

**CAPE KID MEALS, INC.**  
(a nonprofit corporation)

FINANCIAL STATEMENTS

For the Years Ended June 30, 2024 and 2023

**CAPE KID MEALS, INC.**  
**Financial Statements**  
For the Years Ended June 30, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Cape Kid Meals, Inc.

### ***Opinion***

We have audited the accompanying financial statements of Cape Kid Meals, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cape Kid Meals, 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***

We conducted our audits 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 Cape Kid Meals, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Management's Responsibility 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 Cape Kid Meals, 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***

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.

***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

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 Cape Kid Meals, 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 our judgment, there are conditions or events, considered in the aggregate, that raise  
• substantial doubt about the Cape Kid Meals, Inc.'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.

***Sanders, Walsh & Eaton, CPAs, LLC***

Osterville, Massachusetts  
December 16, 2024

**CAPE KID MEALS, INC.**  
**Statements of Financial Position**  
June 30, 2024 and 2023

**ASSETS**

	2024	2023
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 379,605	\$ 413,620
Operating investments	1,173,722	818,840
Promises to give, net	-	19,813
Prepaid expenses	19,008	7,706
<b>Total Current Assets</b>	<b>1,572,335</b>	<b>1,259,979</b>
<b>Non-Current Assets:</b>		
Property and equipment, net	43,193	-
Operating lease right of use asset	180,875	80,996
Lease security deposit	4,250	8,900
<b>Total Non-Current Assets</b>	<b>228,318</b>	<b>89,896</b>
<b>Total Assets</b>	<b>\$ 1,800,653</b>	<b>\$ 1,349,876</b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities:</b>		
Accounts payable	\$ 3,387	\$ 614
Accrued expenses	34,236	29,961
Operating lease liability-current portion	48,794	51,383
<b>Total Current Liabilities</b>	<b>86,418</b>	<b>81,958</b>
<b>Long-term Liabilities:</b>		
Operating lease liability-less current portion	138,133	32,014
<b>Total Long-term Liabilities</b>	<b>138,133</b>	<b>32,014</b>
<b>Total Liabilities</b>	<b>224,551</b>	<b>113,972</b>
<b>Net Assets:</b>		
Without donor restrictions	1,480,953	1,235,904
With donor restrictions	95,150	-
<b>Total Net Assets</b>	<b>1,576,102</b>	<b>1,235,904</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,800,653</b>	<b>\$ 1,349,876</b>

The accompanying notes are an integral part of these financial statements.

**CAPE KID MEALS, INC.**  
**Statements of Activities**  
For the Years Ended June 30, 2024 and 2023

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains (Losses):			
Contributions and grants	\$ 766,753	\$ 95,150	\$ 861,903
In-kind contributions	68,024	-	68,024
Investment return (loss), net	77,184	-	77,184
Net assets released from restrictions	-	-	-
Total Revenue, Support, and Gains (Losses)	<u>911,961</u>	<u>95,150</u>	<u>1,007,111</u>
Expenses:			
Program	530,403	-	530,403
Management and general	59,571	-	59,571
Fund-raising	76,938	-	76,938
Total Expenses	<u>666,912</u>	<u>-</u>	<u>666,912</u>
Change in Net Assets	245,049	95,150	340,199
Net Assets, Beginning of Year	<u>1,235,904</u>	<u>-</u>	<u>1,235,904</u>
Net Assets, End of Year	<u>\$ 1,480,953</u>	<u>\$ 95,150</u>	<u>\$ 1,576,102</u>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains (Losses):			
Contributions and grants	\$ 684,268	\$ -	\$ 684,268
In-kind contributions	105,542	-	105,542
Investment return (loss), net	38,028	-	38,028
Net assets released from restrictions	-	-	-
Total Revenue, Support, and Gains (Losses)	<u>827,837</u>	<u>-</u>	<u>827,837</u>
Expenses:			
Program	497,675	-	497,675
Management and general	44,760	-	44,760
Fund-raising	36,349	-	36,349
Total Expenses	<u>578,783</u>	<u>-</u>	<u>578,783</u>
Change in Net Assets	249,053	-	249,053
Net Assets, Beginning of Year	<u>986,850</u>	<u>-</u>	<u>986,850</u>
Net Assets, End of Year	<u>\$ 1,235,904</u>	<u>\$ -</u>	<u>\$ 1,235,904</u>

The accompanying notes are an integral part of these financial statements.

