



NASHVILLE, TENNESSEE

REVIEWED FINANCIAL STATEMENTS

DECEMBER 31, 2022

TRENT J. MITCHELL
CERTIFIED PUBLIC ACCOUNTANT

SPRINGBOARD LANDINGS, INC.
REVIEWED FINANCIAL STATEMENTS
DECEMBER 31, 2022

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Independent Accountant's Review Report

Board of Directors
Springboard Landings, Inc.
Nashville, Tennessee

I have reviewed the accompanying financial statements of Springboard Landings, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities 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 our procedures provide a reasonable basis for my conclusion.

I am required to be independent of Springboard Landings, Inc. and to meet my other ethical responsibilities, in accordance with the relevant 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.



Trent J. Mitchell
Certified Public Accountant

Nashville, Tennessee
February 17, 2023

SPRINGBOARD LANDINGS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

Current Assets

Cash and cash equivalents	\$ 2,424,805
Investments: marketable securities	3,547
Prepaid expenses	1,556
Total current assets	<u>2,429,908</u>

Other Asset

Earnest money	<u>50,000</u>
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Total assets	<u><u>\$ 2,479,908</u></u>
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LIABILITIES AND NET ASSETS

<u>Liabilities</u>	<u>\$ -</u>
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Net Assets

Without donor restrictions	<u>2,479,908</u>
Total net assets	<u>2,479,908</u>

Total liabilities and net assets	<u><u>\$ 2,479,908</u></u>
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See independent accountant's review report and the
accompanying notes to financial statements.

SPRINGBOARD LANDINGS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Change in Net Assets without Donor Restrictions

Public support and other revenue:

Contributions	\$ 170,723
Interest and dividend income	35,918
Realized gain on the sale of marketable securities	144
Total support and revenue	<u>206,785</u>

Expenses: supporting services

Payroll expense	38,072
Office rent	5,400
Professional fees	3,375
Marketing and promotion	2,464
Insurance	2,233
Bank and credit card fees	1,987
Office supplies and expense	1,279
Software	1,207
Miscellaneous	397
Dues and subscriptions	279
Total expenses: supporting services	<u>56,693</u>

Unrealized loss on marketable securities	<u>5,655</u>
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Total expenses and losses	<u>62,348</u>
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Increase in net assets without donor restrictions	144,437
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Net assets, January 1, 2022	<u>2,335,471</u>
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Net assets, December 31, 2022	<u><u>\$ 2,479,908</u></u>
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See independent accountant's review report and the
accompanying notes to financial statements.

SPRINGBOARD LANDINGS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022

Cash flows from operating activities:	
Cash received from donors	\$ 155,630
Interest and dividends received	35,918
Cash disbursed for general supporting expenses	<u>(59,315)</u>
Net cash provided by operating activities	<u>132,233</u>
 Cash flows from investing activities:	
Proceeds from the sale of marketable securities	15,237
Earnest money deposit	<u>(50,000)</u>
Net cash used for investing activities	<u>(34,763)</u>
 Cash flows from financing activities: none	
 Net increase in cash and cash equivalents	 97,470
 Cash and cash equivalents at January 1, 2022	 <u>2,327,335</u>
 Cash and cash equivalents at December 31, 2022	 <u><u>\$ 2,424,805</u></u>
 Reconciliation of increase in net assets to net cash provided by operating activities:	
Increase in net assets	<u>\$ 144,437</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Contributed marketable securities	(15,093)
Gain on sale of marketable securities	(144)
Unrealized loss on marketable securities	5,655
Effect on cash from changes in operating assets and liabilities:	
Prepaid expenses	(1,556)
Accrued payroll and payroll taxes	<u>(1,066)</u>
Total adjustments	<u>(12,204)</u>
 Net cash provided by operating activities	 <u><u>\$ 132,233</u></u>
 Supplemental schedule of noncash investing and financing activities: none	

See independent accountant's review report and the accompanying notes to financial statements.

