

ELEVATE JACKSONVILLE, INC.

FINANCIAL STATEMENTS

Year Ended June 30, 2021

Elevate Jacksonville, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2021

ASSETS

Current assets:	
Cash and cash equivalents	<u>\$ 529,362</u>
Total current assets	529,362
TOTAL ASSETS	<u><u>\$ 529,362</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Payroll and related liabilities	\$ 3,422
PPP Loan Payable	<u>-</u>
Total liabilities	<u>3,422</u>
Net Assets:	
Without donor restrictions	105,940
With donor restrictions	<u>420,000</u>
Total net assets	<u>525,940</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 529,362</u></u>

Elevate Jacksonville, Inc.
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2021

REVENUE:	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Contributions	\$ 578,081	\$ 420,000	\$ 998,081
Golf Tournament, net of expense of \$1,537	2,934	-	2,934
Forgiveness of PPP Loan	54,300	-	54,300
Interest, investment income and market value change	<u>413</u>	<u>-</u>	<u>413</u>
Total public support and revenue	635,728	420,000	1,055,728
 EXPENSES:			
Program services	600,573	-	600,573
Supporting services:			
Management and general	20,421	-	20,421
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>
Total supporting services	<u>20,421</u>	<u>-</u>	<u>20,421</u>
Total expenses	<u>620,994</u>	<u>-</u>	<u>620,994</u>
INCREASE (DECREASE) IN NET ASSETS	14,734	420,000	434,734
Net assets, beginning of year	<u>91,206</u>	<u>-</u>	<u>91,206</u>
Net assets, end of year	<u>\$ 105,940</u>	<u>\$ 420,000</u>	<u>\$ 525,940</u>

Elevate Jacksonville, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2021

	<u>Supporting Services</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 442,375	\$ 14,215	\$ -	\$ 456,590
Employee benefits	44,829	593	-	45,422
Payroll taxes	35,190	1,097	-	36,287
Contract Labor	7,312	813	-	8,125
Insurance	5,654	-	-	5,654
Rent, Parking, Utilities	8,962	996	-	9,958
Advertising	1,482	-	-	1,482
Information Technology	9,068	1,008	-	10,076
Teaching and Program Supplies	38,342	362	-	38,704
Other	548	-	-	548
Conferences, conventions	1,426	919	-	2,345
Office expense	3,623	397	-	4,020
Printing and Copying	<u>1,762</u>	<u>21</u>	<u>-</u>	<u>1,783</u>
 Total expenses	 <u>\$ 600,573</u>	 <u>\$ 20,421</u>	 <u>\$ -</u>	 <u>\$ 620,994</u>

Elevate Jacksonville, Inc.
STATEMENT OF CASH FLOW
For The Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 434,734
Adjustments to reconcile change in net assets to net cash provided in operating activities:	
Increase (decrease) in accounts payable	<u>(2,719)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	432,015
CASH FLOWS FROM FINANCING ACTIVITIES:	
Funding (forgiveness) of Payroll Protection Loan	<u>(54,300)</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(54,300)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	377,715
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>151,647</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 529,362</u></u>
Supplementary Disclosure of Cash Flow Information:	
Interest expense paid	<u><u>\$ -</u></u>
Income taxes paid	<u><u>\$ -</u></u>

ELEVATE JACKSONVILLE, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. NATURE OF ORGANIZATION:

Elevate Jacksonville, Inc.'s unique relationship-based approach employs full-time salaried teachers who represent the community they serve. Part-teacher, part-mentor, part-graduation coach, our teachers make themselves available year-round creating long-term relational approach in four areas: (1) accredited classes, (2) mentoring, (3) adventure, and (4) college and career prep. During the school year (August-June), our teachers teach the Elevate class at least 4 times per day to high school and middle school students. During the summer (June-July), our teachers are mentoring students through adventure experiences. No one else is doing this work in Jacksonville. Elevate Jacksonville uniquely positions our teacher/mentors to build relationships with students in various contexts. Our accredited elective course teaches 13-character qualities and life skills. Our students also spend time with the same teacher/mentors on weekends, after-school, weekends, and during our summer adventure programs. Hence, by engaging in our students all day, every day, and providing mentoring, we enter their world in a trusting, life-changing approach.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets that are subject to donor-imposed restrictions. 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates:

Preparation of the Organization's financial statements in conformity with generally accepted accounting principles requires the use of management's estimates, primarily related to the collectability of receivables and depreciable lives of fixed assets. The nature of those estimates, however, is such that variances in actual results are generally immaterial.

ELEVATE JACKSONVILLE, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

-continued-

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Cash and Cash Equivalents:

Cash and cash equivalents include checking accounts and money market funds. For purposes of the Statement of Cash Flows, the Organization considers cash and all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Revenue and Support:

Contributions are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Expense Allocation:

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Certain costs benefit multiple programs and support services and have been allocated accordingly.

Advertising Costs:

Advertising costs of \$ 1,482 were expensed as incurred.

Fair Values of Financial Instruments:

Generally accepted accounting principles require certain financial instruments to be recorded at fair value. Changes in methods of estimation could affect the fair value estimates; however, such changes are not expected to have a material impact on the organization's financial position, activities, or cash flows. Cost approximates fair value for certain other investments, short-term debt, and cash equivalents.

ELEVATE JACKSONVILLE, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Income Taxes:

Elevate Jacksonville, Inc. is exempt from federal taxation under Internal Revenue Code Section 501(c)(3). Elevate Jacksonville, Inc. is not a private foundation. Management evaluated the Organization's tax positions and concluded that the Organization had maintained its exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for 3 years after they were filed.

3. FDIC DEPOSITORY INSURANCE:

The Organization maintains accounts at one FDIC insured bank. Deposits exceeded the FDIC depository insurance limit as of June 30, 2021 by \$279,362.

4. LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, consist of the cash and cash equivalents of \$109,362 as of June 30, 2021.

5. PAYCHECK PROTECTION PROGRAM:

Established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business's average monthly payroll expenses. PPP loans and accrued interest are forgivable after a "covered period" (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1%, with a deferral of payments for 10 months after then end of the covered period. The organization was granted a \$54,300 loan which was fully forgiven on December 3, 2020.

6. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are available for the following purposes:

	<u>2021</u>
Raines and Ribault Program	<u>\$ 420,000</u>
Total net assets with donor restrictions	<u>\$ 420,000</u>

ELEVATE JACKSONVILLE, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

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7. SPECIAL EVENTS:

The Organization supported a golf tournament hosted by Brasfield & Gorrie during the year ending June 30, 2021. Receipts totaled \$4,471 and disbursements were \$1,537.

8. OPERATING LEASES:

The Organization leases office space on Emerson Street in Jacksonville. The office leases run through May 31, 2023 and has a one-year option which, if exercised, would extend to May 31, 2024.

The minimum future lease payments for the year ending June 30 are as follows:

2022	\$ 8,940
2023	<u>8,195</u>
	<u>\$ 17,135</u>

Rent expense for the year ending June 30, 2021 was \$2,220.

9. RETIREMENT:

Employees may participate in a 401(k)-plan sponsored by the Organization. Entry into the plan is based on employment service time of one year. Eligible staff receive up to a 3% contribution to the plan. Retirement expense for the Organization was \$5,758 for the year ended June 30, 2021.

10. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through January 18, 2022 the date the financial statements were available to be issued.