

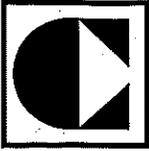
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

ALEXANDRIA SEAPORT FOUNDATION

September 30, 2023
(including comparative totals for September 30, 2022)

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1-3
FINANCIAL STATEMENTS	
Balance Sheets	4
Statement of Activities with Comparative Totals	5
Statements of Cash Flows	6
Statement of Functional Expenses with Comparative Totals	7
Notes to Financial Statements	8



DOUGLAS COREY & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

10201 FAIRFAX BOULEVARD, SUITE 480

FAIRFAX, VIRGINIA 22030

(703) 354-2900 • FAX (703) 354-2606

E-MAIL: coreycpa@coreycpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Alexandria Seaport Foundation

We have audited the accompanying financial statements of the Alexandria Seaport Foundation (a nonprofit organization), which comprise the balance sheet as of September 30, 2023, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alexandria Seaport Foundation as of September 30, 2023, and the changes in its net assets and its functional expenses and cash flows for the years then ended in accordance with accounting standards generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Alexandria Seaport Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism through the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such programs include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Alexandria Seaport Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alexandria Seaport Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Alexandria Seaport Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 28, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2022, is consistent, in all material respects, with the audited financial statements from which it was derived.

Douglas Coey & Associates, P.C.

Fairfax, Virginia
April 8, 2024

Alexandria Seaport Foundation
Balance Sheets
September 30, 2023 and 2022
(See Independent Auditor's Report and notes to financial statements)

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 200,341	\$ 104,557
Pledges receivable	202,000	159,500
Accounts receivable	4,369	48,642
Right of use - office space, current	9,000	6,300
Prepaid expenses	7,306	9,590
Total Current Assets	423,016	328,589
Property and equipment	673,256	661,547
Accumulated depreciation	(383,585)	(351,492)
	289,671	310,055
Work in process	22,411	9,524
Cash and cash equivalents for long-term use	369,156	325,127
Investments	468,339	460,040
Right of use - office space	11,850	20,700
Assets donated for sale	4,000	4,000
Security deposit	1,150	450
	876,906	819,841
	\$ 1,589,593	\$ 1,458,485
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 21,654	\$ 19,724
Accrued payroll	13,684	19,009
Accrued vacation	1,369	2,791
Lease liability - office space, current	8,850	6,300
Total Current Liabilities	45,557	47,824
Lease liability - office space	11,850	20,700
	57,407	68,524
Net Assets		
Without donor restrictions	209,564	313,589
With donor restrictions	1,322,622	1,076,372
	1,532,186	1,389,961
4	\$ 1,589,593	\$ 1,458,485

Alexandria Seaport Foundation
Statement of Activities
For the year ended September 30, 2023
Comparative Totals for 2022

(See Independent Auditor's Report and notes to financial statements)

	Without donor Restrictions	With donor Restrictions	2023 Total	2022 Total
Revenues and Other Support:				
Government awards	\$ 30,335	\$ -	\$ 30,335	\$ -
Program service revenue	4,885	-	4,885	7,871
Gifts from individuals, foundations, and corporations	341,377	460,812	802,189	1,118,741
In-kind contributions	342,252	-	342,252	25,844
Stock contribution	21,377	-	21,377	-
Special events	26,863	-	26,863	91,139
Interest and dividends	22,914	-	22,914	6,317
Unrealized gain (loss) on investments	42,519	-	42,519	(79,657)
Realized gain (loss) on investments	5,983	-	5,983	12,272
Other income	-	-	-	3
Net assets released from restriction:				
Satisfaction of program restrictions	224,749	(224,749)	-	-
Total Revenues and Other Support	1,063,254	236,063	1,299,317	1,182,530
Expenses:				
Program:				
Apprentice Program	685,861	-	685,861	421,155
Commission Projects	57,590	-	57,590	55,825
Community Outreach	14,034	-	14,034	7,062
Management and general	254,002	-	254,002	144,653
Fundraising	134,435	-	134,435	83,189
Special events	11,170	-	11,170	14,174
Total Expenses	1,157,092	-	1,157,092	726,058
Change in Net Assets	(93,838)	236,063	142,225	456,472
Net Assets, beginning of year	303,402	1,086,559	1,389,961	933,489
Net Assets, end of year	\$ 209,564	\$ 1,322,622	\$ 1,532,186	\$ 1,389,961

Alexandria Seaport Foundation
Statements of Cash Flows
For the years ended September 30, 2023 and 2022
(See Independent Auditor's Report and notes to financial statements)