**CAPE KID MEALS, INC.**  
**Statements of Functional Expenses**  
For the Years Ended June 30, 2024 and 2023

	2024			
	Program	Management and General	Fund Raising	Total
Advertising and marketing	\$ 2,674	\$ 2,674	\$ 2,673	\$ 8,021
Food	299,540	-	-	299,540
Depreciation	8,639	-	-	8,639
Insurance	5,002	832	831	6,665
Venue expense	-	-	23,640	23,640
Internet	647	646	646	1,939
Office expenses	6,600	871	-	7,471
Software	2,840	2,840	2,840	8,520
Operating lease expense	49,925	5,400	-	55,325
Miscellaneous	7,833	456	456	8,745
Professional fees	12,713	12,711	12,711	38,135
Salaries, wages and payroll taxes	132,566	33,141	33,141	198,848
Vehicle expenses	1,424	-	-	1,424
	<b>\$ 530,403</b>	<b>\$ 59,571</b>	<b>\$ 76,938</b>	<b>\$ 666,912</b>

	2023			
	Program	Management and General	Fund Raising	Total
Advertising and marketing	\$ 4,813	\$ 2,407	\$ 2,407	\$ 9,626
Food	316,838	-	-	316,838
Depreciation	-	-	-	-
Insurance	2,154	2,155	-	4,309
Venue expense	-	-	-	-
Internet	639	639	639	1,917
Office expenses	8,607	916	-	9,523
Software	-	-	-	-
Operating lease expense	48,061	5,340	-	53,401
Miscellaneous	-	-	-	-
Professional fees	5,550	5,550	5,550	16,650
Salaries, wages and payroll taxes	111,014	27,753	27,753	166,520
Vehicle expenses	-	-	-	-
	<b>\$ 497,675</b>	<b>\$ 44,760</b>	<b>\$ 36,349</b>	<b>\$ 578,783</b>

The accompanying notes are an integral part of these financial statements.

**CAPE KID MEALS, INC.**  
**Statements of Cash Flows**  
For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities:		
Change in net assets	\$ 340,199	\$ 249,053
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized and unrealized (gains) losses on operating investments	(56,286)	(25,493)
Depreciation	8,639	-
(Increase) decrease in operating assets:		
Promises to give, net	19,813	25,187
Prepaid expenses	(11,302)	(3,456)
Lease security deposit	4,650	-
Operating lease right of use asset	(99,879)	47,946
Increase (decrease) in operating liabilities:		
Accounts payable	2,773	(2,216)
Accrued expenses	4,275	10,852
Operating lease liabilities	103,530	(46,545)
Net Cash Provided by (Used in) Operating Activities	316,412	255,329
Cash Flows from Investing Activities:		
Purchases of investments	(900,226)	(212,219)
Proceeds from sale of investments	601,630	-
Purchase of fixed assets	(51,831)	-
Net Cash Provided by (Used in) Investing Activities	(350,427)	(212,219)
Net Change in Cash and Cash Equivalents	(34,015)	43,110
Cash and Cash Equivalents, Beginning of Year	413,620	370,511
Cash and Cash Equivalents, End of Year	\$ 379,605	\$ 413,620

The accompanying notes are an integral part of these financial statements.

**CAPE KID MEALS, INC.**  
Notes to Financial Statements  
For the Years Ended June 30, 2024 and 2023

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Organization

Cape Kid Meals, Inc., (Organization) is a non-profit organization in Massachusetts that was established September 24, 2018. Cape Kid Meals is dedicated to alleviating childhood hunger through its core initiatives: weekend backpacks, in-school snacks, and school pantry programs. The entire program is confidential and only the schools know who is participating. The weekend backpack program provides nutritional support to students over the weekend when school meals are not available. The school snack initiative ensures access to snacks for students who are unable to bring them in from home. Additionally, the school pantry program provides students the ability to select food to bring home during the school week and weekends. By offering this support the Organization's hope is the students are better equipped to be able to focus on learning and alleviate food insecurity concerns.

