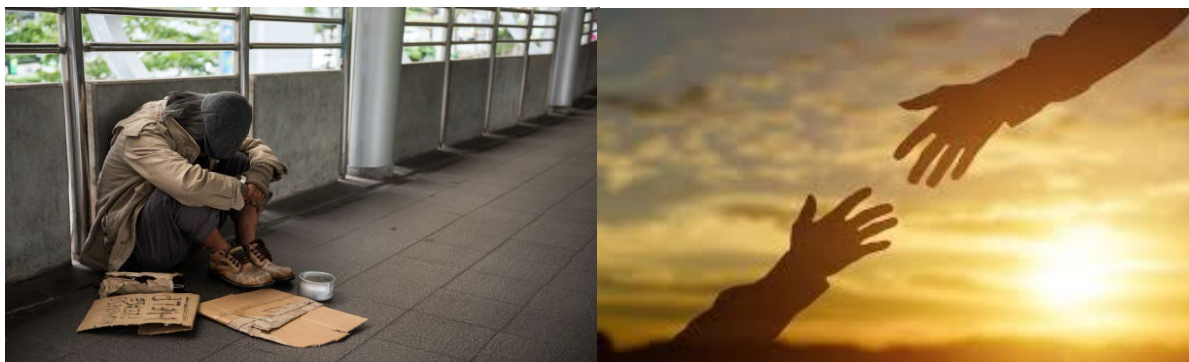


ELITE Financial & Consulting Services, Inc.

Audited Financial Statements of:

SALT OUTREACH, INC.

Year ended December 31, 2022



SALT OUTREACH, INC.

Audited Financial Statements

Year ended December 31, 2022

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ELITE FINANCIAL & CONSULTING SERVICES, INC.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of
SALT OUTREACH, INC.

Report on the Financial Statements

We have audited the accompanying financial statements of SALT Outreach, Inc. (a nonprofit organization), which comprise the Statement of Financial Position as of December 31, 2022 and the related Statements of Activities, Functional Expenses and Cash Flows for the year then ended, and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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ELITE FINANCIAL & CONSULTING SERVICES, INC.

INDEPENDENT AUDITOR'S REPORT

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SALT Outreach, Inc. as of December 31, 2022 and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

ELITE Financial & Consulting Services, Inc
Orlando, FL

February 13, 2023



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SALT OUTREACH, INC.

Statement of Financial Position

For the year ended December 31, 2022

	2021	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 300,385	\$ 234,262
Grant Receivables	76,746	403,109
Total CURRENT ASSETS	377,131	637,371
FIXED ASSETS		
Clothing Trailer	2,873	2,873
Shower Trailer #1	38,040	38,040
Solar Panels - Shower Trailer#1	11,500	11,500
Shower Trailer #2	22,498	67,663
Solar Panels - Shower Trailer #2	-	15,485
Laundry Trailer	74,620	74,620
Laundry Trailer - Generators	9,811	9,811
Vehicles	40,060	43,560
Multi-Family Container Home	25,615	25,615
Multi-Purpose Bus	-	216,000
Furniture & Equipment	4,341	20,713
Computers	7,865	13,001
Capitalized Software	-	8,386
Less: Accumulated Amortization	-	(1,118)
Less: Accumulated Depreciation	(44,582)	(94,225)
Total NET FIXED ASSETS	192,642	451,924
OTHER ASSETS		
Prepaid Assets	\$ -	\$ 3,243
Total OTHER ASSETS	-	3,243
TOTAL ASSETS	\$ 569,773	\$ 1,092,538
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable & accrued liabilities	44,253	106,340
Itria Ventures Loan	-	59,375
Total CURRENT LIABILITIES	44,253	165,715
LONG-TERM LIABILITIES		
Economic Injury Disaster Loan (EIDL)	101,200	101,200
Total LONG-TERM LIABILITIES	101,200	101,200
NET ASSETS		
Net Assets Without Donor Restrictions	324,899	717,446
Net Assets With Donor Restrictions	99,421	108,177
Total NET ASSETS	424,320	825,623
TOTAL LIABILITIES AND NET ASSETS	\$ 569,773	\$ 1,092,538

See Accompanying Notes to Financial Statements

SALT OUTREACH, INC.