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 142,225	\$ 456,472
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	44,884	45,646
Stock contribution	21,377	-
Unrealized loss (gain) on investments	(42,519)	79,657
Realized loss (gain) on investments	(5,983)	(12,272)
Non-cash donation of fixed assets	(24,500)	-
(Increase) decrease in pledges receivable	(42,500)	(159,500)
(Increase) decrease in accounts receivable	44,273	(42,448)
(Increase) decrease in prepaid expenses	2,284	2,727
(Increase) decrease in security deposit	(700)	-
Increase (decrease) in payables	(4,817)	3,723
Net cash provided (used) by operating activities	<u>134,024</u>	<u>374,005</u>
Cash flows from investing activities:		
Purchase of equipment and leasehold improvements	-	(4,912)
Increase in work in process	(12,887)	(9,524)
Proceeds from sale of investments	21,377	-
Purchase of investments	(2,551)	(37,751)
Net cash provided (used) by investing activities	<u>5,939</u>	<u>(52,187)</u>
Cash flows from financing activities:		
(Increase) decrease in right of use asset	6,150	(27,000)
Increase (decrease) in right of use liability	(6,300)	27,000
Net cash provided (used) by financing activities	<u>(150)</u>	<u>-</u>
Net decrease in cash	139,813	321,818
Cash and cash equivalents, beginning of year	<u>429,684</u>	<u>107,866</u>
Cash and cash equivalents, end of year	<u>\$ 569,497</u>	<u>\$ 429,684</u>
Cash and cash equivalents - current	200,341	104,557
Cash and cash equivalents for long-term use	<u>369,156</u>	<u>325,127</u>
	<u>\$ 569,497</u>	<u>\$ 429,684</u>

During the year the Foundation had the following noncash transactions which were excluded from the statement of cash flows:

Fair market value of donated goods, services and supplies and rent	\$ <u>326,752</u>	\$ <u>25,844</u>
Fair market value of non-cash contribution of fixed assets and other assets	\$ <u>15,500</u>	\$ <u>-</u>
Disposal of fixed assets	\$ 12,792	\$ -
Accumulated depreciation	(12,792)	-
Loss on disposal	<u>\$ -</u>	<u>\$ -</u>

Supplemental disclosures:

Cash paid during the year for:		
Income taxes	\$ <u>-</u>	\$ <u>-</u>
Interest expense	\$ <u>-</u>	\$ <u>-</u>

Alexandria Seaport Foundation
Statement of Functional Expenses
For the year ended September 30, 2023
Comparative Totals for 2022

(See Independent Auditor's Report and notes to financial statements)

	<u>Program Services</u>					<u>Supporting Services</u>			2022 Total
	Apprentice Program	Commission Projects	Community Outreach	Total Program Services	Management and General	Fundraising	Total Supporting Services	2023 Total	
Salaries	\$ 157,539	\$ 4,645	10,792	\$ 172,976	\$ 118,360	\$ 67,162	\$ 185,522	\$ 358,498	\$ 274,308
Consultants/professional fees	232,779	-	-	232,779	54,414	-	54,414	287,193	35,450
Apprentice salaries	161,268	-	-	161,268	-	-	-	161,268	137,538
Contractors	25,766	-	-	25,766	2,544	37,500	40,044	65,810	27,470
Depreciation	17,939	26,642	-	44,581	226	77	303	44,884	45,646
Payroll taxes	24,385	356	830	25,571	9,298	5,419	14,717	40,288	32,001
Liability insurance	17,068	20,518	203	37,789	2,344	138	2,482	40,271	38,655
Legal and accounting	-	-	-	-	27,729	-	27,729	27,729	8,300
Rent	6,336	1,650	732	8,718	11,419	5,993	17,412	26,130	26,280
Employee benefits	8,197	5	111	8,313	7,692	3,953	11,645	19,958	18,255
Business taxes and licenses	1,276	740	-	2,016	1,664	7,859	9,523	11,539	1,605
Materials and supplies	7,128	3,016	464	10,608	-	-	-	10,608	15,248
Apprentice support services	9,301	-	-	9,301	-	-	-	9,301	7,452
Telephone	3,485	-	26	3,511	878	925	1,803	5,314	6,516
IT support	1,359	-	305	1,664	2,717	794	3,511	5,175	8,032
Investment administrative fees	-	-	-	-	5,164	-	5,164	5,164	5,193
Office supplies and expense	2,151	-	-	2,151	2,262	70	2,332	4,483	3,508
Transportation/travel	4,128	-	20	4,148	21	-	21	4,169	2,656
Entertainment	1,327	-	386	1,713	1,213	53	1,266	2,979	2,978
Printing	167	-	140	307	286	1,935	2,221	2,528	1,191
Utilities	660	-	25	685	606	582	1,188	1,873	2,423
Bank/credit card charges	5	-	-	5	1,743	-	1,743	1,748	935
Conference expenses	1,711	-	-	1,711	-	-	-	1,711	-
Payroll service	-	-	-	-	1,638	-	1,638	1,638	1,250
Advertising	-	-	-	-	406	1,169	1,575	1,575	5,264
Repairs and maintenance	1,558	-	-	1,558	-	-	-	1,558	1,189
Postage and shipping	29	18	-	47	685	473	1,158	1,205	1,085
Dues	-	-	-	-	614	333	947	947	958
Training and development	299	-	-	299	79	-	79	378	210
Volunteer appreciation	-	-	-	-	-	-	-	-	151
Miscellaneous expenses	-	-	-	-	-	-	-	-	137
	\$ 685,861	\$ 57,590	\$ 14,034	\$ 757,485	\$ 254,002	\$ 134,435	\$ 388,437	\$ 1,145,922	\$ 711,884