Basis of Accounting

The Organization's policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Income Taxes

The Organization is organized as a Massachusetts nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRS Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction, and has been determined not to be a private foundation. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Net Assets

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 follows:

*Net Assets Without Donor Restrictions:* Net assets available for use in general operations and not subject to donor- (or certain grantor-) imposed 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. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Organization reports conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service.

**CAPE KID MEALS, INC.**  
Notes to Financial Statements  
For the Years Ended June 30, 2024 and 2023

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Revenue and Revenue Recognition

Revenue related to grants that are considered reciprocal transactions or purchases of services, the results of which are turned over to the grantor, is recognized as the work under the contract is performed. Grants that are considered nonreciprocal transactions or contributions that further the programs of the Organization are recorded when the Organization receives notification of the grant award or contribution, or, if conditions for performance are imposed, revenue is recognized when conditions have been met.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Promises to Give

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2024 and 2023, the allowance was \$0 and \$0, respectively, and the entire promises to give balance is expected to be collected in one year or less.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Property and Equipment

Property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of 5 years, or in the case of leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2024 and 2023 .

Advertising Costs

The Organization follows the policy of charging the costs of advertising to expense as incurred. Advertising costs for the years ended June 30, 2024 and 2023, were \$8,021 and \$9,626, respectively.

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited using a reasonable basis that is consistently applied. The expenses that are allocated include operating lease expense, which are allocated on square footage, as well as office expenses, insurance, advertising and marketing, internet, software, professional fees, salaries, wages and payroll taxes and miscellaneous, which are allocated on the basis of estimates of time and effort.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of June 30, 2024 and 2023, the Organization had approximately \$129,605 and \$163,620, respectively, in excess of FDIC insurance limits. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members and foundations supportive of the Organization's mission. Investments are made by diversified investment managers whose performance is monitored by management and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. The right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. All of the ROU assets and lease liabilities arise from operating leases. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization includes in the determination of the ROU assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. Operating lease expense is recognized on a straight-line basis over the lease term.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease term as a discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to the building classes of assets. The Organization has also elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis. The Organization elected the practical expedient to not separate lease and non-lease components for a real estate leases.

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

In-Kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note D). The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair value in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Compensated Absences

Compensated absences have not been accrued because the amount cannot be reasonably estimated.

**NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 379,605	\$ 413,620
Investments	1,173,722	818,840
Promises to give, net	-	19,813
	1,553,328	1,252,273
Less amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose restrictions	(95,150)	-
Financial assets available to meet general expenditures over the next twelve months	\$ 1,458,178	\$ 1,252,273

The Organization operates with balanced budget for each fiscal year and anticipates collecting sufficient revenue to cover short term general expenditures. A substantial portion of annual revenue is comprised of contributions and grants earned during the year. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to management and general and fundraising activities undertaken to support those services.

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued):**

The Organization is also supported by restricted contributions. Because a donor's restriction requires resources to be used in particular manner or in future periods, the Organization maintains sufficient resources to meet those responsibilities to its donors. Thus, certain financial assets may not be available for general expenditures within one year. The Organization has a policy to structure its assets to be available as its general expenditures, liabilities, and other obligations come due.

As part of the Organization's liquidity management plan, the Organization invests cash in excess of daily requirements in saving accounts and money market accounts. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management prepares regular cash flow projections to determine its liquidity needs. Refer to the statement of cash flows which identifies the sources and uses of its cash.

**NOTE C – LEASES:**

The Organization's operating leases consist solely of real estate lease for an office space located at 1336 Main Street, Osterville, MA. The lease expires in 2028, does not have a renewal option, and provides for increases in future minimum annual rental payments.