Statement of Activities

For the year ended December 31, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL NET ASSETS
PUBLIC SUPPORT & REVENUE			
Contributions - Individuals	\$ 411,341	49,881	461,221
Contributions - Corporations	70,621	56,500	127,121
Government Grants	-	790,428	790,428
Foundation Grants	64,199	27,500	91,699
Accrued Grant Revenue	403,108	-	403,108
Fundraising Events	-	-	-
In-Kind Donations-Services	99,345	-	99,345
In-Kind Donations-Goods	485,338	-	485,338
In-Kind Donations-Assets	228,935	-	228,935
Other Income	204,959	-	204,959
Total Public Support and Revenue before Transfers	\$ 1,967,845	\$ 924,309	\$ 2,892,154
Net Assets Released From Restrictions due to Satisfaction of Donor-imposed Requirements	\$ 924,309	\$ (915,553)	\$ 8,756
Total Public Support and Revenue	\$ 2,892,154	\$ 8,756	\$ 2,900,910
EXPENSES:			
Program	1,898,294	-	1,898,294
Management & General	420,810	-	420,810
Fundraising	89,475	-	89,475
Total Expenses	\$ 2,408,579	\$ -	\$ 2,408,579
NET CHANGES IN NET ASSETS	483,575	8,756	492,330
NET ASSETS:			
Net Assets, Beginning of Year	233,871	99,421	333,292
Net Assets, End of Year	\$ 717,446	\$ 108,177	\$ 825,623

See Accompany Notes to Financial Statements

SALT OUTREACH, INC.

Statement of Activities

For the year ended December 31, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL NET ASSETS
PUBLIC SUPPORT & REVENUE			
Contributions - Individuals	\$ 232,424	27,828	260,252
Contributions - Corporations	28,705	44,375	73,080
Government Grants	27,329	520,214	547,543
Foundation Grants	30,200	150,000	180,200
Accrued Grant Revenue	76,746	-	-
Fundraising Events	-	-	-
In-Kind Donations-Services	134,167	-	134,167
In-Kind Donations-Goods	77,048	-	77,048
Other Income	2	-	2
Other Income - PPP Loan Forgiveness	21,990	-	21,990
Total Public Support and Revenue before Transfers	\$ 628,611	\$ 742,417	\$ 1,371,028
Net Assets Released From Restrictions due to Satisfaction of Donor-imposed Requirements	\$ 742,417	\$ (642,996)	\$ 99,421
Total Public Support and Revenue	\$ 1,371,028	\$ 99,421	\$ 1,470,450
EXPENSES:			
Program	949,183	-	949,183
Management & General	90,729	-	90,729
Fundraising	54,043	-	54,043
Total Expenses	\$ 1,093,955	\$ -	\$ 1,093,955
NET CHANGES IN NET ASSETS	277,074	99,421	376,495
NET ASSETS:			
Net Assets, Beginning of Year	47,825	-	47,825
Net Assets, End of Year	\$ 324,899	\$ 99,421	\$ 424,320

See Accompany Notes to Financial Statements

SALT OUTREACH, INC.

Statement of Functional Expenses

For the year ended December 31, 2022

	Supporting Services			Total
	Program Services	Management and General	Fundraising	
Compensation	\$750,491	\$248,194	\$50,429	\$ 1,049,114
Employer Payroll Taxes	34,820	10,790	-	45,610
Employee Benefits	88,490	27,422	-	115,912
Payroll Admin Fees	8,273	-	-	8,273
Total Compensation and Related Expenses	\$ 882,075	\$ 286,406	\$ 50,429	\$ 1,218,909
Advertising & Public Relations	498	7,156	36,279	43,934
Amortization expense	1,118	-	-	1,118
Auto Expense	17,723	-	-	17,723
Bank Charges & Payment Process Fees	-	11,161	-	11,161
Computer/ Software	24,187	-	-	24,187
Depreciation	50,333	-	-	50,333
Donated Goods	485,338	-	-	485,338
Donated Services	99,345	-	-	99,345
Employee Expense	28,111	-	-	28,111
Fundraising Expenses	-	-	2,768	2,768
Insurance	-	12,745	-	12,745
Interest Expense	-	21,834	-	21,834
Janitorial expense	-	2,976	-	2,976
Outreach Expenses:				
Clothing for Clients	58,150	-	-	58,150
Direct Assistance for Clients	8,271	-	-	8,271
Food for Clients	28,515	-	-	28,515
Haircuts-Barbers for Clients	10,049	-	-	10,049
Hotel for Clients	79,948	-	-	79,948
Outreach Supplies	26,554	-	-	26,554
Travel Expense for Clients	10,297	-	-	10,297
Laundry Supplies	6,918	-	-	6,918
Legal & Professional Services	-	26,633	-	26,633
Membership Fees	-	1,653	-	1,653
Office Expense	17,754	-	-	17,754
Repairs & Maintenance	2,564	-	-	2,564
Rent - Office	-	23,865	-	23,865
Security	17,562	-	-	17,562
Shower Outreach Supplies	26,053	-	-	26,053
Storage	-	-	-	-
Telephone	-	4,693	-	4,693
Trailer Supplies & Maintenance	9,002	-	-	9,002
Training/Educational Expense	-	6,590	-	6,590
Travel	7,930	-	-	7,930
Utilities	-	15,097	-	15,097
Total Functional Expenses	\$ 1,898,294	\$ 420,811	\$ 89,475	\$ 2,408,580

