
FOODWISE COMMUNITY

FINANCIAL STATEMENTS

March 31, 2024

(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2023)

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, 2024, 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, 2024, 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 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 7, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Crosby + Kaneda CPAs LLP

Alameda, California

August 26, 2024

FOODWISE COMMUNITY
Statement of Financial Position
March 31, 2024
(With Comparative Totals as of March 31, 2023)

	2024	2023
Assets		
Assets		
Cash and cash equivalents	\$ 201,376	\$ 272,315
Investments (Note 3)	868,154	886,731
Accounts receivable, net (Note 5)	199,324	197,494
Inventory	10,388	10,413
Prepaid expenses and deposits	47,940	32,212
Right of use asset - operating lease	382,369	473,329
Property and equipment, net (Note 6)	172,354	189,060
Total Assets	\$ 1,881,905	\$ 2,061,554
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 43,166	\$ 36,505
Accrued vacation	62,728	51,404
Redeemable vouchers	24,718	32,413
Deferred revenue	1,000	10,000
Finance lease liability (Note 7)	23,313	-
Operating lease liability (Note 7)	468,561	575,041
Total Liabilities	623,486	705,363
Net assets		
Without donor restrictions	1,150,527	1,185,357
With donor restrictions (Note 9)	107,892	170,834
Total Net Assets	1,258,419	1,356,191
Total Liabilities and Net Assets	\$ 1,881,905	\$ 2,061,554

See Notes to the Financial Statements

FOODWISE COMMUNITY

**Statement of Activities
For the Year Ended March 31, 2024
(With Comparative Totals for the Year Ended March 31, 2023)**

	Without Donor	With Donor	Total	
	Restrictions	Restrictions	2024	2023
Support and Revenue				
Support				
Foundation and corporate	\$ 79,052	\$ 117,833	\$ 196,885	\$ 374,053
Individual contributions	154,561		154,561	191,295
Government	241,616		241,616	247,993
In-kind contributions (Note 11)	5,867		5,867	1,429
Fundraising events, net (Note 10)	442,865		442,865	386,211
Total Support	<u>923,961</u>	<u>117,833</u>	<u>1,041,794</u>	<u>1,200,981</u>
Revenue				
Stall and vendor fees	899,594		899,594	815,932
Sales, net	2,150		2,150	639
Educational events	9,755		9,755	720
Activations	40,125		40,125	4,222
Other	27,768		27,768	20,624
Total Revenue	<u>979,392</u>	<u>-</u>	<u>979,392</u>	<u>842,137</u>
Investment activity	40,014		40,014	11,902
Support provided by expiring time and purpose restrictions	180,775	(180,775)	-	-
Total Support Revenue	<u>2,124,142</u>	<u>(62,942)</u>	<u>2,061,200</u>	<u>2,055,020</u>
Expenses				
Program				
Farmers Market	629,721		629,721	585,653
Education	987,874		987,874	990,856
Total Program	<u>1,617,595</u>	<u>-</u>	<u>1,617,595</u>	<u>1,576,509</u>
Management and general	126,927		126,927	138,936
Fundraising	414,450		414,450	299,100
Total Expenses	<u>2,158,972</u>	<u>-</u>	<u>2,158,972</u>	<u>2,014,545</u>
Change in Net Assets	(34,830)	(62,942)	(97,772)	40,475
Net Assets, beginning of year	<u>1,185,357</u>	<u>170,834</u>	<u>1,356,191</u>	<u>1,315,716</u>
Net Assets, end of year	<u>\$ 1,150,527</u>	<u>\$ 107,892</u>	<u>\$ 1,258,419</u>	<u>\$ 1,356,191</u>

See Notes to the Financial Statements

FOODWISE COMMUNITY

**Statement of Cash Flows
For the Year Ended March 31, 2024
(With Comparative Totals for the Year Ended March 31, 2023)**

