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# **CENTER FOR URBAN EDUCATION ABOUT SUSTAINABLE AGRICULTURE**

## **FINANCIAL STATEMENTS**

**March 31, 2021**

**(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2020)**

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**CROSBY & KANEDA**

Certified Public Accountants  
for Nonprofit Organizations

**CENTER FOR URBAN EDUCATION  
ABOUT SUSTAINABLE AGRICULTURE**

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**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Center for Urban Education about Sustainable Agriculture  
San Francisco, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of Center for Urban Education about Sustainable Agriculture, which comprise the statement of financial position as of March 31, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for Urban Education about Sustainable Agriculture as of March 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Summarized Comparative Information

We have previously audited the Center for Urban Education about Sustainable Agriculture's March 31, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 26, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Crosby & Lancaster CPAs LLP*

Oakland, California

August 30, 2021

**CENTER FOR URBAN EDUCATION  
ABOUT SUSTAINABLE AGRICULTURE**

**Statement of Financial Position  
March 31, 2021  
(With Comparative Totals as of March 31, 2020)**

	2021	2020
<b>Assets</b>		
Assets		
Cash and cash equivalents	\$ 742,377	\$ 159,964
Certificate of deposit (Note 3)	250,000	-
Accounts receivable, net (Note 4)	256,120	183,642
Inventory	9,367	5,095
Prepaid expenses and deposits	25,256	25,768
Property and equipment, net (Note 5)	246,872	271,530
Total Assets	\$ 1,529,992	\$ 645,999
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 35,952	\$ 33,575
Accrued vacation	45,633	33,037
Redeemable vouchers	29,417	18,040
Deferred revenue	25,000	23,000
PPP loan (Note 6)	160,200	-
Deferred rent obligation	138,268	99,719
Total liabilities	434,470	207,371
Net assets		
Without donor restrictions	1,056,278	420,294
With donor restrictions (Note 10)	39,244	18,334
Total Net Assets	1,095,522	438,628
Total Liabilities and Net Assets	\$ 1,529,992	\$ 645,999

See Notes to the Financial Statements

**CENTER FOR URBAN EDUCATION  
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**Statement of Activities  
For the Year Ended March 31, 2021  
(With Comparative Totals for the Year Ended March 31, 2020)**

	Without Donor	With Donor	Total	
	Restrictions	Restrictions	2021	2020
<b>Support and Revenue</b>				
Support				
Foundation and corporate	\$ 144,037	\$ 169,800	\$ 313,837	\$ 151,417
Individual contributions	159,821	44,564	204,385	112,775
Government	56,497		56,497	24,931
Paycheck protection program (Note 6)	234,800		234,800	-
Employee retention tax credit (Note 7)	134,992		134,992	-
In-kind contributions (Note 12)	5,190		5,190	-
Fundraising events, net (Note 11)	181,817		181,817	357,666
Total Support	<u>917,154</u>	<u>214,364</u>	<u>1,131,518</u>	<u>646,789</u>
Revenue				
Stall and vendor fees	723,603		723,603	877,313
Farmers market box sales, net (Note 13)	71,712		71,712	-
Kitchen rentals			-	38,836
Educational events	31,414		31,414	16,589
Activations	28,500		28,500	77,500
Merchandise sales, net	2,307		2,307	5,427
Other income	2,270		2,270	4,665
Total Revenue	<u>859,806</u>	<u>-</u>	<u>859,806</u>	<u>1,020,330</u>
Support provided by expiring time and purpose restrictions	193,454	(193,454)	-	-
Total Support Revenue	<u>1,970,414</u>	<u>20,910</u>	<u>1,991,324</u>	<u>1,667,119</u>
<b>Expenses</b>				
Program				
Farmers Market	522,235		522,235	732,632
Education	559,525		559,525	814,828
Total Program	<u>1,081,760</u>	<u>-</u>	<u>1,081,760</u>	<u>1,547,460</u>
Management and general	66,016		66,016	92,818
Fundraising	186,654		186,654	267,718
Total Expenses	<u>1,334,430</u>	<u>-</u>	<u>1,334,430</u>	<u>1,907,996</u>
Change in Net Assets	635,984	20,910	656,894	(240,877)
Net Assets, beginning of year	<u>420,294</u>	<u>18,334</u>	<u>438,628</u>	<u>679,505</u>
Net Assets, end of year	<u>\$ 1,056,278</u>	<u>\$ 39,244</u>	<u>\$ 1,095,522</u>	<u>\$ 438,628</u>