See Accompanying Notes to Financial Statements

SALT OUTREACH, INC.

Statement of Functional Expenses

For the year ended December 31, 2021

	Supporting Services			Total
	Program Services	Management and General	Fundraising	
Compensation	\$ 391,184	\$ 35,980	\$ 42,901	\$ 470,066
Employer Payroll Taxes	43,323	-	-	43,323
Employee Benefits	27,473	-	-	27,473
Payroll Admin Fees	2,548	-	-	2,548
Total Compensation and Related Expenses	\$ 464,529	\$ 35,980	\$ 42,901	\$ 543,411
Advertising & Public Relations	8,407	-	-	8,407
Auto Expense	7,287	-	-	7,287
Bank Charges & Payment Process Fees	-	3,765	-	3,765
Computer/ Software	16,626	-	-	16,626
Depreciation	19,689	-	-	19,689
Donated Goods	77,048	-	-	77,048
Donated Services	134,167	-	-	134,167
Employee Expense	8,001	-	-	8,001
Evangelism Outreach expenses	769	-	-	769
Fundraising Expenses	-	-	11,141	11,141
Insurance	-	14,802	-	14,802
Janitorial expense	-	850	-	850
Outreach Expenses:	-	-	-	-
Clothing for Clients	26,333	-	-	26,333
Direct Assistance for Clients	4,367	-	-	4,367
Food for Clients	11,515	-	-	11,515
Haircuts-Barbers for Clients	16,534	-	-	16,534
Hotel for Clients	1,892	-	-	1,892
Outreach Supplies	54,993	-	-	54,993
Travel Expense for Clients	6,024	-	-	6,024
Laundry Supplies	576	-	-	576
Legal & Professional Services	-	19,820	-	19,820
Loss on Sale of Asset	200	-	-	200
Membership Fees	-	1,083	-	1,083
Office Expense	16,918	-	-	16,918
Repairs & Maintenance	3,711	-	-	3,711
Rent - Office	-	3,715	-	3,715
Security	36,587	-	-	36,587
Shower Outreach Supplies	19,400	-	-	19,400
Storage	5,234	-	-	5,234
Taxes & Licenses	403	-	-	403
Trailer Supplies & Maintenance	7,972	-	-	7,972
Training/Educational Expense	-	1,798	-	1,798
Travel	-	-	-	-
Utilities	-	8,916	-	8,916
Total Functional Expenses	\$ 949,183	\$ 90,729	\$ 54,043	\$ 1,093,955

See Accompanying Notes to Financial Statements

SALT OUTREACH, INC.

Statement of Cash Flows

For the year ended December 31, 2022

	2022
Cash flows from operating activities:	
Net Changes in Net Assets	483,576
Adjustments to reconcile change in net assets to net cash Provided (used in) operating activities:	
Depreciation & Amortization	51,451
Account Receivables	(403,108)
Other Assets-Prepaid	(3,243)
Change in assets and liabilities:	
Accounts payable & accrued expenses	121,462
Loss on Sale of Asset	-
Net cash provided by operating activities	\$250,138
Cash flow from investing activities:	
Proceeds from sale of fixed assets	-
Purchases of fixed assets	(316,261)
Net cash used in investing activities	(\$316,261)
Cash flow from financing activities:	
Proceeds from Economic Injury Disaster Loan	-
Net cash used in financing activities	\$0
Net increase/decrease in cash equivalents and restricted cash	(\$66,123)
Cash, cash equivalents, and restricted cash at beginning of year	\$300,385
Cash, cash equivalents, and restricted cash at end of year	\$234,262

See Accompanying Notes to Financial Statements

SALT OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - GENERAL

Organization and Nature of Activities

SALT Outreach, Inc (the “Organization”), is a 501(c)(3) nonprofit organization located in Orlando, FL that was established in 2011. SALT, an acronym that stands for Service and Love Together, is a grassroots organization whose mission is to share Christ’s love by serving the unsheltered through comprehensive mobile drop-in centers.

