

ARLINGTON EATS, INC.

(A Non-Profit Corporation)

ANNUAL FINANCIAL STATEMENTS

(Audit)

JUNE 30, 2024

ARLINGTON EATS, INC.  
ARLINGTON, MASSACHUSETTS  
(A Non-Profit Corporation)

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# Brent Richardson, CPA

21 Franklin Street • Quincy, MA 02169

(617) 773-5875 • Fax (617) 773-7898

To the Board of Directors of  
Arlington EATS, Inc.  
Arlington, Massachusetts

## INDEPENDENT AUDITOR'S REPORT

### Opinion

I have audited the accompanying financial statements of Arlington EATS, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from the Organization's 2023 financial statements and, in our report dated May 21, 2024, we expressed an unmodified opinion on those financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Arlington EATS, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Arlington EATS, Inc. and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Arlington EATS, Inc.'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

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

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

- 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 Arlington EATS, Inc.'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Arlington EATS, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.



Brent Richardson, CPA  
Quincy, Massachusetts  
June 6, 2025

ARLINGTON EATS, INC.  
STATEMENT OF FINANCIAL POSITION  
June 30, 2024 and 2023

ASSETS		2024	2023
CURRENT ASSETS:			
Cash and Cash Equivalents	\$	512,801	\$ 687,457
Grants Receivable (Note 6)		32,785	23,132
Pledges Receivable (Note 2)		6,000	7,701
Investments (Note 2 & 4)		634,875	554,107
Prepaid expenses		9,369	8,182
Total Current Assets		1,195,830	1,280,579
PROPERTY AND EQUIPMENT (Note 2 & 5):			
Equipment		90,930	90,930
Leasehold Improvements		1,503,731	1,503,731
		1,594,661	1,594,661
Less - Accumulated Depreciation and Amortization		(242,327)	(126,261)
Net Property and Equipment		1,352,334	1,468,400
OTHER ASSETS:			
Right-to-Use Operating Lease (Note 8)		626,078	659,896
TOTAL ASSETS	\$	3,174,242	\$ 3,408,875
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts Payable - Trade	\$	29,148	\$ 7,144
Accounts Payable - Construction		-	90,322
Accrued Expenses		34,307	33,254
Deferred Revenue		17,268	15,305
Operating Lease Payable - Current Portion		21,561	18,271
Total Current Liabilities		102,284	164,296
OTHER LIABILITIES:			
Operating Lease Payable (Note 8)		637,720	659,281
Total Other Liabilities		637,720	659,281
Total Liabilities		740,004	823,577
NET ASSETS (Note 2, 9 & 11):			
Without Donor Restrictions			
Undesignated		2,309,238	2,431,467
Designated by Board (Note 11)		100,000	144,456
Total Without Donor Restrictions		2,409,238	2,575,923
With Donor Restrictions		25,000	9,375
Total Net Assets		2,434,238	2,585,298
TOTAL LIABILITIES AND NET ASSETS	\$	3,174,242	\$ 3,408,875

The accompanying Notes are an integral part of the financial statements.

ARLINGTON EATS, INC.  
STATEMENT OF ACTIVITIES  
For the year ended June 30, 2024  
(with comparative totals for the year ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
REVENUES AND GAINS (Note 2 & 4):				
Contributions	\$ 626,417	\$ 28,966	\$ 655,383	\$ 770,303
Contribution - Marketable Securities	30,721	-	30,721	2,600
Grants	16,500	180,930	197,430	167,762
Fundraising Events - (Net of \$43,008 Direct Costs)	106,578	-	106,578	70,016
Fundraising - Capital Campaign (Note 9)	-	7,794	7,794	47,741
Investment Income - (Note 4)	34,638	-	34,638	12,365
Gain (Loss) on Investments - Realized	3,505	-	3,505	(1,806)
Gain (Loss) on Investments - Unrealized	25,307	-	25,307	16,355
In-Kind Contributions - Food - (Note 2)	887,735	-	887,735	740,035
	1,731,401	217,690	1,949,091	1,825,371
Net Assets Released from Restriction:				
Restrictions Satisfied by Payments (Note 9)	202,065	(202,065)	-	-
Total Revenue, Gains, and Other Support	1,933,466	15,625	1,949,091	1,825,371
EXPENSES:				
Program	912,804	-	912,804	771,547
Program - In-Kind Food Distributed - (Note 2)	887,735	-	887,735	740,035
Total Program	1,800,539	-	1,800,539	1,511,582
General and Administrative	156,130	-	156,130	194,348
Fundraising	143,482	-	143,482	147,353
Total Expenses	2,100,151	-	2,100,151	1,853,283
CHANGE IN NET ASSETS	(166,685)	15,625	(151,060)	(27,912)
NET ASSETS - BEGINNING OF YEAR	2,575,923	9,375	2,585,298	2,613,210
NET ASSETS - END OF YEAR	\$ 2,409,238	\$ 25,000	\$ 2,434,238	\$ 2,585,298

