



# Financial Statements

## Every Meal

Roseville, Minnesota

For the years ended June 30, 2023 and 2022



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Every Meal  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Every Meal  
Roseville, Minnesota

### Opinion

We have audited the accompanying financial statements of Every Meal (the Organization), a Minnesota nonprofit corporation, which comprise the statements of financial position as of June 30, 2023 and 2022, 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 the Organization as of June 30, 2023 and 2022, 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 the Organization 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.

### 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.



**Abdo**  
Minneapolis, Minnesota  
December 14, 2023



## FINANCIAL STATEMENTS

**Every Meal**  
**Statements of Financial Position**  
**June 30, 2023 and 2022**

	2023	2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,690,142	\$ 713,933
Certificates of deposit	255,564	501,874
Accounts receivable	60,273	126,159
Grants and pledges receivable	1,530,543	-
Inventory	1,080,205	1,388,690
Prepaid expenses	286,796	39,104
<b>Total Current Assets</b>	<b>5,903,523</b>	<b>2,769,760</b>
<b>Property and Equipment</b>		
Office furniture and equipment	9,734	9,734
Vehicles	84,084	375,614
Warehouse equipment	1,035,019	1,023,008
<b>Total Property and Equipment, Cost</b>	<b>1,128,837</b>	<b>1,408,356</b>
Less Accumulated Depreciation	(802,096)	(685,804)
<b>Total Property and Equipment, Net</b>	<b>326,741</b>	<b>722,552</b>
<b>Other Assets</b>		
Right-of-Use assets - finance lease	156,454	-
Right-of-Use assets - operating lease	338,602	-
Security deposits	8,763	8,763
<b>Total Other Assets</b>	<b>503,819</b>	<b>8,763</b>
 <b>Total Assets</b>	 <b>\$ 6,734,083</b>	 <b>\$ 3,501,075</b>

See Independent Auditor's Report and Notes to the Financial Statements.

**Every Meal**  
**Statements of Financial Position (Continued)**  
**June 30, 2023 and 2022**

	2023	2022
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 107,034	\$ 33,553
Other accrued expenses	107,877	41,741
Deferred revenue	179	-
Lease liabilities - finance/capital lease, current portion	211,596	46,045
Lease liabilities - operating lease, current portion	47,768	-
<b>Total Current Liabilities</b>	<b>474,454</b>	<b>121,339</b>
<b>Long-term Liabilities</b>		
Deferred rent	-	41,416
Lease liabilities - finance/capital lease, noncurrent portion	147,353	163,473
Lease liabilities - operating lease, noncurrent portion	110,961	-
<b>Total Long-term Liabilities</b>	<b>258,314</b>	<b>204,889</b>
<b>Total Liabilities</b>	<b>732,768</b>	<b>326,228</b>
<b>Net Assets</b>		
<b>Without donor restrictions</b>		
Undesignated	2,298,225	2,140,070
Board designated	1,573	250,222
<b>Total Without Donor Restrictions</b>	<b>2,299,798</b>	<b>2,390,292</b>
<b>With donor restrictions</b>	<b>3,701,517</b>	<b>784,555</b>
<b>Total Net Assets</b>	<b>6,001,315</b>	<b>3,174,847</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 6,734,083</b>	<b>\$ 3,501,075</b>

See Independent Auditor's Report and Notes to the Financial Statements.

**Every Meal**  
**Statements of Activities**  
For the Years Ended June 30, 2023 and 2022

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Partnership and sponsor revenue	\$ 1,377,644	\$ 42,800	\$ 1,420,444
Grants	1,658,119	2,195,666	3,853,785
Individual contributions	2,357,949	1,201,250	3,559,199
Donated goods and services	891,339	-	891,339
Program Income	275,190	-	275,190
Other income	494,674	-	494,674
Net assets released from restrictions	522,754	(522,754)	-
Total Revenues, Gains and Other Support	<u>7,577,669</u>	<u>2,916,962</u>	<u>10,494,631</u>
Expenses			
Program services	5,849,138	-	5,849,138
Supporting services			
Management and general	741,780	-	741,780
Fundraising	1,077,245	-	1,077,245
Total Expenses	<u>7,668,163</u>	<u>-</u>	<u>7,668,163</u>
Change in Net Assets	(90,494)	2,916,962	2,826,468
Net Assets, July 1	<u>2,390,292</u>	<u>784,555</u>	<u>3,174,847</u>
Net Assets, June 30	<u>\$ 2,299,798</u>	<u>\$ 3,701,517</u>	<u>\$ 6,001,315</u>

See Independent Auditor's Report and Notes to the Financial Statements.



