July 1, 2022.

Note 7-Significant Contribution:

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

Note 8- Donations Receivable:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Donations receivable were received in early 2022 and were pledged in late 2021.

Note 9-Available Resources and Liquidity:

The Organization has $493,561 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of $488,115 of cash, $4,876 of loan receivable and $570 of donations receivable. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date.

The Organization has a goal to maintain financial assets, which consist of cash and donations receivable, on hand to meet 60 days of normal operating expenses, which are on the average, approximately $60,700. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

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 2021.

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 $309,000 from The Organization in 2021.

In addition, The Organization gave an interest free loan Wubalence Ashenafi for $48,456 starting in 2013. The balance due at December 31, 2021 is $4,876. 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 $600 per month, as a reduction of aid. The $600 will be recorded as rent that Ms. 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. $43,280 has been repaid through December 31, 2021. 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%.

Year	Amount
Less than one year	$5,176
One to five years	-0-
Thereafter	-0-
Total	$5,176
Less: discount to present value	(300)
Net Loan Receivable	$4,876

Note 11- Evaluation of Subsequent Events:

The Organization has evaluated subsequent events through July 1, 2022 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.

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Organization's operations. The impact of the COVID-19 outbreak may possibly affect the Organization's business operation including its ability to continue as a going concern, in addition to other Organization's industry, regulatory and external factors. The future effects of these issues are unknown. The Organization has determined that there are no other unrecognized subsequent events that require additional disclosure.