See Notes to the Financial Statements

**CENTER FOR URBAN EDUCATION  
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**Statement of Cash Flows  
For the Year Ended March 31, 2021  
(With Comparative Totals for the Year Ended March 31, 2020)**

	2021	2020
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 656,894	\$ (240,877)
Adjustments to reconcile change in net assets to net cash provided (used) in operating activities		
Depreciation	24,658	25,103
Forgiveness of PPP loan	(234,800)	-
Changes in assets and liabilities:		
Accounts receivable	(72,478)	(26,303)
Inventory	(4,272)	9,292
Prepaid expenses and deposits	512	5,475
Accounts payable and accrued expenses	2,377	(39,254)
Accrued vacation	12,596	(14,534)
Redeemable vouchers	11,377	7,644
Deferred revenue	2,000	23,000
Deferred rent obligation	38,549	99,719
Net cash provided (used) by operating activities	437,413	(150,735)
<b>Cash flows from investing activities</b>		
Purchases of certificates of deposit, net	(250,000)	200,790
Purchases of property and equipment	-	(108,650)
Net cash provided (used) by investing activities	(250,000)	92,140
<b>Cash flows from financing activities:</b>		
Proceeds from paycheck protection loan	395,000	-
Net cash provided (used) by financing activities	395,000	-
Net change in cash and cash equivalents	582,413	(58,595)
Cash and cash equivalents, beginning of year	159,964	218,559
Cash and cash equivalents, end of year	\$ 742,377	\$ 159,964

See Notes to the Financial Statements

**CENTER FOR URBAN EDUCATION  
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**Statement of Functional Expenses  
For the Year Ended March 31, 2021  
(With Comparative Totals for the Year Ended March 31, 2020)**

	Program	Management and General	Fundraising	Total	
				2021	2020
Salaries	\$ 555,085	\$ 5,552	\$ 86,514	\$ 647,151	\$ 1,083,895
Employee benefits	50,369	4,600	9,197	64,166	109,637
Payroll taxes	44,713	445	6,948	52,106	88,544
Total Personnel	<u>650,167</u>	<u>10,597</u>	<u>102,659</u>	<u>763,423</u>	<u>1,282,076</u>
Fees for service	43,920	41,057	16,455	101,432	150,432
Advertising and promotion	1,259	1,900	5,019	8,178	21,131
Supplies and office expenses	45,000	247	9,438	54,685	101,040
Depreciation	21,185	212	3,261	24,658	25,103
Information technology	12,838	38	622	13,498	21,130
Occupancy	155,134	1,081	19,002	175,217	203,636
Travel and meals	707	56	220	983	9,104
Conferences and meetings	655	1,212	47	1,914	6,457
Insurance	9,216	1,878	1,422	12,516	11,856
Dues, licenses, service fees	25,731	7,738	22,132	55,601	40,648
In-kind food, materials, supplies	-	-	6,377	6,377	-
Nutrition incentives	37,048	-	-	37,048	23,037
Food assistance - individuals	78,879	-	-	78,879	-
Other expenses	21	-	-	21	12,346
Expense by Function	<u>1,081,760</u>	<u>66,016</u>	<u>186,654</u>	<u>1,334,430</u>	<u>1,907,996</u>
Expenses reported on a net basis on the statement of activities					
Farmers market box supplies cost	180,555	-	-	180,555	-
Event direct donor benefit	-	-	49,207	49,207	274,675
Total Expenses	<u>\$ 1,262,315</u>	<u>\$ 66,016</u>	<u>\$ 235,861</u>	<u>\$ 1,564,192</u>	<u>\$ 2,182,671</u>

See Notes to the Financial Statements

**CENTER FOR URBAN EDUCATION  
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**Notes to the Financial Statements  
For the Year Ended March 31, 2021  
(With Comparative Totals for the Year Ended March 31, 2020)**

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**NOTE 1: NATURE OF ACTIVITIES**

The Center for Urban Education about Sustainable Agriculture (CUESA, or 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. CUESA was organized to educate urban consumers about sustainable agriculture and to create links between urban dwellers and local farmers. CUESA has managed the Ferry Plaza Farmers Market in San Francisco since 1999 and Jack London Square Farmers Market in Oakland since 2016. CUESA'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.