**Every Meal**  
**Statements of Activities (Continued)**  
For the Years Ended June 30, 2023 and 2022

	2022		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenues, Gains and Other Support			
Partnership and sponsor revenue	\$ 32,852	\$ 1,042,055	\$ 1,074,907
Grants	1,619,922	-	1,619,922
Individual contributions	3,301,232	-	3,301,232
Donated goods and services	221,261	-	221,261
Other income	113,453	-	113,453
Gain (loss) from inventory adjustment	(1,387)	-	(1,387)
Gain (loss) on sale of investments	77	-	77
Net assets released from restrictions	309,329	(309,329)	-
Total Revenues, Gains and Other Support	<u>5,596,739</u>	<u>732,726</u>	<u>6,329,465</u>
Expenses			
Program services	5,143,954	-	5,143,954
Supporting services			
Management and general	633,194	-	633,194
Fundraising	820,345	-	820,345
Total Expenses	<u>6,597,493</u>	<u>-</u>	<u>6,597,493</u>
Change in Net Assets	(1,000,754)	732,726	(268,028)
Net Assets, July 1	<u>3,391,046</u>	<u>51,829</u>	<u>3,442,875</u>
Net Assets, June 30	<u>\$ 2,390,292</u>	<u>\$ 784,555</u>	<u>\$ 3,174,847</u>

See Independent Auditor's Report and Notes to the Financial Statements.

**Every Meal**  
**Statements of Functional Expenses**  
**For the Years Ended June 30, 2023 and 2022**

	2023			Total Expenses
	Program Services	Supporting Services		
		Management and General	Fundraising	
Salaries and Related Expenses				
Staff salaries	\$ 1,715,562	\$ 358,554	\$ 671,297	\$ 2,745,413
Benefits and payroll taxes	338,847	71,387	112,421	522,655
Total Salaries and Related Expenses	<u>2,054,409</u>	<u>429,941</u>	<u>783,718</u>	<u>3,268,068</u>
Expenses				
Contracted services	30,705	99,371	120,167	250,243
Food purchases and donations	2,722,866	-	-	2,722,866
Meeting and conferences	613	2,950	825	4,388
Office supplies	6,654	7,070	431	14,155
Other operating expenses	232,634	163,361	113,234	509,229
Printing and postage	15,682	769	32,655	49,106
Program and sponsor support	-	-	435	435
Rent	365,041	7,947	7,450	380,438
Staff training and travel	19,871	21,015	7,412	48,298
Transportation	79,755	247	2,222	82,224
Utilities	65,440	9,109	8,696	83,245
Total Expenses Before Depreciation	<u>5,593,670</u>	<u>741,780</u>	<u>1,077,245</u>	<u>7,412,695</u>
Depreciation	<u>255,468</u>	<u>-</u>	<u>-</u>	<u>255,468</u>
Total Expenses	<u>\$ 5,849,138</u>	<u>\$ 741,780</u>	<u>\$ 1,077,245</u>	<u>\$ 7,668,163</u>

See Independent Auditor's Report and Notes to the Financial Statements.

**Every Meal**  
**Statements of Functional Expenses (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

	2022			Total Expenses
	Program Services	Supporting Services Management and General	Fundraising	
Salaries and Related Expenses				
Staff salaries	\$ 1,470,359	\$ 341,660	\$ 501,949	\$ 2,313,968
Benefits and payroll taxes	284,056	61,462	78,131	423,649
Total Salaries and Related Expenses	<u>1,754,415</u>	<u>403,122</u>	<u>580,080</u>	<u>2,737,617</u>
Expenses				
Contracted services	20,061	70,122	17,721	107,904
Food purchases and donations	2,179,295	(113)	3	2,179,185
Meeting and conferences	9,536	1,698	1,909	13,143
Office supplies	64,318	6,229	7,944	78,491
Other operating expenses	295,965	109,648	145,085	550,698
Printing and postage	22,358	5,739	45,847	73,944
Program and sponsor support	3,690	1,000	495	5,185
Rent	360,178	7,257	8,641	376,076
Staff training and travel	26,302	21,390	4,391	52,083
Transportation	78,277	505	1,735	80,517
Utilities	62,823	6,597	6,494	75,914
Total Expenses Before Depreciation	<u>4,877,218</u>	<u>633,194</u>	<u>820,345</u>	<u>6,330,757</u>
Depreciation	<u>266,736</u>	<u>-</u>	<u>-</u>	<u>266,736</u>
Total Expenses	<u>\$ 5,143,954</u>	<u>\$ 633,194</u>	<u>\$ 820,345</u>	<u>\$ 6,597,493</u>

See Independent Auditor's Report and Notes to the Financial Statements.

