

GROUP FOR THE EAST END, INC.

Financial Statements

for the years ended
December 31, 2022 and 2021

GROUP FOR THE EAST END, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Group for the East End, Inc.
Southold, New York 11971

Opinion

We have audited the accompanying financial statements of Group for the East End, Inc., (a nonprofit organization) which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years 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 Group for the East End, Inc., as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles 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 Statements section of our report. We are required to be independent of Group for the East End, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating 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 these 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 throughout 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 procedures 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 the Organization'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 the Organization'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 the Group for the East End, Inc., financial statements for the year ended December 31, 2021, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 16, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sabel and Oplinger

Sabel & Oplinger, CPA, PC
Southampton, New York

October 20, 2023

GROUP FOR THE EAST END, INC.

Statements of Financial Position

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash in bank:		
Without donor restrictions	\$ 1,386,929	\$ 1,386,108
With donor restrictions	1,735	2,832
Prepaid expenses	<u>11,103</u>	<u>8,270</u>
Total Current Assets	<u>1,399,767</u>	<u>1,397,210</u>
Property and equipment, net	<u>1,154,376</u>	<u>1,177,638</u>
Other Asset		
Security deposit	<u>100</u>	<u>100</u>
Total Assets	<u>\$ 2,554,243</u>	<u>\$ 2,574,948</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 6,196	\$ 37,806
Accrued expenses	1,108	6,050
Payroll taxes payable	452	622
Current portion of EIDL loan payable	12,063	-
Current portion of mortgage payable	<u>41,812</u>	<u>40,075</u>
Total Current Liabilities	<u>61,631</u>	<u>84,553</u>
Long Term Liability		
EIDL loan payable, less current portion	486,914	499,900
Mortgage payable, net, less current portion	<u>190,398</u>	<u>234,516</u>
Total Long Term Liabilities	<u>677,312</u>	<u>734,416</u>
Net Assets		
Without donor restrictions	1,813,565	1,753,147
With donor restrictions	<u>1,735</u>	<u>2,832</u>
Total Net Assets	<u>1,815,300</u>	<u>1,755,979</u>
Total Liabilities and Net Assets	<u>\$ 2,554,243</u>	<u>\$ 2,574,948</u>

See Independent Auditors' Report and
Notes to Financial Statements

GROUP FOR THE EAST END, INC.

Statements of Activities

for the years ended

			<u>December 31</u>	
	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>2022</u>	<u>2021</u>
Revenues and Support				
Contributions	\$ 413,404	\$ -	\$ 413,404	\$ 910,386
Public educational programs	71,571	-	71,571	52,921
Grants	41,795	22,205	64,000	85,156
Special events, net (Note 10)	555,596	-	555,596	145,280
Rental income	2,397	-	2,397	1,281
In-kind donations	24,466	-	24,466	27,785
Other income – government grant	-	-	-	131,770
Net assets released from restrictions	<u>23,302</u>	<u>(23,302)</u>	<u>-</u>	<u>-</u>
Total Revenues and Support	<u>1,132,531</u>	<u>(1,097)</u>	<u>1,131,434</u>	<u>1,354,579</u>
Expenses				
Conservation advocacy, environmental education and community planning	844,224	-	844,224	809,849
Supporting Services:				
Administrative and general	158,601	-	158,601	145,021
Fundraising	<u>69,288</u>	<u>-</u>	<u>69,288</u>	<u>56,821</u>
Total Expenses	<u>1,072,113</u>	<u>-</u>	<u>1,072,113</u>	<u>1,011,691</u>
Change in Net Assets	60,418	(1,097)	59,321	342,888
Net Assets, beginning of year	<u>1,753,147</u>	<u>2,832</u>	<u>1,755,979</u>	<u>1,413,091</u>
Net Assets, end of year	<u>\$ 1,813,565</u>	<u>\$ 1,735</u>	<u>\$ 1,815,300</u>	<u>\$ 1,755,979</u>

See Independent Auditors' Report and
Notes to Financial Statements

GROUP FOR THE EAST END, INC.

