

THE LEFT FOUNDATION INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2018

(REVIEW)

THE LET FOUNDATION INC.
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YEAR ENDED DECEMBER 31, 2018
(REVIEW)

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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, 2018, 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

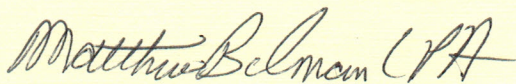
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and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

July 15, 2019

THE LEIT FOUNDATION INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018
(REVIEW)

ASSETS

Current Assets:

Cash	\$ 388,501
Loan-Current Portion	5,100

Total Current Assets	<u>393,601</u>
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Loan-Long Term Portion	15,804
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TOTAL ASSETS	<u><u>\$ 409,405</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accrued Expenses	\$ 450
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Total Liabilities	<u>450</u>
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Net Assets:	408,955
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 409,405</u></u>
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See accountant's report and note to financial statements.

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MATTHEW F. BOBMAN, CPA, P.C.

THE LEIT FOUNDATION INC.
STATEMENT OF ACTIVITIES
YEAR ENDED
(REVIEW)

	<u>December 31, 2018</u>
Support:	
Sponsorship	\$ 106,975
Corporate Donations	26,877
General Donations	169,895
Total Support	<u>303,747</u>
Expenses:	
Program Services	224,269
Information and Education	2,103
Fundraising Expenses	16,400
Management Expenses	3,338
Total Expenses	<u>246,110</u>
Change in Net Assets	<u>\$ 57,637</u>
Net Assets Beginning of Year	351,318
Net Assets End of Year	<u>\$ 408,955</u>

Matthew F. Bobman, CPA, P.C.

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 FUNCTIONAL EXPENSES
 YEAR ENDED DECEMBER 31, 2018
 (REVIEW)

	Total	Management	Fundraising	Programming and Education	Information
Marketing Expenses:					
Travel	\$ 5,076	\$ -	\$ 4,061	\$ 1,015	\$ -
Advertising/Web Site	7,549	-	5,662	377	1,510
Event Expenses	2,966	-	2,373	-	593
Internet	120	12	96	12	-
Total	\$ 15,711	\$ 12	\$ 12,192	\$ 1,404	\$ 2,103
Administrative Expenses:					
Office Expenses	\$ 272	\$ 177	\$ 68	\$ 27	\$ -
Postage	202	111	51	40	-
Professional Fees	3,038	3,038	-	-	-
Bank Charges	4,872	-	4,089	783	-
Total	\$ 8,384	\$ 3,326	\$ 4,208	\$ 850	\$ -
Operational Expenses:					
Programming Services	\$ 156,344	-	\$ -	\$ 156,344	-
Ethiopia Rent	11,754	-	-	11,754	-
Programming Costs	52,064	-	-	52,064	-
Business Creation	1,853	-	-	1,853	-
Total	\$ 222,015	\$ -	\$ -	\$ 222,015	\$ -
Grand Total	\$ 246,110	\$ 3,338	\$ 16,400	\$ 224,269	\$ 2,103

MATTHEW F. BOBMAN, CPA, P.C.

See accountant's report and note to financial statements.
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THE LEIT FOUNDATION INC.
STATEMENT OF CASH FLOW
YEAR ENDED
(REVIEW)

	<u>December 31, 2018</u>
Cash flows from Operating Activities	
Change in Net Assets	\$ 57,637
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operating Activities	-
Changes in Operating Assets and Liabilities	
Loan-Current Portion	(2,100)
Accrued Expenses	(1,541)
Net Cash Provided from Operating Activities	<u>53,996</u>
Cash Flows From Investing Activities:	
Long-Term Loan	5,529
Net Cash From Investing Activities	<u>5,529</u>
Net Increase in Cash	<u>59,525</u>
Cash at Beginning of Year	328,976
Cash at End of Year	<u>\$ 388,501</u>

Matthew F. Bobman, CPA, P.C.

See accountant's report and note to financial statements.

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MATTHEW F. BOBMAN, CPA, P.C.

THE LETT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS
(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, 2018.

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:

Contributions without donor restrictions 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 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 LEIT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS
(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, 2018, 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, 2018.

Note 2- Donations in-Kind:

The Organization had no donations in-kind in 2018. 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 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, 2018.

Note 5- Commitments:

The Organization has no commitments or contingent liabilities as of statement date of December 31, 2018 as well as through the report date of July 15, 2019.

Note 6- Significant Contribution:

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

Note 7- 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. Office expenses were allocated based on purpose. Programming expenses were considered entirely for programming.

THE LEFT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS
(REVIEW)

Note 8-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.

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 2018.

As of December 31, 2018, 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:

Cash \$388,501

Financial Assets Available to Meet General Expenditures Over the Next 12 Months:

Cash \$388,501

Note 9-Change in Accounting Principle:

The Organization has adopted the accounting guidance in FASB Accounting Standards Update (ASU) No. 2016-04 Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, which changes presentation and disclosure requirements for nonprofit entities to provide more relevant information about their resources (and the changes in those resources) to donors, granters, creditors and other users. These include qualitative and quantitative requirements in the following areas: net asset classes, investment return, expenses and liquidity.

THE LEIT FOUNDATION INC.
NOTES TO FINANCIAL STATEMENTS
(REVIEW)

Note 10-Evaluation of Subsequent Events:

The Organization has evaluated subsequent events through July 15, 2019, 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 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 programming on behalf of The Organization. Trees of Glory received approximately \$224,000 from The Organization in 2018.

In addition, The Organization gave an interest free loan Wubalence Ashenafi for \$48,456 starting in 2013. The balance due at December 31, 2018 is \$24,376. 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 \$425 per month, as a reduction of aid. The \$425 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. \$24,950 has been repaid through December 31, 2018. The repayment plan is as follows discounted at 4%:

<u>Year</u>	<u>Amount</u>
Less than one year	\$5,100
One to five years	19,376
Thereafter	<u>-0-</u>
Total	\$24,376
Less: discount to present value	<u>(3,472)</u>
Net Loan Receivable	\$20,904