SPRINGBOARD LANDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

Springboard Landings, Inc. (“the Organization”) is a 501(c)(3) public not-for-profit entity. The Organization was formed to provide adults with developmental disabilities above the intellectual disability range an option for independent living in a residential community-centered atmosphere with a limited amount of support. The Organization operates in Nashville, Tennessee and the majority of its activities are conducted in Nashville and the surrounding area. The Organization is supported through donor contributions.

As of December 31, 2022, the Organization was in the developmental stage. On October 17, 2022, the Organization entered into a contract to purchase land (see Note 7). The Organization intends to build residences on the land and commence program services.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America for not-for-profit entities.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Organization had no net assets with donor restrictions as of December 31, 2022.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable market values are recorded at fair value. Unrealized and realized gains and losses on these investments are reported in the statement of activities. Securities are held in a custodial investment account administered by a financial institution.

SPRINGBOARD LANDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 – Continued

Fair Value of Financial Instruments

The Organization's financial instruments consist primarily of cash and cash equivalents. The recorded values of cash and cash equivalents approximate fair values based on their short-term nature.

Fair Value Measurements

Generally accepted accounting principles provide a framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Assets and liabilities that are required to be recorded at fair value in the statement of financial position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are assets and liabilities where values are based on unadjusted quoted prices for identical assets in an active market that the Organization has the ability to access. As of December 31, 2022, these assets include common stocks and amounted to \$3,547.

Level 2. These are assets and liabilities where values are based on the following inputs:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices those are observable for the asset or liability.
- Inputs which are derived principally from or corroborated by observable market data by correlation or other means.

As of December 31, 2022, the Organization had no assets or liabilities valued using *Level 2* inputs.

Level 3. These are assets and liabilities where inputs to the valuation methodology are unobservable and significant to the fair value measurement. As of December 31, 2022, the Organization had no assets or liabilities valued using *Level 3* inputs.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Leases

Adoption of ASC Topic 842. Effective January 1, 2022, the Organization adopted Accounting Standards Update 2016-02, *Leases*, and subsequent amendments (as codified in ASC Topic 842). Under ASC 842, the Organization recognizes right-of-use assets and lease liabilities for all leases with a lease term of more than twelve months. As of January 1, 2022, and through December 31, 2022, the Organization did not have a lease in effect with a term greater than twelve months and has therefore not recorded a right-of-use asset or lease liability related to any lease.

SPRINGBOARD LANDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 – Continued

Contributed Services

The Organization, at times, may receive services donated in carrying out the Organization's purpose and these services could be substantial. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of the donation.

Compensated Absences

Employees of the Organization may be entitled to paid vacation, personal, and sick days off. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been reported in the accompanying financial statements. The Organization's policy is to recognize the cost of compensated absences when paid to employees.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and Tennessee Code Annotated Sec. 67-4-2007, respectively.

Note 2 – Management's Review of Subsequent Events

The Organization's management has performed a review of subsequent events through the date of the review report, which is the date the financial statements were available to be issued.

Note 3 – Liquidity Support

Liquidity and financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date amounts to the Organization's total current assets of \$2,429,908.

Note 4 – Concentration of Credit Risk

The Organization maintains cash and cash equivalent balances that may at times, exceed federally insured limits. At December 31, 2022, the Organization's cash and cash equivalents exceeded insured limits by \$2,303,800.

SPRINGBOARD LANDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 5 – Investments: Marketable Securities

The following are the major categories of security investments measured at fair value at December 31, 2022 based on *Level 1* valuation inputs.

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Loss</u>
Common stocks	<u>\$ 9,869</u>	<u>\$ 3,547</u>	<u>\$ (6,322)</u>

Note 6 – Lease

The Organization leases office space from an unrelated party on a month-to-month basis. Total rent expense for the year ended December 31, 2022, amounted to \$5,400.

Note 7 – Earnest Money

On October 17, 2022, the Organization entered into a contract to purchase land in Nashville, Tennessee for \$630,000. The contract required an earnest money deposit of \$50,000, of which \$10,000 is nonrefundable if the Organization withdraws from the contract.