**Every Meal**  
**Statements of Cash Flows**  
For the Years Ended June 30, 2023 and 2022

	2023	2022
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 2,826,468	\$ (268,028)
Adjustment to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	255,468	266,736
Donated food inventory	(620,632)	(81,596)
Loss from inventory adjustment	(644)	-
Amortization of right-of-use assets	262,468	-
Change in assets and liabilities:		
Accounts receivable	65,886	(111,481)
Grants and pledges receivable	(1,530,543)	-
Inventory	872,598	(482,959)
Prepaid expenses	(247,692)	163,956
Accounts payable	73,481	(96,288)
Operating lease liability	(193,516)	-
Accrued expenses	66,136	1,022
Deferred revenue	179	-
Deferred rent	(41,416)	12,595
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>1,788,241</b>	<b>(596,043)</b>
<b>Cash Flows from Investing Activities</b>		
Cash outlay for property and equipment	(12,011)	(274,022)
Proceeds from certificates of deposit	246,310	250,947
Purchase of certificates of deposit	-	(752,821)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>234,299</b>	<b>(775,896)</b>
<b>Cash Flows from Financing Activities</b>		
Payments for finance/capital leases	(46,331)	(44,616)
<b>Change in Cash and Cash Equivalents</b>	<b>1,976,209</b>	<b>(1,416,555)</b>
<b>Beginning Cash and Cash Equivalents</b>	<b>713,933</b>	<b>2,130,488</b>
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 2,690,142</b>	<b>\$ 713,933</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the year for:		
Interest	\$ 11,590	\$ 9,690
<b>Supplemental Schedule of Noncash Investing and Financing Activities</b>		
Right-of-use assets acquired under operating leases	\$ 338,602	\$ -
Right-of-use assets acquired under finance leases	\$ 156,454	\$ -

See Independent Auditor's Report and Notes to the Financial Statements.

Every Meal  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 1: Summary of Significant Accounting Policies**

**A. Nature of Activities**

Every Meal (the Organization), formerly The Sheridan Story, based in Roseville, Minnesota is a 501(c)(3) non-profit organization. Over 300,000 children in the state of Minnesota live in food insecurity and do not always know if they will receive their next meal. The Organization's purpose is to respond to the need by filling the gaps that children face during weekends, summers, and extended breaks when they are not in school to access the meal programs.

Through a network of over 600 partner organizations, Every Meal provides thousands of local children with the food they need to learn and grow. Since its inception in the fall of 2010, the Organization has worked tirelessly to remove the barriers to food access that so many children in this community face. In the last ten years, Every Meal has provided over 7.5 million meals to thousands of children who are living in food insecurity.

**B. Basis of Presentation**

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. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Contributions received are recorded as an increase in support without donor restrictions or with donor restrictions, depending on the existence and nature of donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Without Donor Restrictions - Resources over which the Organization has discretionary control. Designated amounts represent revenue, which the Board of Directors has set aside for a particular purpose.

With Donor Restrictions - Resources subject to donor-imposed restrictions, which will be satisfied by actions of the Organization or passage of time. Restricted contributions received in the same year in which the restrictions are met are recorded as an increase to support with donor restrictions at the time of receipt and as net assets released from restrictions.

**C. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**D. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents. The Organization's cash balances held in bank depositories may exceed federally insured limits at times.

Every Meal  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

**E. Pledges Receivable**

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Promises to give represent amounts committed by donors that have not been received by the Organization. The Organization uses the allowance method to determine uncollectible promises to give (receivable). There was no allowance for doubtful accounts as of June 30, 2023 and 2022.

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using interest rates applicable to the years in which the promises are expected to be received.

**F. Inventory**

The Organization maintains inventory consisting of both food to make the bags, as well as finished bags that are ready to be distributed to schools. The Food inventory is valued at the lower of cost or net realizable value. Costs are determined on a first-in, first-out basis. Finished bags are recorded at the build-up cost of inventory included in the bags.