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ (97,772)	\$ 40,475
Adjustments to reconcile change in net assets to net cash provided (used) in operating activities		
Depreciation	40,019	40,020
Amortization of right-of-use asset, financing	335	-
Investment activity	(40,014)	(11,902)
Changes in assets and liabilities:		
Accounts receivable	(1,830)	(42,998)
Inventory	25	3,571
Prepaid expenses and deposits	(15,728)	(21,006)
Operating lease assets and liabilities	(15,520)	(18,466)
Accounts payable and accrued expenses	6,661	4,717
Accrued vacation	11,324	1,637
Redeemable vouchers	(7,695)	3,958
Deferred revenue	(9,000)	10,000
Net cash provided (used) by operating activities	(129,195)	10,006
Cash flows from investing activities		
Purchases of investments	58,591	(125,000)
Purchases of property and equipment	-	(4,710)
Net cash provided (used) by investing activities	58,591	(129,710)
Cash flows from financing activities		
Payments on financing lease	(335)	-
Net cash provided (used) by financing activities	(335)	-
Net change in cash and cash equivalents	(70,939)	(119,704)
Cash and cash equivalents, beginning of year	272,315	392,019
Cash and cash equivalents, end of year	\$ 201,376	\$ 272,315
Supplemental Information		
Right-of-use assets obtained in exchange for lease liabilities	\$ 465,914	\$ 552,793
Cash paid for amounts included in operations lease liabilities	\$ 127,508	\$ 138,751

See Notes to the Financial Statements

FOODWISE COMMUNITY

**Statement of Functional Expenses
For the Year Ended March 31, 2024
(With Comparative Totals for the Year Ended March 31, 2023)**

	Program	Management and General	Fundraising	Total	
				2024	2023
Salaries	\$ 952,364	\$ 32,005	\$ 232,026	\$ 1,216,395	\$ 1,097,888
Retirement benefits	5,460	210	1,330	7,000	-
Other employee benefits	81,870	11,733	19,697	113,300	108,944
Payroll taxes	73,389	2,463	17,923	93,775	87,845
Total Personnel	<u>1,113,083</u>	<u>46,411</u>	<u>270,976</u>	<u>1,430,470</u>	<u>1,294,677</u>
Individuals - nutrition incentives	88,963	-	-	88,963	101,197
Individuals - food assistance	47,128	-	3,750	50,878	19,698
Fees for service	29,136	58,819	48,483	136,438	131,441
Advertising and promotion	3,521	-	6,438	9,959	7,636
Supplies and office expenses	82,274	527	16,549	99,350	108,607
Information technology	19,781	175	1,292	21,248	23,300
Occupancy	153,588	4,137	30,101	187,826	197,026
Travel and meals	1,787	132	2,675	4,594	7,579
Conferences and meetings	8,688	2,770	3,595	15,053	15,856
Depreciation	31,572	1,395	7,387	40,354	40,020
Insurance	8,344	3,005	1,678	13,027	12,456
Dues, service fees and other	27,418	9,516	18,010	54,944	53,623
In-kind food, materials, supplies	2,312	40	3,516	5,868	1,429
Expense by Function	<u>1,617,595</u>	<u>126,927</u>	<u>414,450</u>	<u>2,158,972</u>	<u>2,014,545</u>
Expenses reported on a net basis on the statement of activities:					
Event direct donor benefit	-	-	266,748	266,748	189,086
Total Expenses	<u>\$ 1,617,595</u>	<u>\$ 126,927</u>	<u>\$ 681,198</u>	<u>\$ 2,425,720</u>	<u>\$ 2,203,631</u>

See Notes to the Financial Statements

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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; there were no restrictions of this nature as of March 31, 2024.

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.

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.

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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 unsecured non-interest bearing trade receivables. The Organization uses historical loss information adjusted for management's expectations about current and future economic conditions and the aging of receivables relative to expected payment dates as the basis to determine expected credit losses. If amounts become uncollectible, they are charged to the valuation allowance for credit losses if any, with any excess amounts charged to expense in the period in which that determination is made.

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.

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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, 2024 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.

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	10-16 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.

FOODWISE COMMUNITY

Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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

Leases

The Organization evaluates all contracts to determine if they contain a lease. For leases with terms greater than 12 months, the Organization records a right-of-use asset and lease obligation at the present value of lease payments over the term of the lease. The Organization expenses total lease costs on a straight-line basis over the related lease term. The Organization has elected to exclude leases that (a) have a lease term of 12 months or less and (b) do not contain a reasonably certain purchase option. The Organization has elected to combine non-lease components with related lease components unless non-lease components are billed separately. As the Organization's leases do not generally provide a readily determinable implicit interest rate, the Organization uses the risk-free rate commensurate with the respective terms of the leases to discount the lease payments.

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 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.

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Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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, 2023, from which the summarized information was derived.

Recent Account Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the probable incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses on financial instruments and other commitments to extend credit. The adoption of this update did not have a material impact on the Organization's financial statements.