The accompanying Notes are an integral part of the financial statements.

ARLINGTON EATS, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended June 30, 2024  
(with comparative totals for the year ended June 30, 2023)

	<u>PROGRAM</u>	<u>GENERAL &amp; ADMINISTRATIVE</u>	<u>FUNDRAISING</u>	<u>2024 TOTALS</u>	<u>2023 TOTALS</u>
Salaries & Wages	\$ 223,008	\$ 44,515	\$ 46,898	\$ 314,421	\$ 238,437
Employee Benefits	33,797	3,553	3,970	41,320	39,500
Payroll Taxes	23,497	2,470	2,761	28,728	22,573
Food & Supplies	311,622	-	-	311,622	243,408
Community Partnerships	15,125	-	-	15,125	61,703
Food Transport	13,091	-	-	13,091	6,756
Depreciation & Amortization (Note 5)	106,066	10,000	-	116,066	115,766
Program Expenses - Other	58,599	-	-	58,599	106,885
Repairs & Maintenance	15,699	2,611	-	18,310	6,868
Operating Lease Expense (Note 8)	56,301	14,075	-	70,376	70,376
Rent - Facility Other	-	-	-	-	11,325
Consultants	40,026	29,800	57,800	127,626	86,599
Office Expenses	6,164	6,372	6,521	19,057	16,069
Printing	5,339	1,955	15,190	22,484	24,426
Insurance	4,470	5,647	-	10,117	11,209
Administrative - Other	-	35,132	-	35,132	35,999
Fundraising General Expenses	-	-	10,308	10,308	12,897
Fundraising Capital Campaign	-	-	34	34	2,452
	<u>912,804</u>	<u>156,130</u>	<u>143,482</u>	<u>1,212,416</u>	<u>1,113,248</u>
Food - In-Kind (Note 2)	<u>887,735</u>	<u>-</u>	<u>-</u>	<u>887,735</u>	<u>602,254</u>
Totals	<u>\$ 1,800,539</u>	<u>\$ 156,130</u>	<u>\$ 143,482</u>	<u>\$ 2,100,151</u>	<u>\$ 1,715,502</u>

The accompanying Notes are an integral part of the financial statements.

ARLINGTON EATS, INC.  
STATEMENT OF CASH FLOWS  
For the years ended June 30, 2024 and 2023

	2024	2023
Increase (Decrease) in Cash & Cash Equivalents		
Change in Net Assets	\$ (151,060)	\$ (27,912)
Non-Cash Items Related to Operations Included in Net Assets:		
Depreciation	15,766	15,766
Amortization	100,300	100,000
Contribution of Marketable Equity Security	(30,721)	(2,600)
Operating Lease Expense	85,923	70,376
Realized (Gains) Losses on Investments	(3,505)	1,806
Unrealized (Gains) on Investments	(25,307)	(16,355)
Change in Operating Assets and Liabilities - Net:		
Grant Receivables	(9,653)	37,129
Pledge Receivables	1,701	3,073
Prepaid Expenses	(1,187)	(3,460)
Accounts Payable & Accrued Expenses	23,057	3,165
Deferred Revenue	1,963	(10,531)
Lease Liabilities - Operating	(70,376)	(52,720)
Net Cash Provided (Used) by Operating Activities	(63,099)	117,737
Cash Flows from Investing Activities:		
Proceeds from Sale of Investments	133,845	41,232
Purchase of Investments	(155,080)	(300,458)
Purchase of Property & Equipment	(90,322)	(696,940)
Net Cash Provided (Used) by Investing Activities	(111,557)	(956,166)
Net Change in Cash, Cash Equivalents, and Restricted Cash	(174,656)	(838,429)
Cash and Cash Equivalents and Restricted Cash - Beginning of Year	687,457	1,525,886
Cash and Cash Equivalents and Restricted Cash - End of Year	\$ 512,801	\$ 687,457
Supplemental disclosure of cash flow information:		
Non-Cash Investing and Financing Activities:		
Addition of Right-of-Use Asset - Operating	\$ 0	\$ 441,196
Addition of Lease Liability - Operating	\$ 0	\$ 441,196
Purchase of Capital Assets through Accounts Payable	\$ 90,322	\$ 0

The accompanying Notes are an integral part of the financial statements.