**G. Property and Equipment**

Property and equipment are recorded at cost or estimated value on the date of contribution. Assets acquired through capital lease agreements are capitalized at their fair market value as of the date of the lease inception. The Organization capitalizes all property and equipment acquisitions with a value of \$2,500, similar property and equipment purchased together with a cost in excess of \$5,000 or an estimated useful life greater than one year. Property and equipment is depreciated using the straight-line method based on estimated useful lives as follows:

<u>Assets</u>	<u>Useful Lives in Years</u>
Office Furniture and Equipment	3 - 7
Vehicles	3 - 7
Warehouse Equipment	3 - 7

Upon retirement or other disposition, the cost and related accumulated depreciation of disposed assets are removed from the accounts and any resultant gain or loss is recognized in operations.

Repairs and maintenance are charged to expense as incurred. Renewals and improvements, which extend the useful life of assets, are capitalized and depreciated over future periods.

**H. Deferred Revenue - Program Services**

Deferred revenue consists of payments received in advance that relate to services to be rendered in a future period and are deferred and recognized as revenue in the period earned. All deferred revenue is classified as current and will be recognized over the next year.

Every Meal  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

**I. Support and Revenue Recognition**

Support is recognized when the donor makes a promise to give to the Organization and there is sufficient evidence in the form of verifiable documentation that a promise was made and received.

Revenue from program service fees is recognized as income in the period that the program event is held. Contributions are recorded as revenue when notified as revenue with donor restrictions or revenue without donor restrictions, depending on the existence or nature of any donor restrictions. All donor-imposed restrictions are reported as increases in net assets with donor restrictions, depending on the existence or nature of any restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

**J. In-kind Goods and Services**

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their values in the period received.

Several individuals volunteer their time and perform a variety of tasks that assist the Organization, but do not meet the criteria for recognition as contributed services and have not been reported in these financial statements.

**K. Income Taxes**

The Organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to the Organization are tax deductible as the Organization qualifies under Section 170(c) of the Internal Revenue Code.

**L. Functional Allocation of Expenses**

The costs of providing the various programs and supporting activities of the Organization have been allocated between program or supporting services. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Contracted services	Direct expense
Food purchases	Direct expense
Meeting and conferences	Direct expense
Office supplies	Full-time equivalent
Other operating expenses	Full-time equivalent
Printing and postage	Full-time equivalent
Program and sponsor support	Direct expense
Rent	Square footage
Staff training and travel	Full-time equivalent
Transportation	Full-time equivalent
Utilities	Square footage

Every Meal  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

**M. New Accounting Pronouncements**

In March 2016, the FASB issued ASU No. 2016-02, *Leases*, as a new topic, Accounting Standards Codification 842. The objective of ASU No. 2016-02 is to increase transparency and comparability among organizations by reorganizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2021 and shall be applied using either a full retrospective or modified retrospective approach. Early adoption is permitted. The new guidance was implemented by the Organization for the year beginning July 1, 2022.

**N. Subsequent Events**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 14, 2023, the date the financial statements were available to be issued.

**Note 2: Line of Credit**

The Organization maintains a revolving line of credit with a bank. The revolving line of credit allows borrowing up to \$50,000 with an interest rate at 2 percent over the prime rate. The line of credit expired on January 25, 2023 and was renewed through January 25, 2024. As of June 30, 2023 and 2022, the Organization had an outstanding balance on this revolving line of credit of \$0 and \$0.

**Note 3: Net Assets with Donor Restrictions**

Net assets with donor restrictions consist of grants and contributions that were time restricted for a future period, as well as capital campaign contributions. At June 30, 2023 and 2022, net assets with donor restrictions were \$3,701,517 and \$784,555, respectively.

**Note 4: Board Designated Net Assets**

The Board of Directors of the Organization has designated funds in net assets for cash reserves to be set aside for future periods and projects. Board designated net assets were \$1,573 and \$250,222 at June 30, 2023 and 2022, respectively.

**Note 5: Leases**

As disclosed in Note 1, the Organization adopted FASB ASC 842, effective July 1, 2022, using a modified retrospective approach. As a result, the Organization was required to recognize a ROU asset and corresponding lease liability on the face of the statement of financial position for the year ended June 30, 2023. As the standard was implemented using a modified retrospective approach, the balance sheet as of June 30, 2022, was not impacted.

**A. Finance Leases**

The Company has acquired certain vehicles under three long-term leasing agreements classified as financing leases, with expiration dates in fiscal years 2026 and 2027. As of June 30, 2023, the Organization had three vehicles under long-term leasing agreements. The finance lease obligations are payable in monthly installments ranging from \$1,340 to \$1,482, including interest ranging from 2.47 percent to 4.39 percent.