Statements of Functional Expenses

for the years ended Decemehr 31,

	2022				2021			
	Conservation advocacy, environmental education, and community planning	Administrative and General	Fundraising	Total	Conservation advocacy, environmental education, and community planning	Administrative and General	Fundraising	Total
Salaries	\$ 522,522	\$ 91,998	\$ 30,806	\$ 645,326	\$ 473,347	\$ 80,464	\$ 24,870	\$ 578,681
Payroll taxes	36,934	6,503	2,178	45,615	33,375	5,674	1,754	40,803
Employee benefits	75,980	21,700	5,711	103,391	80,135	21,271	5,596	107,002
Accounting	-	19,770	-	19,770	-	18,300	-	18,300
Advertising	10,596	1,232	493	12,321	17,148	1,994	798	19,940
Bank and credit card fees	-	-	12,457	12,457	-	-	11,273	11,273
Consultants	56,313	6,548	2,619	65,480	55,387	6,440	2,576	64,403
Dues and subscriptions	6,000	-	-	6,000	189	-	-	189
Education	4,247	-	-	4,247	17,062	-	-	17,062
Insurance	19,665	2,287	914	22,866	17,180	1,998	799	19,977
Interest expense	8,351	971	388	9,710	12,626	1,468	587	14,681
Legal	33,277	-	-	33,277	26,582	-	-	26,582
Office expenses	15,581	1,811	725	18,117	12,483	1,451	581	14,515
Payroll processing fees	-	-	-	-	301	35	14	350
Postage and shipping	923	108	5,932	6,963	1,859	217	3,291	5,367
Printing and publications	7,228	841	5,132	13,201	6,367	741	2,696	9,804
Public outreach programs	5,056	-	-	5,056	13,084	-	-	13,084
Reference materials	503	59	23	585	204	24	9	237
Repairs and maintenance	7,503	873	349	8,725	10,506	1,222	489	12,217
Telephone	5,034	585	234	5,853	4,673	543	217	5,433
Travel and conferences	3,321	386	155	3,862	1,847	215	86	2,148
Utilities	5,185	603	241	6,029	4,968	577	231	5,776
Total Expenses before Depreciation	<u>824,219</u>	<u>156,275</u>	<u>68,357</u>	<u>1,048,851</u>	<u>789,323</u>	<u>142,634</u>	<u>55,867</u>	<u>987,824</u>
Depreciation	<u>20,005</u>	<u>2,326</u>	<u>931</u>	<u>23,262</u>	<u>20,526</u>	<u>2,387</u>	<u>954</u>	<u>23,867</u>
Total Expenses	<u>\$ 844,224</u>	<u>\$ 158,601</u>	<u>\$ 69,288</u>	<u>\$ 1,072,113</u>	<u>\$ 809,849</u>	<u>\$ 145,021</u>	<u>\$ 56,821</u>	<u>\$ 1,011,691</u>

See Independent Auditors' Report
and Notes to Financial Statements

GROUP FOR THE EAST END, INC.

Statements of Cash Flows

for the years ended

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Cash Flows from Operating Activities:</u>		
Change in Net Assets	\$ 59,321	\$ 342,888
Adjustment to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation	23,262	23,867
Stock donations	(24,466)	(27,785)
(Increase) Decrease in:		
Prepaid expenses	(2,833)	(3,432)
Increase (Decrease) in:		
Accounts payable	(31,610)	34,612
Accrued expenses	(4,942)	(1,825)
Payroll tax payable	(170)	215
Net Cash Provided by Operating Activities	<u>18,562</u>	<u>368,540</u>
<u>Cash Flows from Investing Activities:</u>		
Investment proceeds	<u>24,466</u>	<u>27,785</u>
Net Cash Provided by Investing Activities	<u>24,466</u>	<u>27,785</u>
<u>Cash Flows from Financing Activities:</u>		
Debt repayment	<u>(43,304)</u>	<u>(36,192)</u>
Net Cash (Used) by Financing Activities	<u>(43,304)</u>	<u>(36,192)</u>
Net (Decrease) Increase in Cash	(276)	360,133
Cash, beginning of year	<u>1,388,940</u>	<u>1,028,807</u>
Cash, end of year	<u>\$ 1,388,664</u>	<u>\$ 1,388,940</u>

Continued

See Independent Auditors' Report and
Notes to Financial Statements

GROUP FOR THE EAST END, INC.