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**1. Organization and Nature of Activities**

Arlington EATS, Inc., a non-profit organization, was incorporated on September 9, 2015 under the laws of the Commonwealth of Massachusetts and annually files Form 990 with the IRS and Form PC with the Commonwealth of Massachusetts. The Organization was formed for the purpose of eliminating food insecurity by providing nutritious food, meals, and snacks to any Arlington resident in need. The principal sources of support are traditional contributions from individuals and local organizations and in-kind food donations from the Greater Boston Food Bank, other organizations, and individuals.

**2. Summary of Significant Accounting Policies**

**A. Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**B. Cash, Cash Equivalents and Concentration of Risk**

For purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents unless held for investment. The Organization maintains some of its cash in bank deposit accounts, which at times may exceed federally insured limits; however, these deposits continue to be covered by The Massachusetts Depositors Insurance Fund. The Organization has not experienced any losses in such accounts, and management believes that it is not exposed to any significant credit risk on cash or cash equivalents.

**C. Contributions and Pledge Receivable**

The Organization reports unconditional promises to give as contributions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. Management considers receivables as of June 30, 2024 to be fully collectible.

**D. Accounting for Investments**

The Organization follows ASC 958-320 for investments in debt and equity securities with readily determinable fair values which are measured at fair value upon acquisition if contributed or at cost if purchased. Gains, losses, dividends, interest, and other related income from these securities are reported as investment income and realized or unrealized gains and losses in the Statement of Activities.

**E. Property and Equipment**

The Organization records the acquisition of property and equipment at cost (if purchased) or fair market value (if contributed). Depreciation is computed based upon the estimated useful lives of the assets using the straight-line method. Amortization is computed at the lesser of the estimated useful life or the term of a related lease. Expenses for maintenance and repairs are charged to operations as incurred.

**F. Income Taxes**

The Corporation qualifies as a tax-exempt organization other than a private foundation under section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the financial statements.

June 30, 2024

## 2. Summary of Significant Accounting Policies – (Continued)

### G. Functional Allocation of Expenses

Expenses are charged directly to Program, Administrative, or Fundraising in general categories based on specific identification. Certain employee benefits and payroll taxes have been allocated based on salary expenditures.

### H. Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets the governing board has designated, from net assets without donor restrictions, for an operating or other board-designated purpose.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### I. Fair Value Measurements

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1.* Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- *Level 2.* Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3.* Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. All measurements of fair value during the fiscal years and as of June 30, 2024 and 2023 used Level 1 inputs.

The primary uses of fair value measures in the Organization's financial statements are the initial measurement of noncash gifts, including gifts of investment assets, and the recurring measurement of short-term investments.

### J. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could vary from those estimates.

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**2. Summary of Significant Accounting Policies – (Continued)**

**K. Advertising Costs**

Advertising costs, if any, are charged to operations as incurred.

**L. Donated Goods & Services**

The Organization reports the fair value of donated food and related items as unrestricted public support and then, shortly thereafter, as expense when distributed to individuals participating in the Organization's food programs. The Organization distributed approximately 691,918 and 576,733 pounds of donated product, in fiscal years June 2024 and 2023, respectively. The approximate average wholesale value of one pound of donated product at the national level, which was determined to be \$1.97 during 2024 (\$1.93 during 2023), was based on a study performed by Feeding America. The dollar value of \$887,735 and \$740,035, for the fiscal years ended June 30, 2024 and 2023 respectively, is reported in the accompanying financial statements as Food In-Kind.

In-kind inventory for the Organization's food programs is not recorded in the statement of financial position, because a method of consistently recording its value has been determined as arbitrary and immaterial to the financial statements. In addition, a number of individuals and other organizations have made in-kind donations or volunteered their services to the Organization. For those services that do not require special expertise, no estimated value appears in the financial statements.