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**Notes to the Financial Statements  
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**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 when any of the following conditions are met: The customer receives and consumes the benefits provided by the Organization's performance as the Organization performs; the Organization's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the work does not create an asset with an alternative use to the Organization and the entity has a right to payment for performance completed to date.

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. Revenue from agreements based on hourly rates are recognized over time as time is expended if the Organization expects it will have an enforceable right to payment for such amounts. Revenue is recognized based on estimated progress towards complete satisfaction of the performance obligation if the Organization can reasonably measure such progress. 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. Revenue from the sales of goods or merchandise are recognized at the point in time when the goods or merchandise are provided to the customer.

The Organization tracks contract assets representing earned amounts that are not yet receivable separately from accounts receivable, if any. 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.

**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

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amounts are billed subsequent to farmers markets. Market coins and EBT payments collected by farmers and vendors are credited towards stall and vendor fees.

**Farmers Market Box Sales**

The Organization recognizes farmers market box sales upon delivery or pick-up. Cost of farmers market box supplies are primarily produce and other goods which the Organization presents net of sales.

**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 on performance contracts. 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, 2021 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.

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**Notes to the Financial Statements  
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**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. The risk is managed by maintaining all deposits in high quality financial institutions.

**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.

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**Notes to the Financial Statements  
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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 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. All expenses and net are reported as decreases in net assets without donor restrictions.

**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, 2020, from which the summarized information was derived.

**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.

**NOTE 3: 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.

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**Notes to the Financial Statements  
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The fair values of the Organization’s certificate of deposit was based on Level 2 inputs as of March 31, 2021. 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 4: ACCOUNTS RECEIVABLE**

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

	<u>2021</u>	<u>2020</u>
Accounts receivable	\$ 268,620	\$ 196,142
Less: Allowance for doubtful accounts	<u>(12,500)</u>	<u>(12,500)</u>
Total	<u>\$ 256,120</u>	<u>\$ 183,642</u>

**NOTE 5: PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at March 31:

	<u>2021</u>	<u>2020</u>
Equipment	\$ 5,627	\$ 5,627
Furniture	19,294	19,294
Leasehold improvements	421,689	421,689
Less: Accumulated depreciation	<u>(199,738)</u>	<u>(175,080)</u>
Total	<u>\$ 246,872</u>	<u>\$ 271,530</u>

**NOTE 6: PAYCHECK PROTECTION PROGRAM LOAN**

The Organization received two paycheck protection program (PPP) loans totaling \$234,800 and \$160,200 bearing interest of 1% and maturing April 17, 2022 and March 22, 2023, respectively, which it accounts for under FASB 470. Based on the guidance in FASB ASC 405-20-40-1, the proceeds from the loan will remain recorded as a liability until either (1) the loan is, in part or wholly, forgiven and the Organization has been “legally released” or (2) the Organization pays off the loan. As of the March 31, 2021, the Organization received notification of forgiveness of the first loan balance totaling \$234,800. Future payments due under the second loan are as follows:

2022	\$ 70,904
2023	<u>89,296</u>
Total	<u>\$ 160,200</u>

Guidance related to this program is evolving, and it remains possible that final forgiveness amounts may vary from these estimates or that no forgiveness will be offered. The SBA reserves the right to audit any forgiveness granted, and such audit activity, if any, may

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result in changes to amounts forgiven or a requirement to return funds received under the program.

