

**T.E.A.L. FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 8 – COMMITMENTS AND CONTINGENCIES

In May 2015, the Foundation entered into a four-year lease agreement for office space located at 533 16th Street, Brooklyn, New York. The lease commenced June 1, 2015. The lease requires monthly payments of \$2,300 for the first two years and monthly payments of \$2,400 in the third and fourth year. In June 2017, the Foundation, entered into another lease for additional office space located at 535 16th Street, Brooklyn, New York through May 31, 2019. The additional space requires monthly lease payments of \$1,200 over the term of the lease. In June 2019, the Foundation, extended the lease through May 2021. The new lease requires monthly payments of \$2,400 the first year plus \$1,200 for the additional space. Then the last year payments of \$2,450 plus \$1,250 for the additional space. The following is a schedule of the future annual lease payments for each of the years ending after December 31, 2018:

<u>Years Ending December 31,</u>	<u>Amount</u>
2019	\$ 43,800
2020	46,900
2021	18,500
	<u>\$ 109,200</u>

Rent expense amounted to approximately \$47,300 and \$45,500 for the years ended December 31, 2018 and 2017, respectively.

NOTE 9 – CONCENTRATIONS

One donor accounted for 95% and 100% of the contributions receivable as of December 31, 2018 and 2017, respectively. The same donor accounted for 22% and 47%, respectively, of total revenue for the years ended December 31, 2018 and 2017.

NOTE 10 – REVOLVING LINE OF CREDIT

On June 8, 2018, the Foundation signed an agreement for a revolving line of credit in the amount of \$88,000 for the term of July 1, 2018 through June 1, 2021. As of the date of these financial statements, no amounts have been drawn down.

NOTE 11 – SUBSEQUENT EVENTS

The Foundation has evaluated its subsequent events through November 7, 2019, the date that the accompanying financial statements were available to be issued.