The Organization services primarily the Central Florida area and is funded primarily through contributions by government grants, individuals, and corporations.

In 2018, the Organization launched a mobile day service center for the homeless and purchased a mobile shower trailer with four full bathrooms.

In 2021, the Organization installed a fully operational laundry trailer with six industrial sized washers and dryers. During the year, the Organization also started the construction of a multi-family mobile home, which will be used as a permanent supportive home for people experiencing homelessness.

In 2022, the organization started construction of a second shower trailer, which will be completed in year 2023. During the year, SALT increased the number of locations for its mobile drop-in centers and started the SALT Outposts as a way to expand SALT branches through churches within the State of Florida.

SALT provides a comprehensive front door for people experiencing homelessness.

Currently, the Organization mainly focuses on meeting the needs of the homeless (unsheltered friends/clients) which includes showers through a mobile shower trailer, and laundry through a mobile laundry trailer. SALT provides clothing and hygiene products, food, haircuts, mobile phone charging, storage and mail services. SALT also provides other resources through their case management, mental health counseling, and spiritual care teams and various partner agencies.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

The Statements of Activities and Functional Expenses includes certain prior year summarized comparative information in total, but not by function. Such information does not include sufficient detail constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such

S.A.L.T. OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

CONT'D NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cont'd Basis of Presentation

information should be read in conjunction with the Organization's financial statements as of and for the year ended December 31, 2022 from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid temporary investments with a maturity of three months or less. There are no payments made for interest or income taxes for the year ended December 31, 2022. The Organization maintains two bank accounts with one financial institution which, at times, may exceed federally insured limits.

Restrictions on Cash and Cash Equivalents

A statement of cash flows shall explain the change during the period in the total cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. The Organization will disclose any information about the nature of restrictions on its cash, cash equivalents, and amounts generally described as restricted cash or cash restricted cash equivalents.

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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from estimates.

Contributions Receivable

The Organization uses the allowance method to determine uncollectible receivables and it considers all receivables to be fully collectible and, therefore, no allowance for uncollectible receivables has been recorded.

For the years ended December 31, 2021 and 2022, the Organization had Grant Receivables of \$76,746 and \$403,108 respectively. Grant Receivables consisted of amounts due from the City of Orlando- Emergency Service Grant (ESG), Orange Country ESG, Homeless Services Network of Central Florida (HSN), HSN Non-Congregate Shelter and the HSN OC Permanent Supportive Housing grants.

Property and Equipment

Property and equipment are stated at cost or at their estimated fair value at the date of donation. Depreciation is determined using the straight-line method based on the estimated useful life of the assets, which range from five to twenty years. The Organization follows a policy of capitalizing acquisitions of equipment or repairs that materially prolong the useful life of the assets.

S.A.L.T. OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Donated Goods and Services

Donated Goods are recognized at their estimated value at the date of service. For the years ended December 31, 2021, and 2022, the Organization received donated goods in the amount of \$77,048 and \$714,273, respectively. Donated goods for the year ended December 31, 2022, included donated assets to organization in the amount of \$228,935.

CONT'D NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Donated Services are recognized at the estimated hourly pay rate for the industry. For the years ended December 31, 2021 and 2022, the Organization received donated services in the amount of \$134,167 and \$99,345 respectively. Many individuals including interns, volunteer time and perform a variety of tasks that assist the Organization with various program and administrative tasks.

Classification of Net Assets:

The Net Assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions- Amounts that are not subject to usage restriction based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets with Donor Restrictions – Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization.

Public Support and Revenue Recognition

Public Support is recognized in the year received at its fair market value. Contributions with donor-imposed restrictions are reported as restricted support. The satisfaction of expiration of donor-imposed restrictions is recorded as a transfer from net assets with donor restrictions to net assets without donor restrictions.

Functional Allocation of Expenses

The Organization's expenses are recognized in the Statement of Activities as decreases in Net Assets Without Donor Restrictions. Directly identifiable expenses are charged to programs services. Expenses related to more than one function are charged to programs services on the basis of time and expense estimates in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and administrative activities benefited.

