
FOODWISE COMMUNITY

FINANCIAL STATEMENTS

March 31, 2023

(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

CROSBY & KANEDA

Certified Public Accountants
for Nonprofit Organizations

FOODWISE COMMUNITY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Foodwise Community
San Francisco, California

Opinion

We have audited the accompanying financial statements of Foodwise Community (the Organization), which comprise the statement of financial position as of March 31, 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 Foodwise Community as of March 31, 2023, and the changes in net assets and its cash flows for the year 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 the Organization 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 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. 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 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, including omissions, 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 judgment 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 judgment, 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 Organization's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 1, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Crosby + Kaneda CPAs LLP

Oakland, California
September 7, 2023

FOODWISE COMMUNITY

Statement of Financial Position

March 31, 2023

(With Comparative Totals as of March 31, 2022)

	<u>2023</u>	<u>2022</u>
Assets		
Assets		
Cash and cash equivalents	\$ 272,315	\$ 392,019
Investments (Note 3)	886,731	749,808
Accounts receivable, net (Note 5)	197,494	154,496
Inventory	10,413	13,984
Prepaid expenses and deposits	32,212	11,206
Right of use asset - operating lease	473,329	550,217
Property and equipment, net (Note 6)	189,060	224,391
Total Assets	<u>\$ 2,061,554</u>	<u>\$ 2,096,121</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 36,505	\$ 31,788
Accrued vacation	51,404	49,767
Redeemable vouchers	32,413	28,455
Deferred revenue	10,000	-
Operating lease liability (Note 7)	575,041	670,395
Total Liabilities	<u>705,363</u>	<u>780,405</u>
Net assets		
Without donor restrictions	1,185,357	1,231,132
With donor restrictions (Note 9)	170,834	84,584
Total Net Assets	<u>1,356,191</u>	<u>1,315,716</u>
Total Liabilities and Net Assets	<u>\$ 2,061,554</u>	<u>\$ 2,096,121</u>

See Notes to the Financial Statements

FOODWISE COMMUNITY

**Statement of Activities
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

	Without Donor	With Donor	Total	
	Restrictions	Restrictions	2023	2022
Support and Revenue				
Support				
Foundation and corporate	\$ 93,553	\$ 280,500	\$ 374,053	\$ 253,422
Individual contributions	191,295		191,295	201,495
Government	247,993		247,993	192,994
In-kind contributions (Note 11)	1,429		1,429	7,799
Fundraising events, net (Note 10)	386,211		386,211	251,470
Total Support	920,481	280,500	1,200,981	907,180
Revenue				
Stall and vendor fees	815,932		815,932	871,333
Sales, net	639		639	3,541
Educational events	720		720	2,188
Activations	4,222		4,222	39,000
Other income	20,624		20,624	19,333
Total Revenue	842,137	-	842,137	935,395
Investment activity	11,902		11,902	(402)
PPP and ERTC funding			-	160,200
Support provided by expiring time and purpose restrictions	194,250	(194,250)	-	-
Total Support Revenue	1,968,770	86,250	2,055,020	2,002,373
Expenses				
Program				
Farmers Market	585,653		585,653	599,270
Education	990,856		990,856	889,851
Total Program	1,576,509	-	1,576,509	1,489,121
Management and general	138,936		138,936	75,643
Fundraising	299,100		299,100	217,415
Total Expenses	2,014,545	-	2,014,545	1,782,179
Change in Net Assets	(45,775)	86,250	40,475	220,194
Net Assets, beginning of year	1,231,132	84,584	1,315,716	1,095,522
Net Assets, end of year	\$ 1,185,357	\$ 170,834	\$ 1,356,191	\$ 1,315,716

See Notes to the Financial Statements

FOODWISE COMMUNITY

**Statement of Cash Flows
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ 40,475	\$ 220,194
Adjustments to reconcile change in net assets to net cash provided (used) in operating activities		
Depreciation	40,020	24,512
Forgiveness of PPP loan	-	(160,200)
Investment activity	(11,902)	192
Changes in assets and liabilities:		
Accounts receivable	(42,998)	101,624
Inventory	3,571	(4,617)
Prepaid expenses and deposits	(21,006)	14,050
Operating lease assets and liabilities	(18,466)	(18,090)
Accounts payable and accrued expenses	4,717	(4,164)
Accrued vacation	1,637	4,134
Redeemable vouchers	3,958	(962)
Deferred revenue	10,000	(25,000)
Net cash provided (used) by operating activities	10,006	151,673
Cash flows from investing activities		
Purchases of investments	(125,000)	(250,000)
Purchases of property and equipment	(4,710)	(2,031)
Net cash provided (used) by investing activities	(129,710)	(252,031)
Net change in cash and cash equivalents	(119,704)	(100,358)
Cash and cash equivalents, beginning of year	392,019	492,377
Cash and cash equivalents, end of year	\$ 272,315	\$ 392,019
Supplemental Information		
Right-of-use assets obtained in exchange for lease liabilities	\$ -	\$ 642,002