**NOTE 7: EMPLOYEE RETENTION TAX CREDIT**

During the year ended March 31, 2021, the Organization claimed Employee Retention Tax Credits totaling \$134,992. The Organization expects to meet the eligibility criteria and concludes that the proceeds represent, in substance, funding from a governmental assistance program. The Organization accounts for such funding in accordance with *FASB ASC 958-605* as support based on compliance with program terms and allocation of eligible costs to this funding.

**NOTE 8: COMMITMENTS**

**Operating Leases**

The Organization is party to a lease in San Francisco, California for office space that expires on December 31, 2027. Future minimum operating lease payments are as follows for years ending March 31:

2022	\$ 136,713
2023	143,970
2024	132,940
2025	134,527
2026	138,819
Thereafter	<u>254,046</u>
Total	<u>\$ 941,015</u>

Rent expense for the years ended March 31, 2021 and 2020 was \$175,029 and \$199,230, respectively.

**NOTE 9: 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.

**Auction Expenses**

As part of its annual fundraising event, the Organization may auction certain future dining experiences for which it must cover a portion of food, labor, and other expenses. The Organization recognizes such expenses in the period in which the expense is incurred. As of March 31, 2021, the Organization estimates future auction costs at approximately \$5,200.

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**Notes to the Financial Statements  
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**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS**

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

	<u>2021</u>	<u>2020</u>
Panel discussions	\$ 8,334	\$ 13,334
Capital Campaign	5,000	5,000
Feed Hospitality	<u>25,910</u>	<u>-</u>
Total	<u>\$ 39,244</u>	<u>\$ 18,334</u>

**NOTE 11: FUNDRAISING EVENTS**

The Organization held a virtual Sunday Supper fundraising event. Activity related to the event was as follows during the years ended March 31:

	<u>2021</u>	<u>2020</u>
Admission	\$ 58,006	\$ 173,859
Donations and sponsorships	102,650	217,791
Raffle	-	5,760
Donated auction item proceeds	64,703	97,850
In-kind	5,664	137,081
Less: Costs of direct donor benefit	<u>(49,206)</u>	<u>(274,675)</u>
Total	<u>\$ 181,817</u>	<u>\$ 357,666</u>

**NOTE 12: IN-KIND CONTRIBUTIONS**

In-kind contributions consisted of donated food totaling \$5,190 during the year ended March 31, 2021.

**NOTE 13: FARMERS MARKET BOX SALES**

Farmers market box sales consisted of the following during the year ended March 31, 2021:

Farmers market box sales revenue	\$ 252,267
Less: Cost of box supplies	<u>(180,555)</u>
Total	<u>\$ 71,712</u>

**NOTE 14: 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, 2021 and 2020 over 350 volunteers donated approximately 2,947 and 6,581 hours of time to support the Organization's activities, respectively. The estimated value of such time, which is not recognizable for financial statement purposes,

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**Notes to the Financial Statements  
For the Year Ended March 31, 2021  
(With Comparative Totals for the Year Ended March 31, 2020)**

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was \$44,205 and \$98,715 for the years ended March 31, 2021 and 2020, respectively, based on an estimated value per volunteer hour of \$15.

**NOTE 15: SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events and has concluded that as of August 30, 2021, the date that the financial statements were available to be issued, there were no significant subsequent events to disclose other than the information noted below:

**Continuing Public Health Emergency**

In March 2020, the WHO classified the COVID-19 outbreak as a pandemic and the Organization and the area it operates in was subject to a public health order related to COVID-19 coronavirus which affected activities of the Organization. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the effect that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact on its financial condition, liquidity, operations and workforce.

**NOTE 16: PASS-THROUGH ACTIVITY**

In addition to the activity reflected in the financial statements, the Organization received \$1,485,015 in support and revenue for SF New Deal, a 501(c)3 organization, which it accounted for on a pass-through basis where the Organization did not have variance authority over the use of those funds.

**NOTE 17: 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, 2021 are:

Cash and cash equivalents	\$ 742,377
Certificate of deposit	250,000
Accounts receivable, net	256,120
Less purpose-restricted net assets	<u>(39,244)</u>
Total	<u>\$ 1,209,253</u>

As part of the Organization's liquidity management plan, the Organization maintains funds in excess of daily requirements in cash and cash equivalents.