Advertising

The Organization's advertising expense for the years ended December 31, 2021, and 2022 was \$8,407 and \$43,934 respectively. The Organization's policy is to expense advertising costs as incurred.

SALT OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

CONT'D NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Taxes

The organization is a non-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. For the year ended December 31, 2022, the organization has determined that no income taxes are due for its activities. Accordingly, no provision for income tax has been recorded in the accompanying financial statements. In addition, the Organization has been classified as an entity that is not a private foundation within meaning of Section 509(a) of the Internal Revenue Code.

Commitments

In August 2021, the organization signed a month-to-month lease for an off-site mailbox with monthly payments of \$108, which ended in June 2022. As of June 2022, the Organization signed a one-year lease with ReadySpaces for the Administrative office-\$2,475 and Warehouse-\$1,440, totaling monthly payments of \$3,915.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In February 2016, the Financial Accounting Standards Board (FASB) issued a new Accounting Standard Update, ASU No. 2016-02, Leases (Topic 842), which provides guidance for accounting for leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for leases with terms longer than 12 months. The accounting guidance for lessors is largely unchanged. The ASU is effective for fiscal years beginning after December 15, 2019. It is to be adopted using a modified retrospective approach. The Organization currently does not have any leases with terms greater than twelve months.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 clarifies the guidance for evaluating whether a transaction is reciprocal (i.e.- an exchange transaction) or non-reciprocal (i.e. – a contribution) and for distinguishing between conditional and unconditional contributions. The ASU also clarifies the guidance used by entities other than not-for-profits to identify and account for contributions made. The ASU is applicable to contributions received for years beginning after December 15, 2018, and interim periods within years beginning after December 15, 2019. The Organization is currently evaluating the impact of the adoption of this guidance on its financial statements.

S.A.L.T. OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

CONT'D NOTE 3 – ADOPTIONS OF ACCOUNTING PRONOUNCEMENTS

NOTE 3 – ADOPTIONS OF ACCOUNTING PRONOUNCEMENTS

In May 2014, the FASB issued a new Accounting Standard Update, ASU 2014-09, Revenue from Contracts, (Topic 606), which impacts revenue recognition for exchange transactions. It requires recognition of revenue to depict the transfer of promised goods or services 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 standard will take effect for annual financial statements issued for fiscal years beginning after December 15, 2018. The Organization adopted the ASU 2014-09 effective December 15, 2018. The adoption of this ASU does not have a material impact on the financial statements.

In August 2016, the 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, which simplifies and improves how a not-for-profit organization classifies its net assets, as well as the information it presents in the financial statements and notes about its liquidity, financial performance, and cash flows. The changes include reducing the classes of net assets from three classes to two: net assets with donor restrictions and net assets without donor restrictions and expands disclosures about the nature and amount of any donor restrictions.

The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for annual periods beginning after December 31, 2017, and interim periods withing fiscal years beginning after December 15, 2018. The Organization adopted the ASU effective December 15, 2018. Adoption of the ASU 2016-14 did not result in any reclassifications or restatements to net assets or changes in net assets.

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. ASU 2016-18 is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Organization adopted the ASU 2016-18 effective January 1, 2019 and the adoption of the ASU 2016-18 does not have a material impact on the financial statements.

SALT OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS

	2021	2022
Permanent Supportive Tiny Homes	\$99,421	\$ 86,317
SALT Pleasant Hill Shower Trailer	-0-	\$ 6,860
ASI Foundation – Purchase of Truck	-0-	\$ 15,000
Total Net Assets with Donor Restrictions	\$99,421	\$108,177

During the year, amounts restricted by donors were \$924,309 and expended amounts were \$915,553. Net Assets with Donor Restrictions were \$99,421 and \$108,177 respectively for the years ended December 31, 2021 and 2022.

Restricted Grants

In April 2021, the organization received a \$445,043 grant from the City of Orlando-Emergency Solutions Grants (ESG-CV) which covers the period April 1, 2021 to January 31, 2022. This grant is a cost reimbursable agreement and is restricted for personnel expenses for case management and client engagement services. Amounts spent are reimbursed to the Organization on a monthly basis.