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 August 26, 2024, 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>2024</u>	<u>2023</u>
Cash and money market funds	\$ 133,774	\$ 504,914
Certificates of deposit	<u>734,380</u>	<u>381,817</u>
Total	<u>\$ 868,154</u>	<u>\$ 886,731</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 value 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 value of the Organization's certificate of deposit was based on Level 2 inputs as of March 31, 2024. The Organization uses the following methods to determine the fair value of its investments with level 2 inputs.

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Notes to the Financial Statements For the Year Ended March 31, 2024 (With Comparative Totals for the Year Ended March 31, 2023)

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:

	<u>2024</u>	<u>2023</u>
Accounts receivable	\$ 223,824	\$ 212,994
Less: Allowance for doubtful accounts	<u>(24,500)</u>	<u>(15,500)</u>
Total	<u>\$ 199,324</u>	<u>\$ 197,494</u>

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at March 31:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 5,627	\$ 5,627
Leased equipment	23,648	-
Furniture	26,013	26,013
Leasehold improvements	421,690	421,690
Less: Accumulated depreciation	<u>(304,624)</u>	<u>(264,270)</u>
Total	<u>\$ 172,354</u>	<u>\$ 189,060</u>

NOTE 7: LEASES

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:

2025	\$ 128,773
2026	133,280
2027	137,945
2028	106,151
Less amounts representing interest	<u>(37,588)</u>
Total	<u>\$ 468,561</u>
Weighted-average remaining lease term – operating leases	4.75 years

Finance Lease Liability

The Organization leased a copier in March 2024 for five years. The copier has a five-year economic life. The lease calls for monthly lease payments of \$420. The Organization uses the risk-free rate of 4.3% as its discount rate in order to determine present value. The following is a schedule by years of minimum future payments due under this lease:

FOODWISE COMMUNITY

**Notes to the Financial Statements
For the Year Ended March 31, 2024
(With Comparative Totals for the Year Ended March 31, 2023)**

2025	\$	5,040
2026		5,040
2027		5,040
2028		5,040
2029		5,040
Thereafter		840
Less: Amounts representing interest		<u>(2,727)</u>
Total		<u>\$ 23,313</u>

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:

	<u>2024</u>	<u>2023</u>
Panel discussions	\$ -	\$ 8,334
Capital campaign	5,000	5,000
Market match	-	37,500
Foodwise Teens	<u>102,892</u>	<u>120,000</u>
Total	<u>\$ 107,892</u>	<u>\$ 170,834</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>2024</u>	<u>2023</u>
Admission	\$ 177,074	\$ 162,771
Donations and sponsorships	341,938	254,897
Donated auction item proceeds	136,662	157,808
In-kind supplies and services	54,139	189,086
Raffle	-	2,300
Less: Costs of direct donor benefit	<u>(266,948)</u>	<u>(380,651)</u>
Total	<u>\$ 442,865</u>	<u>\$ 386,211</u>

NOTE 11: IN-KIND CONTRIBUTIONS

The Organization received the benefit of the following in-kind contributions during the year ended March 31, 2024:

FOODWISE COMMUNITY

**Notes to the Financial Statements
For the Year Ended March 31, 2024
(With Comparative Totals for 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 supplies	Utilized	No further donor restrictions	FMV based on quotes for similar items	\$ 52,452
Services	Utilized	No further donor restrictions	Estimated FMV based on similar services	7,554
		Less: Event in-kind contributions		<u>(54,139)</u>
	Total			<u>\$ 5,867</u>

NOTE 12: RETIREMENT CONTRIBUTIONS

The Organization has a defined contribution plan as established under Internal Revenue Code Section 401(k) (the Plan). The Organization is not required to make matching contributions. Contributions made by the Organization for the years ended March 31, 2024 and 2023 totaled \$7,000 and \$0, respectively.

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, 2024 and 2023 over 236 and 436 volunteers donated approximately 4,752 and 4,620 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 \$118,800 and \$146,916 for the years ended March 31, 2024 and 2023, respectively, based on an estimated value per volunteer hour of \$25 and \$18, respectively.

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, 2024 are:

Cash and cash equivalents	\$ 201,376
Investments	868,154
Accounts receivable, net	199,324
Less purpose-restricted net assets	<u>(107,892)</u>
Total	<u>\$ 1,160,962</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.