Statements of Cash Flows

for the years ended

	December 31	
	<u>2022</u>	<u>2021</u>
Cash , end of year consists of:		
Without donor restrictions	\$ 1,386,929	\$ 1,386,108
With donor restrictions	<u>1,735</u>	<u>2,832</u>
Total Cash, end of year	<u>\$ 1,388,664</u>	<u>\$ 1,388,940</u>
Supplemental Disclosure:		
Interest expense	\$ 9,710	\$ 14,681
In-kind donations	\$ 24,466	\$ 27,785

See Independent Auditors' Report and
Notes to Financial Statements

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 1 - Nature of the Organization

The Group for the East End, Inc. (the Organization) protects and restores the environment of eastern Long Island through education, citizen action, and professional advocacy. The not-for-profit organization was incorporated in 1972 as the Group for America's South Fork, Inc. The certificate of incorporation was amended in 2007 and the name changed to the Group for the East End, Inc.

Note 2 - Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 20, 2023 the date that the financial statements were available to be issued.

Note 3 - Summary of Significant Accounting Policies

The summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who are responsible for their integrity and objectivity.

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.

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 3 - Continued

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Summarized Financial Information for 2021

The financial statements include prior year summarized comparative information in total but not by net asset class in the Statement of Activities. Such information does not include sufficient detail to constitute a presentation in conformity with United States generally accepted accounting principles. Accordingly, such information should only be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Cash in Bank

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

Concentration of Credit Risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash. The Organization deposits its cash and cash equivalents with what it believes to be a quality financial institution. The Organization believes no significant concentration of credit risk exists with respect to its cash and cash equivalents.

New Accounting Pronouncements

The Organization adopted FASB ASU 2016-02, Leases, (Topic 842) for the year ended December 31, 2022. The ASU requires organizations that lease assets to recognize the present value of the assets and liabilities for the rights and obligations created by those leases. The adoption of Topic 842 for the year ended December 31, 2022 did not require the recognition of any lease assets and liabilities as of that date. The adoption of Topic 842 had no effect on the change in net assets as previously reported.

See Independent Auditors' Report

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 3 - Continued

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.

Property, Equipment and Depreciation

Expenditures for property and equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

Revenue and Revenue Recognition

The organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The Organization has the following exchange transaction revenue included in its Statement of Activities for the year ending December 31, 2022:

- *Special events, net* – The Organization conducts special and fundraising events in which a portion of the proceeds paid by the participant represent payment for the direct cost benefits received by the participant at the event – the exchange component, and a portion represents a contribution to the Organization. The fair value of meals and entertainment provided at these events are measured at actual cost to the Organization and is recognized when the event takes place. The contribution portion is the excess of the gross revenue over the fair value of the direct donor benefit and is recognized immediately, unless there is a right of return if the event does not take place.

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 3 - Continued

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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 statements of activities as net assets released from restrictions.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

In-kind Donations and Services

In-kind donations are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and supporting services on the accompanying statements of activities and statements of functional expenses. In-kind donations are located as follows:

Stock Donations - general	\$ 24,466
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The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. None of the in-kind donations received were restricted and all were utilized in its normal course of business.

A substantial number of volunteers have made significant contributions of their time in furtherance of the Organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognitions under US GAAP.

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 4 - Availability and Liquidity

The following represents the Organization's financial assets:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 1,388,664	\$ 1,388,940
Less financial assets not available to be used within one year:		
Net assets with donor restrictions	<u>(1,735)</u>	<u>(2,832)</u>
Financial assets available to meet the cash needs for general expenditures within one year of the date of the statements of financial position.	<u>\$ 1,386,929</u>	<u>\$ 1,386,108</u>

The Organization maintains financial assets to meet operating expenses. As part of its liquidity plan, excess cash, if any, is reserved in its checking account.

Note 5 - Tax Exempt Status

The Organization has been classified by the Internal Revenue Service as a publicly supported tax-exempt charity pursuant to IRC Section 501 (c) (3) and as a not-for-profit corporation under the laws of New York State. Accordingly, no provision for Federal or State income taxes is required. As of December 31, 2022, no amounts have been recognized for uncertain income tax positions. The Organization's tax returns for the year 2019 and forward are subject to the usual review by the appropriate taxing authorities.