The weighted-average discount rate applied to calculate lease liabilities as of June 30, 2024 and 2023, was 5% and 5%, respectively. For the years ended June 30, 2024 and 2023, total lease cost comprised solely of operating lease cost of \$55,325 and \$53,401, respectively. As of June 30, 2024 and 2023, the weighted-average remaining lease term for the Organization's operating leases was approximately four and five years, respectively. Cash paid for amounts included in measurement of lease liabilities, and included in operating cash flows from operating leases, for the years ended June 30, 2024 and 2023, was \$54,400 and \$52,000, respectively. Right of use assets obtained in exchange for lease liabilities from operating leases for the years ended June 30, 2024 and 2023 totaled \$144,647 and \$0, respectively.

Future minimum lease payments under noncancelable operating leases with terms greater than one year are presented below as of June 30, 2024:

June 30	
2025	57,050
2026	58,800
2027	58,800
2028	29,650
Total lease payments	204,300
Less interest	(17,373)
Present value of lease liabilities	\$ 186,927

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE D - CONTRIBUTED NONFINANCIAL ASSETS**

For the years ended June 30, 2024 and 2023, contributed nonfinancial assets recognized within the statements of activities included the following:

	2024	2023
Food	\$ 68,024	\$ 105,542
	\$68,024	\$105,542

For the years ended June 30, 2024 and 2023, contributed food is valued at \$1.93 and \$1.92 per pound, respectively. This price is the approximate average wholesale value of one pound of donated food product at the national level as outlined in the Product Valuation Survey Methodology prepared by an international CPA firm dated December 31, 2023 and 2022 for Feeding America for use by member food banks. Contributed food received during the years ended June 30, 2024 and 2023 was without donor restrictions and used in program

**NOTE E - INVESTMENT RETURN:**

Investment return for the years ended June 30, 2024 and 2023, consisted of the following:

	2024	2023
Interest and dividends	\$ 29,486	\$ 19,348
Realized gains (losses)	6,623	(653)
Unrealized gains (losses)	49,662	26,146
Less advisory fees	(8,587)	(6,813)
	\$ 77,184	\$ 38,028

**NOTE F - NET ASSETS WITH DONOR RESTRICTIONS:**

Net assets with donor restrictions are restricted for the following purposes or periods.

Subject to expenditure for specific purpose:

	2024	2023
Gala event	\$ 95,150	\$ -
	\$ 95,150	\$ -

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by the donors as follows for the years ended June 30, 2024 and 2023:

	2024	2023
Satisfaction of purpose restrictions:		
Gala event	\$ -	\$ -
	\$ -	\$ -

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE G - PROPERTY AND EQUIPMENT:**

Property and equipment consist of following at June 30, 2024 and 2023:

	2024	2023
Vehicle	\$ 51,831	\$ -
Less accumulated depreciation	(8,639)	-
Property and Equipment, Net	\$ 43,193	\$ -

**NOTE H - FAIR VALUE MEASUREMENTS:**

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

Investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values.

**CAPE KID MEALS, INC.**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2024 and 2023

**NOTE H - FAIR VALUE MEASUREMENTS (Continued):**

The following tables present assets measured at fair value on a recurring basis, except those measured at cost as of June 30, 2024 and 2023:

2024				
Fair Value Measurements at Report Date Using				
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments:				
Money market funds-at cost	\$ 316,797	\$ -	\$ -	\$ -
Short-term bond mutual funds	589,854	589,854	-	-
Global equity mutual funds	267,071	267,071	-	-
	\$ 1,173,722	\$ 856,925	\$ -	\$ -

2023				
Fair Value Measurements at Report Date Using				
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments:				
Money market funds-at cost	\$ 62,516	\$ -	\$ -	\$ -
Short-term bond mutual funds	484,729	484,729	-	-
Global equity mutual funds	271,595	271,595	-	-
	\$ 818,840	\$ 756,324	\$ -	\$ -

**NOTE I - SUBSEQUENT EVENTS:**

The Organization has evaluated subsequent events through December 16, 2024, the date which the financial statements were available to be issued.