FOODWISE COMMUNITY

**Statement of Functional Expenses
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

	Program	Management and General	Fundraising	Total	
				2023	2022
Salaries	\$ 878,022	\$ 57,369	\$ 162,497	\$ 1,097,888	\$ 874,696
Employee benefits	86,010	7,084	15,850	108,944	81,514
Payroll taxes	70,253	4,590	13,002	87,845	70,128
Total Personnel	<u>1,034,285</u>	<u>69,043</u>	<u>191,349</u>	<u>1,294,677</u>	<u>1,026,338</u>
Fees for service	44,830	49,065	37,546	131,441	208,463
Advertising and promotion	1,813	-	5,823	7,636	6,794
Supplies and office expenses	92,849	1,105	14,653	108,607	113,068
Depreciation	33,882	452	5,686	40,020	24,512
Information technology	22,311	41	948	23,300	15,502
Occupancy	169,273	5,558	22,195	197,026	191,044
Travel and meals	3,373	1,874	2,332	7,579	2,661
Conferences and meetings	10,082	4,956	818	15,856	4,928
Insurance	8,676	2,485	1,295	12,456	11,540
Dues, licenses, service fees	25,583	4,357	13,587	43,527	42,005
In-kind food, materials, supplies	957	-	472	1,429	19,965
Nutrition incentives	101,197	-	-	101,197	70,070
Food assistance - individuals	19,698	-	-	19,698	37,899
Bad debt	7,700	-	2,396	10,096	7,390
Expense by Function	<u>1,576,509</u>	<u>138,936</u>	<u>299,100</u>	<u>2,014,545</u>	<u>1,782,179</u>
Expenses reported on a net basis on the statement of activities:					
Farmers market box supplies cost	-	-	-	-	12,329
Event direct donor benefit	-	-	189,086	189,086	71,644
Total Expenses	<u>\$ 1,576,509</u>	<u>\$ 138,936</u>	<u>\$ 488,186</u>	<u>\$ 2,203,631</u>	<u>\$ 1,866,152</u>

See Notes to the Financial Statements

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2023 (With Comparative Totals for the Year Ended March 31, 2022)

NOTE 1: NATURE OF ACTIVITIES

The Foodwise Community (the Organization) is a California nonprofit community benefit corporation established in 1994. Its mission is to cultivate a sustainable food system through the operation of Farmers Markets and educational programs. The Organization was organized to educate urban consumers about sustainable agriculture and to create links between urban dwellers and local farmers. The Organization has managed the Ferry Plaza Farmers Market in San Francisco since 1993 and the Mission Community Market since 2018. The Organization's educational programs include youth education programs, market-to-table events, cooking classes, farm tours, a weekly e-letter newsletter, lectures, panel discussions, and educational displays.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – are resources available to support operations. The only limits on the use of the net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions – are resources that are restricted by a donor for use for a particular purpose or in a particular period. Some donor restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of building or equipment (or less commonly, the contribution of those net assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2023 (With Comparative Totals for the Year Ended March 31, 2022)

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless the contributed assets are specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Accounting for Revenue

The Organization recognizes revenue as performance obligations are satisfied.

Revenue is recognized over time for cost reimbursement contracts as eligible expenses are incurred if other conditions of the contract are satisfied. Revenue from agreements that include milestones and milestone payments are recognized over time as milestones are reached. If the Organization's efforts are expended evenly throughout the performance period, the Organization may recognize revenue on a straight-line basis over such a period.

Revenue is recognized at a point in time when goods or services are provided to customers and the Organization is not required to provide additional goods or services or if the above criteria are not met. As a practical expedient the Organization disregards the effects of potential financing components if the period between payment and performance is one year or less.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless related to a donor specified restriction for a particular purpose or future period.

Stall and Vendor Fees

The Organization recognizes stall and vendor fees under contracts with farmers and vendors based upon attendance at farmers markets. Payment terms are net 30, and payment amounts are billed subsequent to farmers markets. Market coins and EBT payments collected by farmers and vendors are credited towards stall and vendor fees.

Kitchen Rentals, Educational Events, and Activations

The Organization recognizes kitchen rentals, educational events, and activation revenue from contracts with customers as performance obligations are satisfied.