Every Meal  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 5: Leases (Continued)**

**B. Operating Leases**

The Organization leased office and warehouse space beginning November 2016 which requires base monthly rent payment ranging from approximately, \$5,500 to \$6,500 over the term of the lease. The lease expired January of 2022. Subsequent to signing the above lease, the Organization signed an amendment to the original lease agreement. The amendment increased the space available and extended the lease to February 2025. Required base monthly rent payments range from approximately \$9,700 to \$18,600 over the term of the lease. The Organization has the option to extend the lease for an additional 5 years.

Additional information about the Organization's leases for the year ended June 30, 2023, is as follows:

Lease Expense	
Finance lease expense	
Amortization of ROU assets	\$ 48,606
Interest on lease liabilities	5,317
Operating lease expense	<u>208,545</u>
 Total Lease Expense	 <u><u>\$ 262,468</u></u>
 Other Information	
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from finance leases (i.e. Interest)	\$ 5,317
Financing cash flows from finance leases (i.e. principal portion)	46,331
Operating cash flows for operating leases	188,199
ROU assets obtained in exchange for new operating lease liabilities	338,602
ROU assets obtained in exchange for new finance lease liabilities	156,454
Weighted-average remaining lease term in years for operating leases	1.67
Weighted-average discount rate for operating leases	3.12%

Maturities of operating lease liabilities are as follows:

Maturity Analysis

Year Ended June 30:	<u>Amount</u>
2024	\$ 270,877
2025	200,341
2026	44,948
2027	<u>17,784</u>
Total undiscounted cash flows	533,950
Less: present value discount	<u>(16,272)</u>
 Total Lease Liabilities	 <u><u>\$ 517,678</u></u>

**Every Meal**  
Notes to the Financial Statements  
June 30, 2023 and 2022

**Note 6: Donated Goods and Services**

The Organization received various donated goods and services as noted below for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>Usage in Programs/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
Food	\$ 620,632	\$ 81,596	Fight child hunger	None	Estimated wholesale prices of identical or similar products if purchased in the region
Software Subscription Service	208,024	115,132	Management and general	None	Estimated based on rates for identical or similar subscription services
Other	40,978	5,589	Management and general	None	Estimated wholesale prices of identical or similar products if purchased in the region
Promotion and Marketing	12,652	-	Management and general	None	Estimated based on rates for identical or similar marketing services
Supplies and Equipment	9,053	-	Management and general	None	Estimated wholesale prices of identical or similar products if purchased in the region
Storage	<u>-</u>	<u>18,944</u>	Fight child hunger	None	Estimated based on rates per square foot
Total	<u>\$ 891,339</u>	<u>\$ 221,261</u>			

**Note 7: Retirement Plan**

The Organization provides a Simple IRA plan for its employees whereby employees who are eligible to participate may contribute after the beginning of their second year of employment. The Organization makes matching contributions of up to three percent of an employee's salary. The matching contribution was \$93,014 and \$69,745 for the years ended June 30, 2023 and 2022, respectively.

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**Note 8: 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 balance sheet date, comprise the following:

	2023	2022
Cash and cash equivalents	\$ 2,690,142	\$ 713,933
Certificates of deposit	255,564	501,874
Accounts receivable	60,273	126,159
Grants and pledges receivable	1,530,543	-
Total Financial Assets	4,536,522	1,341,966
Less assets unavailable for use in the next year:		
Board designated net assets	(1,573)	(250,222)
Capital campaign funds	(2,971,877)	-
Total Assets Unavailable	(2,973,450)	(250,222)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,563,072	\$ 1,091,744

The Organization manages its liquidity and reserves following the guiding principles of: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets and/or short-term borrowing capacity to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization is in the process of developing a liquidity policy for maintaining current financial assets less current liabilities at a minimum number of days budgeted operating expenses. The Organization's policy will include a target for a year-end balance of reserves of unrestricted, undesignated net assets which will meet a portion of expected expenditures. To achieve these targets, the entity will forecast its future cash flows for monitoring its liquidity and reserves on a routine basis.

The Organization has developed relationships with lenders to provide short and mid-term borrowing capacity to facilitate the management of operating cash flow and inventory purchasing. These loans include both traditional revolving lines of credit and a program related investment credit facility. For the years ended June 30, 2023 and 2022, available borrowing capacity of \$300,000 and \$350,000, respectively, was available to the organization.

The Organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing and central to its annual operations to be available to meet cash needs for general expenditures. For the years ended June 30, 2023 and 2022, restricted contributions of \$4,830,419 and \$784,555, respectively, were included in financial assets available to meet cash needs for general expenditures within one year.