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 6 - Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Advertising	Percentage of time spent
Salaries and benefits	Percentage of time spent
Insurance	Percentage of square footage
Interest Expenses	Percentage of square footage
Payroll Taxes	Percentage of time spent
Repairs and maintenance	Percentage of time spent
Telephone	Percentage of square footage
Employee benefits	Percentage of square footage
Consultants	Percentage of time spent
Office and related	Percentage of square footage
Travel and conferences	Percentage of time spent
Depreciation	Percentage of square footage
Utilities	Percentage of square footage

Note 7 - Property, Equipment and Depreciation

The expenditures for property and equipment are capitalized at cost. The following is a summary as of:

	<u>December 31</u>		<u>Depreciable Life- Straight Line</u>
	<u>2022</u>	<u>2021</u>	
Land	\$ 652,242	\$ 652,242	No depreciation
Building and improvements	761,956	761,956	39 Years
Office equipment	74,012	74,012	5 years
Office furniture	40,257	40,257	7 years
Website development	20,100	20,100	3 years
Closing costs	3,233	3,233	15 years
Less: accumulated depreciation	<u>(397,424)</u>	<u>(374,162)</u>	
	<u>\$ 1,154,376</u>	<u>\$ 1,177,638</u>	

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 8 - Mortgage

The Organization's principal offices are located in Southold, New York in a commercial building secured by a mortgage with People's United Bank. The principal and interest payments are based upon a twenty-year amortization with a maturity date of January 4, 2028. A new interest rate of 4.25% was negotiated effective November 4, 2016 until January 4, 2028. The mortgage note requires monthly principal and interest payments of \$4,239.40.

Future maturities of the long-term debt are as follows:

Years ending December 31

2023	\$	41,812
2024		43,624
2025		45,515
2026		47,487
2027		<u>53,772</u>
Total		<u>232,210</u>
Less: Current portion		<u>(41,812)</u>
Total Long-Term Portion	\$	<u>190,398</u>

Note 9 - Net Assets

Net assets with donor restrictions are as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Specific Purpose:		
Goldsmiths inlet	\$ -	\$ 1,829
Coastal clean-up	-	1,003
RSF Social Finance	<u>1,735</u>	<u>-</u>
Total	<u>\$ 1,735</u>	<u>\$ 2,832</u>

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 9 - Continued

Net assets without donor restrictions are as follows at December 31:

	<u>2022</u>	<u>2021</u>
Undesignated	\$ 1,813,565	\$ 1,753,147

Net assets released from net assets with donor restrictions are as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Specific Purpose:		
Goldsmiths inlet	\$ 1,829	\$ -
Coastal clean-up	1,003	-
Unified osprey conservation	11,500	51,400
LICF cleanwater	-	12,500
Be a good egg	6,000	10,000
NFWF hallock	-	12,199
RSF social finance	2,970	-
Orient watershed	-	5,000
Raunch – Communication costs	-	4,432
Total	<u>\$ 23,302</u>	<u>\$ 95,531</u>

Note 10 - Special Events, Net

Revenue attributable to special events represent total proceeds less expenses and are summarized as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Proceeds	\$ 730,515	\$ 164,365
Expenses	(174,919)	(18,705)
Revenues, net	<u>\$ 555,596</u>	<u>\$ 145,660</u>

Note 11 - Principal Source of Support

The Board contributed \$194,966 or 17% of gross revenue in 2022 and \$227,040 or 17% of gross revenue in 2021.

GROUP FOR THE EAST END, INC.

Notes to Financial Statements

December 31, 2022

Note 12 - SBA Loans Payable and Grants

The Organization received a \$131,770 refundable grant from the Small Business Administration (SBA) on February 26, 2021. As a result, the Organization recorded the amount received as a refundable advance in accordance with FASB ASC 958-605. The funds have been used during the year received and included in *Other Income – Government grant – PPP* on the Statement of Activities.

The Organization received a \$500,000 loan, less \$100 administrative fee withheld, from the SBA in May 2020. The loan is a thirty-year loan with a one-year deferral period and an interest rate of 2.75 percent with monthly payments of \$2,136. Future principal payments are as follows:

<u>Year</u>	<u>Amount</u>
2023	\$ 12,063
2024	12,399
2025	12,745
2026	13,099
2027	13,464
Thereafter	<u>435,207</u>
Total	<u>\$ 498,977</u>

Note 13 - Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 14 - Subsequent Events

As a result of the current COVID-19 pandemic, economic uncertainties have arisen which are likely to negatively impact operating revenue, fundraising, and contributions. Other financial impacts could occur though such potential impacts are unknown at this time. These potential losses have not been recognized and are not required to be recognized in these financial statements.

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Group for the East End, Inc.
Southold, New York 11971

In planning and performing our audit of the financial statements of Group for the East End, Inc. as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in the internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected, and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use by management of the Group for the East End, Inc. and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Sabel and Oplinger

Sabel & Oplinger, CPA, PC
Southampton, New York

October 20, 2023