Accounts Receivable

Accounts receivable are primarily unsecured non-interest bearing amounts due from customers for stall fees. If amounts become uncollectible, they are charged to expense in the period in which that determination is made.

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2023 (With Comparative Totals for the Year Ended March 31, 2022)

Contributions Receivable

Contributions receivable including pledges and grants receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. The Organization has evaluated the value of the discount and concluded that it was not material for recognition. The Organization considers all contributions receivable to be fully collectible at March 31, 2023. Accordingly, no allowance for doubtful accounts was deemed necessary. If amounts become uncollectible, they are charged to expense in the period in which that determination is made.

Income Taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under IRC 501(c)(3) and California RTC 23701(d). The Organization has evaluated its current tax positions as of March 31, 2023 and is not aware of any significant uncertain tax positions for which a reserve would be necessary. The Organization's tax returns are generally subject to examination by federal and state taxing authorities for three and four years, respectively, after they are filed.

Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Inventory

Inventory consists of t-shirts and tote bags. The Organization accounts for inventory on an average cost basis that is the lower of cost or market.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 those estimates.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk

At times, the Organization may have deposits in excess of federally insured limits.

FOODWISE COMMUNITY

**Notes to the Financial Statements
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

Property and Equipment

Property and equipment purchased by the Organization is recorded at cost. The Organization capitalizes all expenditures for property and equipment over \$2,500; the fair value of donated fixed assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment or the related lease terms as follows:

Equipment	5 years
Furniture	7 years
Leasehold improvements	10-20 years or lease term

Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Management reviews long-lived assets for impairment when circumstances indicate the carrying amount of the asset may not be recoverable.

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on [hourly tracking by functional area in payroll system, annual / quarterly / monthly activity reports prepared by key personnel etc.]
- Occupancy, depreciation, and amortization, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space.
- Telephone and internet services, insurance, and supplies and miscellaneous expenses that cannot be directly identified are allocated on the basis of employee [full time equivalents / headcount / salary expenditures for each program and supporting activity.

Management and general activities include the functions necessary to provide support for the organization's program activities. They include activities that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar functions that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2023 (With Comparative Totals for the Year Ended March 31, 2022)

involved with soliciting contributions from corporations, foundations, individuals, and others.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Recent Accounting Pronouncements

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This update was designed to increase the transparency of contribution nonfinancial assets through enhancements to presentation and disclosure. The update requires that in-kind contributions be presented as a separate line on the statement of activities, disaggregate in-kind contributions by category, describe whether contributed nonfinancial assets were monetized or utilized, disclose policies for monetization rather than utilization (if any), donor-imposed restrictions related to in-kind contributions and describe the valuation techniques used to arrive at a fair value measure of value of donated items. The Organization's adoption of this update did not have a material impact on the Organization's financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This update supersedes much of the existing authoritative guidance for leases. The update requires lessees, among other things, to recognize right-of-use assets and liabilities on their balance sheet for all leases with lease terms longer than twelve months. Further related updates included *ASU No. 2018-01*, *ASU No. 2021-05* and additional modifications and clarifications. The adoption of this standard increased the Organization's right of use asset balances as well as related operating lease liability balance. The Organization opted to adopt the following expedients and elections with respect to these updates: To not reassess prior conclusions with respect to (i) whether an arrangement is or contains a lease, (ii) lease classification and (iii) initial direct costs for leases that commence prior to the adoption date of the new standard; To use hindsight with respect to determining the lease term; To exclude leases that (a) have a lease term of 12 months or less and (b) do not contain a reasonably certain purchase option; To combine non-lease components with related lease components. The adoption of this update increased assets and liabilities by \$550,217 and had no material impact on the Organizations net assets as of March 31, 2022.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2022, from which the summarized information was derived.

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**Notes to the Financial Statements
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

Reclassifications

Certain accounts in the prior year's summarized information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

The Organization has evaluated subsequent events and has concluded that as of September 7, 2023, the date that the financial statements were available to be issued, there were no significant subsequent events to disclose.

NOTE 3: INVESTMENTS

Investments consist of the following at March 31:

	<u>2023</u>	<u>2022</u>
Cash and money market funds	\$ 504,914	\$ 250,269
Certificates of deposit	<u>381,817</u>	<u>499,539</u>
Total	<u>\$ 886,731</u>	<u>\$ 749,808</u>

NOTE 4: FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the assets or liability.

The fair values of the Organization's certificate of deposit was based on Level 2 inputs as of March 31, 2023. The Organization uses the following methods to determine the fair value of its investments with level 2 inputs.

Certificates of deposit – Based on the values shown on the Organization's investment statements on the last trading day of the year. The Organization's broker reports such values based on pricing service inputs including inputs from third parties.