**M. Support from Major Contributor**

For the year ended June 30, 2024 and 2023, the Organization received approximately 46% and 44%, respectively, of total revenues and support from one contributor, The Greater Boston Food Bank. This contribution was in the form of donated food.

**N. Leases – Right of Use Assets & Lease Liabilities**

The Organization recognizes ROU assets and lease liabilities for leases with terms greater than 12 months or leases that contain a purchase option that is reasonably certain to be exercised. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

Long-term leases (leases with terms greater than 12 months) are recorded as liabilities at the present value of the minimum lease payments not yet paid. If a lease contains a renewal option at the commencement date and it is considered reasonably certain that the renewal option will be exercised by management to renew the lease, the renewal option payments are included in the Organization's net minimum lease payments used to determine the right-of-use lease liabilities and related lease assets. All other renewal options are included in right-of-use lease liabilities and related lease assets when they are reasonably certain to be exercised. The Organization uses its incremental borrowing rate to determine the present value of the lease when the rate implicit in the lease is not readily determinable. The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments using similar terms.

Short-term leases (leases with an initial term of 12 months or less or leases that are cancelable by the lessee and lessor without significant penalties) are not capitalized but are expensed on a straight-line basis over the lease term or when incurred if a month-to-month lease.

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**3. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or board restrictions limiting their use within one year of the balance sheet date, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 412,801	\$ 524,843
Investments	634,875	554,107
Grant receivable	<u>7,785</u>	<u>12,101</u>
Total	\$1,055,461	\$1,091,051

**4. Investments**

Investments, all publicly traded, are composed of the following at June 30, 2024 and 2023:

	<u>2024</u>			<u>2023</u>		
	<u>Market</u>	<u>Unrealized Appreciation</u>	<u>Cost</u>	<u>Market</u>	<u>Unrealized Appreciation</u>	<u>Cost</u>
Mutual funds - equity funds	\$ 223,446	\$ 50,000	\$ 173,446	\$ 188,160	\$ 29,527	\$ 158,633
Mutual funds - bond funds	143,570	(8,748)	152,318	111,960	(13,428)	125,388
Money market funds	<u>267,859</u>	<u>-</u>	<u>267,859</u>	<u>253,987</u>	<u>(154)</u>	<u>254,141</u>
Total	\$ 634,875	\$ 41,252	\$ 593,623	\$ 554,107	\$ 15,945	\$ 538,162

Investment return for the years ended June 30, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Interest	\$ 25,389	\$ 3,738
Dividends	7,812	5,786
Capital gain distributions	<u>1,437</u>	<u>2,841</u>
Subtotal	34,638	12,365
Realized gain on sales	3,505	(1,806)
Unrealized gain (loss)	<u>25,307</u>	<u>16,355</u>
Total	\$ 63,450	\$ 26,914

**5. Property and Equipment**

Property owned by the Organization is equipment including computers and appliances for food storage and distribution. As of June 30, 2024 and 2023, the Organization had incurred \$1,503,731 of design and construction costs for leasehold improvements within its new food pantry facility. The leasehold improvements will be amortized over the expected 15-year term of the facility lease. Amortization expense was \$100,300 and \$100,000 for fiscal years 2024 and 2023, respectively, and is included in amortization and depreciation in the accompanying statements of functional expenses.

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**6. Grants Receivable**

As of June 30, 2023, \$11,031 is a receivable from the Arlington Housing Corporation for certain furnishings and moving costs incurred in June, 2020. In addition, as of June 30, 2023, \$12,101 is receivable from the Commonwealth of Massachusetts for construction related expenses reimbursable through a Department of Agricultural Resources contract. These amounts were collected during fiscal year 2024.

As of June 30, 2024 grants receivables consisted of \$7,785 from the Department of Agricultural Resources contract and \$25,000 from a private grant.

**7. Pledges Receivable**

During the year ended June 30, 2021, twelve individuals made pledge donations which would be paid in future years. Two pledges were for more than three years. The amounts are deemed 100% collectible so no reserve is provided. Any discount on the \$10,000 scheduled for collection after one year is deemed immaterial to the pledges and Capital Campaign contributions as a whole and thus not recorded. As of June 30, 2024, collections of pledges is expected to be \$1,000 per year through fiscal year 2030.