In June 2021, the organization received a \$144,005 grant from the Homeless Services Network of Central Florida (HSN) that covered the period June 1, 2021 to June 30, 2022, which was extended through September 2022. This grant is a cost reimbursable agreement and is restricted for street outreach services provided by the Organization.

During the year, the organization received a \$110,953 grant from the Orange County-Homeless Services Network of Central Florida (HSN) for Permanent Supportive Housing (PSH) which covers the period October 1, 2022 to September 30, 2023. This grant is a cost reimbursable agreement and is restricted for Case Management services and housing support provided by the Organization. Amounts spent are reimbursed to the Organization on a monthly basis.

The organization received a \$30,000 grant from the City of Orlando- ESG which covers the period October 1, 2022 to September 30, 2023. This grant is a cost reimbursable agreement and is restricted for supporting the Organization to continue operating its mobile drop-in centers and services to meet the basic need of people experiencing homelessness. Amounts spent are reimbursed to the Organization on a monthly basis.

During the year, the organization received a \$120,000 grant from the City of Orlando-Emergency Solutions Grants (ESG-CV) which covers the period February 1, 2022 to April 30, 2022. This grant is a cost reimbursable agreement and is restricted for personnel expenses for case management and client engagement services. Amounts spent are reimbursed to the Organization on a monthly basis. Additionally, the City of Orlando approved another \$450,000 CDBG- CV grant, which covered the period May 1, 2022 through September 30, 2022 and is restricted for outreach and case management salaries.

S.A.L.T. OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Cont'd Restricted Grants

In November 2022, the grant contract was signed and executed between the Organization and Orange County – ESG which covers the period October 1, 2021 to July 2023. This grant is a cost reimbursable agreement and is restricted for the Organization’s salaries and outreach supplies expenses. Amounts spent are reimbursed to the Organization on a monthly basis.

NOTE 5 – CAPITAL ASSETS

Capital assets are recorded at cost on the date of the acquisition, or fair value on the date of donation. Capital asset additions with an original value of \$1,000 or more, and more than one year of life are capitalized.

Capital assets are depreciated using the straight-line method over the estimated useful lives of 5 to 15 years and consist of the following for the year ended December 31, 2022:

	<u>December 31, 2022</u>
Buildings:	
Multi-Family Container Home	25,615
Trailers:	
Clothing	\$2,873
Shower#1 (mobile trailers)	38,040
Shower#1- Solar Panels	11,500
Shower#2 (mobile trailers)	67,663
Shower#2 – Solar Panels	15,485
Laundry (mobile trailers)	74,620
Laundry – Generators	9,811
Multi-Purpose Bus	216,000
Vehicles (Trucks)	43,560
Computers	13,001
Furniture & Equipment	<u>20,713</u>
	\$538,881
Less: Accumulated Depreciation	<u>(94,225)</u>
Total Fixed Assets	<u>\$444,656</u>
Capitalized Software	<u>\$8,386</u>
Less: Accumulated Amortization	<u>(1,118)</u>
Total Capitalized Software	<u>\$7,268</u>
Total Capital Assets	<u>\$451,924</u>

For the years ended December 31, 2021, and 2022, depreciation expense totaled \$19,689 and \$50,333, respectively.

For the years ended December 31, 2021, and 2022, amortization expense totaled \$0 and \$1,118, respectively.

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NOTE 6 - UNCERTAIN TAX POSITIONS

The Organization recognizes the tax benefit from an uncertain tax position only if it is more likely than not that tax position will be sustained on examination by the taxing authority, based on the technical merits of the position. As of December 31, 2021, there are no known items which would result in a material accrual to where the Organization has federal or state attributable tax positions. Generally, the taxing authorities have three years to examine a tax return from the later of the filing date or the extended due date.

NOTE 7 – SBA ECONOMIC INJURY DISASTER LOAN (EIDL)

In June 2020, the organization received an Economic Injury Disaster Loan (EIDL) in the amount of \$34,900 from the Small Business Administration (SBA).

In March 2021, the organization received additional funds for an Economic Injury Disaster Loan (EIDL) in the amount of \$66,300 from the Small Business Administration (SBA). The loan repayment term will begin twenty-four (24) months from the date of the original loan, which is June 2020. Installment payments will be made at an interest rate of 2.75%.

The SBA stipulated that these loan proceeds are to be used solely as working capital to alleviate economic relief to small businesses and nonprofit organizations experiencing a temporary loss of revenue due to the Coronavirus (Covid-19).

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, which is the date the financial statements were available to be issued.