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note A - Nature of Organization

Alexandria Seaport Foundation ("the Foundation") is a 501(c)(3) non-profit corporation founded in 1982 to celebrate the City's maritime heritage and engage the community in traditional wooden boat building and usage. In 1993, the Foundation implemented the Apprentice Program, a workforce development program designed to improve the lives of young people in need of direction. The Foundation's funding comes from a combination of gifts from individuals and corporations, as well as foundation and government grants. A very small portion may come from program revenue.

The Foundation operates out of multiple locations. The Seaport Center, a floating two-story building, provides an apprentice workshop upstairs, a wooden boat-building workshop downstairs, and docks for on-the-water activities and boat use. The administrative staff is located in an office building two blocks from the Seaport Center.

The work of the Foundation falls into four program areas as described below:

Apprentice Program

Through the building and use of wooden boats and positive adult mentoring, the Foundation provides young men and women, ages 18-23, the life, career and educational skills necessary to become productive, self-sufficient adults. This full-time, paid apprenticeship program uses a three-phase curriculum which contains equal amounts of "hard" and "soft" skills and is approximately 8-10 months in duration, depending upon the individual needs of the apprentice. The program has two full-time staff who work directly with the apprentices and a large group of dedicated volunteers.

Commission Projects

The Foundation uses commission projects as a training ground for the apprentices as well as a source of revenue. The commission projects include new boat construction, boat restoration and other carpentry projects.

Community Outreach

ASF engages in an array of activities designed to connect with the community, honor Alexandria's maritime heritage and activate the local waterfront.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note B - Summary of Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Method of Accounting

The Foundation's financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Consequently, revenues are recognized when earned and expenses are recognized when incurred.

2. Financial Statement Presentation

The financial statements are presented in accordance with U.S. generally accepted accounting principles for nonprofit organizations. Under those principles, ASF is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions represent resources that are not subject to donor-imposed stipulations and are available for operations at management's discretion.

Net Assets With Donor Restrictions represent resources restricted by the donor as to purpose or by the passage of time. As of September 30, 2023 and 2022, the had net assets with donor restrictions totaling \$1,285,254 and \$1,076,372, respectively.

3. Contributions

All contributions and net revenue from fund raising events are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as support with donor restrictions that increases that net asset class.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note B - Summary of Accounting Policies, continued

4. Pledges Receivable

Pledges receivable consist of amount pledged by donors to be received in subsequent years. The Foundation considers all pledges collectible and, therefore, has not recorded an allowance for doubtful accounts.

5. Accounts Receivable

Accounts receivable consists of a reimbursement and contributions made prior to year-end that had not been received. The Foundation considers all amounts collectible and, therefore, has not recorded an allowance for doubtful accounts.

6. Income Taxes

Income taxes are not provided for in the financial statements since the Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions.

The Foundation follows the guidance of Accounting Standards Codification (ASC) 740, Accounting for Income Taxes, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. There are no such uncertain tax positions for the Foundation for the year ended September 30, 2023.

The Foundation's tax returns are subject to possible examination by taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

7. Property, Equipment and Depreciation

The Foundation capitalizes property and equipment over \$250. Property and equipment are recorded at cost at the date of acquisition. Donations of property and equipment are recorded as support at their estimated fair value at the date of the gift. The assets are depreciated on a straight-line basis over their estimated useful lives.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note B - Summary of Accounting Policies, continued

8. Investments

The Foundation has investments in agency funds. Agency funds are funds established with the ACT for Alexandria whereby the Foundation selects the investment pool and ACT for Alexandria manages it. The agency funds are exclusively used for the Foundation's benefit. The agency funds are recognized at fair value on the balance sheet.

9. Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

10. Cash and cash equivalents

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

11. Reclassifications

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

12. 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.

Note C – Date of Management's Review

In preparing the financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through April 8, 2024, the date that the financial statements were available to be issued.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note D - Liquidity

ASF maintains a liquid cash balance in checking and savings accounts in an amount necessary to meet its anticipated expenditures for approximately 2 months.

ASF reconciles the balance of financial assets subject to donor restrictions monthly, based on restricted amounts used and received. Restricted cash and investments are separately identified and monitored as part of ASF's monthly financial reporting process.

ASF's financial assets available within one year to meet cash needs for general expenditures through September 30, 2024 are as follows:

Financial assets	
Cash and cash equivalents	\$569,497
Less amounts not available within one year	<u>(369,156)</u>
Financial assets available within one year	
for general expenditures within one year	<u>\$200,341</u>

Note E – Property and Equipment

Property and equipment at September 30, 2023 and 2022 consists of the following:

	2023	2022
Floating pier	\$ 9,610	\$ 9,610
Boats	343,769	334,060
Exhibit items/library	9,500	9,500
Educational materials	1,200	1,200
Office equipment/furniture	18,175	18,175
Tools/equipment	58,347	56,347
Vehicles/storage containers	26,053	26,053
Seaport Center	<u>206,602</u>	<u>206,602</u>
	673,256	661,547
	<u>(383,585)</u>	<u>(351,492)</u>
Net Book Value	<u>\$ 289,671</u>	<u>\$ 310,055</u>

Depreciation expense for the year ended September 30, 2023 and 2022 totaled \$44,884 and \$45,646, respectively.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note F-- Investments

The adjusted basis and fair value as of September 30, 2022 and 2021 are as follows:

	Adjusted Basis	Fair Value	Unrealized Gains (Losses)
September 30, 2023			
Agency funds	<u>\$ 425,820</u>	<u>\$ 468,339</u>	<u>\$ 42,519</u>
September 30, 2022			
Agency funds	<u>\$ 539,697</u>	<u>\$ 460,040</u>	<u>\$(79,657)</u>

The Agency Fund is managed by ACT for Alexandria and consists of equity funds and fixed income funds.

Investment income for the years ended September 30, 2023 and 2022 consists of the following:

	2023	2022
Interest	\$ 22,914	\$ 6,317
Realized gain (loss)	5,983	12,272
Unrealized gain (loss)	<u>42,519</u>	<u>(79,657)</u>
	<u>\$71,416</u>	<u>\$(61,068)</u>

Note G – Fair Value Measurements

FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note G – Fair Value Measurements, continued

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at September 30, 2023 and 2022:

<u>Description</u>	<u>Fair Value</u>	<u>Significant Observable Inputs (Level 1)</u>
September 30, 2023		
Agency funds	<u>\$468,339</u>	<u>\$468,339</u>
September 30, 2022		
Agency funds	<u>\$460,040</u>	<u>\$460,040</u>

The carrying amounts reflected in the balance sheet for cash, accounts receivable, and, accounts payable approximates fair value due to the short maturities of those instruments.

Note H – Donated Assets and Services

Contributions of donated non-cash assets are recorded at their fair market values in the period received. For the year ended September 30, 2023, the Foundation received rent valued at \$13,380 and supplies valued at \$5,585, fixed assets valued at \$15,500, professional services valued at \$307,787, and stock valued at 21,377. For the year ended September 30, 2022, the Foundation received rent valued at \$19,680 and supplies and other equipment valued at \$6,164.

Unpaid volunteers contribute their time to forward the Organization's program services. Those donated services do not meet the criteria for recognition as donated services under generally accepted accounting principles, and no value has been included in these financial statements.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note I – Operating Leases

The Foundation entered into a lease for office space commencing January 1, 2023. The lease is for a 3-year term with base monthly rent of \$700 and increases of \$50 per month each year. Under Accounting Standard Codification 842, the lease is classified as a Type B operating lease and is reflected as a right of use asset and a right of use liability on the accompanying financial statements. The asset and liability will be amortized over the life of the lease.