**8. Right-to-Use Asset & Operating Lease Payable**

In March, 2022, the Organization executed an operating lease for 2,636 square feet of 117 Broadway in Arlington, MA to start when certain construction work was completed or upon receipt of a certificate of occupancy. The lease became effective July, 2022. The base term of the lease is five years with an option to extend the terms of the lease for two five-year periods. The cost for the first year will be \$4,393 monthly and shall increase every year by 4% over the rent of the prior year. The Organization will be responsible for routine maintenance, trash removal, and utilities – except water and sewer. There are no material restrictions or performance covenants other than compliance with laws, codes, and ordinances, insurance coverage, and other common operating maintenance and repairs. The discount rate of 5% has been used in calculating the present value of the sum of the lease payments.

Lease expense consisted of the following for the year ended June 30, 2024:

Operating Lease Expense	\$ <u>70,376</u>
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The Organization's ROU assets and lease liabilities consist of the following at June 30, 2024:

ROU assets – operating	\$ 692,790
Accumulated amortization	( <u>66,712</u> )
Net ROU assets – operating	\$ <u>626,078</u>
Operating lease liabilities – current	\$ 21,561
Operating lease liabilities – less current portion	<u>637,720</u>
Total lease liabilities – operating	\$ <u>659,281</u>

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**8. Right-to-Use Asset & Operating Lease Payable - (Continued)**

Future minimum lease payments under operating leases for the years ending June 30:

2025	57,022
2026	59,302
2027	61,675
2028	64,142
2029	66,708
Thereafter	<u>639,243</u>
Total future undiscounted lease payments	948,092
Less: interest/present value discount	( <u>288,811</u> )
Present value of lease liabilities	<u>\$ 659,281</u>

Supplemental information related to the Organization's leases:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operation leases	\$ 54,829
Weighted-average remaining lease term (years) – operating	13
Weighted-average discounted rate – operating leases	5.5%

**9. Net Assets with Donor Restrictions**

Net assets were released from donor restrictions by incurring costs satisfying the purpose or time restriction specified by donors as follows:

	<u>2024</u>	<u>2023</u>
Capital Campaign	\$ 7,794	\$148,499
Summer Lunch	1,077	5,153
Farmer's Market	52,308	14,749
Fresh Bucks	22,883	19,371
Market – General	118,003	8,626
Capital Improvements – Facility	<u>-</u>	<u>12,101</u>
Net Assets released from Restrictions	\$202,065	\$208,499

As of June 30, 2024 net assets with donor restrictions of \$25,000 were time restricted. As of June 30, 2023 net assets with donor restrictions of \$9,375 were restricted for the Farmer's Market.

ARLINGTON EATS, INC.

Notes to Financial Statements

June 30, 2024

**10. Retirement Plan**

The Organization has adopted a Simple IRA voluntary salary reduction retirement plan. All employees are eligible to participate. For the years ended June 30, 2024 and 2023, the Organization made matching employer contributions in the amounts of \$11,630 and \$11,735 respectively.

**11. Commitments and Contingencies**

The Organization initiated a Capital Campaign, including securing a Community Development Block Grant of \$332,437, to raise over \$1,000,000 to renovate and furnish their facility at 117 Broadway. All donor restricted funds received for the Capital Campaign have been disbursed.

In April, 2020, the Board designated \$300,000 to help fund the Capital Campaign. In July, 2021, the Board designated an additional \$300,000 for the Capital Campaign. During fiscal years 2024 and 2023, \$44,456 and \$455,544 were disbursed from the designated funds, respectively. As of June 30, 2023, the Board designated Capital Campaign fund was \$144,456. The Board released the \$144,456 from the Capital Campaign fund effective June 30, 2024.

The Board created and designated \$100,000 to a Capital Improvement Reserve effective June 30, 2024.

**12. Concentrations**

The Organization maintains cash accounts with banks that are insured by the Federal Deposit Insurance Corporation up to \$250,000. During fiscal years 2024 and 2023, balances can exceed this amount. However, the total amount is insured under the Massachusetts Depositors Insurance Fund. Management has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization operates one type of program within one general area – greater Arlington, MA.

**13. Subsequent Events**

The corporate management has reviewed subsequent events through June 6, 2025, the date of the financial statements.