NOTE 5: ACCOUNTS RECEIVABLE

Accounts receivable consist primarily of amounts due for stall fees, with balances of the following as of March 31:

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**Notes to the Financial Statements
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 212,994	\$ 166,996
Less: Allowance for doubtful accounts	<u>(15,500)</u>	<u>(12,500)</u>
Total	<u>\$ 197,494</u>	<u>\$ 154,496</u>

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at March 31:

	<u>2023</u>	<u>2022</u>
Equipment	\$ 5,627	\$ 5,627
Furniture	26,013	21,325
Leasehold improvements	421,690	421,689
Less: Accumulated depreciation	<u>(264,270)</u>	<u>(224,250)</u>
Total	<u>\$ 189,060</u>	<u>\$ 224,391</u>

NOTE 7: OPERATING LEASE LIABILITY

The Organization is party to a lease in San Francisco, California for office space that expires on December 31, 2027. The Organization uses the practical expedient of a weighted average estimated risk-free rate of 4% as its discount rate in order to determine present value. Minimum future payments due under this lease were as follows for the years ended March 31:

2024	\$ 127,508
2025	128,773
2026	133,280
2027	137,945
2028	106,151
Less amounts representing interest	<u>(58,616)</u>
Total	<u>\$ 575,041</u>
Weighted-average remaining lease term – operating leases	4.75 years

NOTE 8: CONTINGENCIES

Grant Awards

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

NOTE 9: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available as follows as of March 31:

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**Notes to the Financial Statements
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

	<u>2023</u>	<u>2022</u>
Panel discussions	\$ 8,334	\$ 8,334
Capital campaign	5,000	5,000
Market match	37,500	37,500
Foodwise Teens	<u>120,000</u>	<u>33,750</u>
Total	<u>\$ 170,834</u>	<u>\$ 84,584</u>

NOTE 10: FUNDRAISING EVENTS

The Organization held various fundraising events. Activity related to the events was as follows during the years ended March 31:

	<u>2023</u>	<u>2022</u>
Admission	\$ 162,771	\$ 104,088
Donations and sponsorships	254,897	149,741
Donated auction item proceeds	157,808	57,118
In-kind	189,086	12,167
Raffle	2,300	-
Less: Costs of direct donor benefit	<u>(380,651)</u>	<u>(71,644)</u>
Total	<u>\$ 386,211</u>	<u>\$ 251,470</u>

NOTE 11: IN-KIND CONTRIBUTIONS

The Organization received the benefit of the following in-kind contributions during the year ended March 31, 2023:

<u>Type</u>	<u>Utilized or monetized</u>	<u>Donor Restriction</u>	<u>Valuation method</u>	<u>Value</u>
Donated food and other items	Utilized	No further donor restrictions	FMV based on quote or similar items	\$ 183,571
Services	Utilized	No further donor restrictions	Estimated FMV based on similar services	6,944
			Less: Event in-kind contributions	<u>(189,086)</u>
			Total	<u>\$ 1,429</u>

NOTE 12: CONDITIONAL PROMISES TO GIVE

In addition to the activity reflected on the Organizations statement of activity, the Organization received certain conditional promises to give based on program performance

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**Notes to the Financial Statements
For the Year Ended March 31, 2023
(With Comparative Totals for the Year Ended March 31, 2022)**

or other performance barriers. As of March 31, 2023, conditional promises to give totaled \$133,731. The Organization recognizes such promises to give as support once the related conditions are satisfied and expects to meet all conditions through 2023.

NOTE 13: VOLUNTEER EFFORT

In addition to the activity reported in the financial statements, the Organization's activities are supported by significant volunteer efforts. Volunteers perform a wide range of duties such as assisting customers in farmer's markets, supporting chef demos within the culinary program, teaching youth to cook in the FoodWise Kids program, assisting with special events, info booth presence and administrative tasks in the Organization's offices. For the years ended March 31, 2023 and 2022 over 436 and 248 volunteers donated approximately 4,620 and 3,725 hours of time to support the Organization's activities, respectively. The estimated value of such time, which is not recognizable for financial statement purposes, was \$146,916 and \$55,875 for the years ended March 31, 2023 and 2022, respectively, based on an estimated value per volunteer hour of \$18.

NOTE 14: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of March 31, 2023 are:

Cash and cash equivalents	\$ 272,315
Investments	886,731
Accounts receivable, net	197,494
Less purpose-restricted net assets	<u>(170,834)</u>
Total	<u>\$ 1,185,706</u>

As part of the Organization's liquidity management plan, the Organization maintains certain funds in excess of short-term requirements in certificates of deposit having terms of 1 year or less.