Following is a schedule of amortization of the right of use asset for the remaining lease term for years ended September 30:

2024	\$ 9,000
2025	11,250
2026	<u>450</u>
Total	<u>\$20,700</u>

Note J – Net Assets With Donor Restrictions

Net Assets With Donor Restrictions at September 30, 2023 and 2022 are available for the following purposes:

	2023	2022
Educational Boat Building	\$ 16,583	\$ 16,583
ASF Building Lives Fund	372,611	372,611
ASF Scholarship Fund	119,049	90,848
Building to Teach	2,460	2,460
AFHS Grant	16,929	-
Apprentice Uniforms	-	1,020
Apprentice Appreciation	550	1,275
Apprentice Driving Lessons	350	2,285
Fundraising Consultant	-	-
Development Director	-	85,000
Seaport Center Expansion	588,090	351,477
Pledges receivable	202,500	159,500
Joe Youcha Legacy Fund	<u>3,500</u>	<u>3,500</u>
	<u>\$1,322,622</u>	<u>\$1,086,559</u>

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note K – Related Party Transactions

Contributions from members of the Board of Directors totaled \$207,655 and \$397,900 for the years ended September 30, 2023 and 2022, respectively.

Note L – Concentration

During the year ended September 30, 2023, ASF received approximately 24% of total support from two donors. Also, during the year ended September 30, 2023, in-kind contributions accounted for 26% of total contributions.

During the year ended September 30, 2022, ASF received approximately 39% of total support from two donors.

Note M – Building Lives Fund

During the year ended September 30, 2019, the Foundation received a grant of \$366,174 to establish the “ASF Building Lives Fund” to benefit the Foundation’s core programs. The fund is managed by ACT for Alexandria and ASF will receive distributions from the net income of the fund’s investments for the first five years. Those distributions are available for use only for the core programs of ASF. During the year ended September 30, 2023, the fund sustained net investment gains totaling \$45,275 and investment fees totaled \$4,054. During the year ended September 30, 2022, the fund sustained net investment losses totaling \$49,619 and investment fees totaled \$4,231. During the year ended September 30, 2023, distributions to the Foundation totaled \$60,000. The Foundation takes control of the fund after the first five years.

Note N – Apprentice Scholarship Fund

During the year ended September 30, 2019, the Foundation received a grant of \$10,000 to establish the “ASF Apprentice Scholarship Fund” to benefit men and women who have completed or are currently enrolled in the Apprentice program at ASF. In addition to the initial contribution, the initial donor pledged to match up to \$50,000 of additional contributions made through December 31, 2019. The fund is managed by ACT for Alexandria and scholarship awards are determined by an advisory committee made up of ASF board and staff members. During the year ended September 30, 2023, the fund sustained net investment gains totaling \$11,529 and investment fees totaled \$1,110. Contributions during the year totaled \$19,175 and scholarships awarded totaled \$1,391. During the year ended September 30, 2022, the fund sustained net investment losses totaling \$11,450 and investment fees totaled \$962. Contributions during the year totaled \$19,150 and scholarships awarded totaled \$4,552.

Alexandria Seaport Foundation
Notes to Financial Statements
September 30, 2023 and 2022
(See Independent Auditor's Report)

Note O - Retirement Plan

On January 1, 2018, the Foundation established a Simple IRA plan to benefit employees with a salary greater than \$5,000. The Foundation may make a matching contribution of up to three percent of the employees' salary reduction contributions. During the years ended September 30, 2023 and 2022, matching contributions totaled \$1,267 and \$5,866, respectively. The contributions are included with employee benefits on the accompanying financial statements.

Effective January 1, 2023, the Foundation has switched to a 403(b) plan with a 4% matching contribution. Matching contributions totaled \$3,598 for the year ended September 30, 2023.

Note P – Subsequent Events

As part of an expansion to the Apprenticeship program, the Foundation is planning construction of an additional building. Construction on the building is expected to commence in the Spring of 2024. The Foundation is raising funds for construction and has raised \$790,590 through September 30, 2023.

Note Q – Prior Period Adjustments

During the year ended September 30, 2023, management discovered financial statement errors requiring prior period adjustment. The adjustments are as follows:

ASF Scholarship Fund – This fund was established in September 2019 and was not recorded on the ASF books. A prior period adjustment was made totaling \$90,848 resulting in an increase in net assets of this amount. The adjustment included related income/expenses for the year ended September 30, 2022. The adjustment is reflected in the accompanying financial statements for the year ended September 30, 2022.

Fixed Assets – There were fixed asset donations totaling \$14,500 that was not recorded on ASF's books. Recording of the asset and corresponding depreciation resulted in a net increase of \$9,582 to net assets. The adjustment is reflected in the accompanying financial statements for the year ended September 30, 2022.