

EVERY MEAL

Financial Statements
With Independent Auditor's Report

June 30, 2025



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, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Every Meal as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Every Meal and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Every Meal's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Every Meal
Roseville, Minnesota

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 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 Every Meal'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 Every Meal'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.

Capin Crouse LLC

Indianapolis, Indiana
December 19, 2025

EVERY MEAL

Statement of Financial Position

June 30, 2025

ASSETS:

Cash and cash equivalents	\$ 3,298,083
Contributions receivable, net	1,491,971
Inventory	973,200
Prepaid expenses and other assets	21,670
Finance right-of-use assets	62,769
Property and equipment, net	<u>8,537,401</u>

Total Assets \$ 14,385,094

LIABILITIES AND NET ASSETS:

Liabilities:

Accounts payable	\$ 171,860
Accrued expenses	151,339
Finance lease liabilities	67,028
Note payable	<u>274,935</u>
Total liabilities	<u>665,162</u>

Net assets:

Without donor restrictions	11,857,489
With donor restrictions	<u>1,862,443</u>
Total net assets	<u>13,719,932</u>

Total Liabilities and Net Assets \$ 14,385,094

See notes to financial statements

EVERY MEAL

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Contributions and grants	\$ 4,788,724	\$ 5,732,040	\$ 10,520,764
Contributed non-financial assets	672,033	-	672,033
Program service fees	235,082	-	235,082
Interest income	41,894	-	41,894
Other income	170,915	-	170,915
	<u>5,908,648</u>	<u>5,732,040</u>	<u>11,640,688</u>
NET ASSETS RELEASED FROM RESTRICTIONS:			
Satisfaction of time and purpose restrictions	4,314,545	(4,314,545)	-
Total Support, Revenue, and Releases	<u>10,223,193</u>	<u>1,417,495</u>	<u>11,640,688</u>
EXPENSES:			
Program services	4,836,684	-	4,836,684
Supporting activities:			
Management and general	619,973	-	619,973
Fundraising	1,150,547	-	1,150,547
Total Expenses	<u>6,607,204</u>	<u>-</u>	<u>6,607,204</u>
Change in Net Assets	3,615,989	1,417,495	5,033,484
Net Assets, Beginning of Year	<u>8,241,500</u>	<u>444,948</u>	<u>8,686,448</u>
Net Assets, End of Year	<u>\$ 11,857,489</u>	<u>\$ 1,862,443</u>	<u>\$ 13,719,932</u>

See notes to financial statements

EVERY MEAL

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Food purchases and donations	\$ 2,312,139	\$ -	\$ -	\$ 2,312,139
Salaries and benefits	1,322,118	193,695	723,726	2,239,539
Contracted services	89,876	266,466	125,368	481,710
Technology and software	234,774	53,023	88,907	376,704
Depreciation and amortization	362,464	26,212	24,574	413,250
Facilities, utilities, and repairs	124,741	20,339	25,775	170,855
Interest	101,707	23,669	13,923	139,299
Transportation	83,494	6,059	233	89,786
Meetings and conferences	860	-	71,183	72,043
Other expenses	204,511	30,510	76,858	311,879
Total expenses	<u>\$ 4,836,684</u>	<u>\$ 619,973</u>	<u>\$ 1,150,547</u>	<u>\$ 6,607,204</u>

See notes to financial statements

EVERY MEAL

Statement of Cash Flows

Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 5,033,484
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Donated food inventory	(74,903)
Change in discount on contributions receivable	54,413
Depreciation and amortization	413,250
Changes in:	
Contributions receivable, net	(651,991)
Prepaid expenses and other assets	64,374
Accounts payable	44,240
Accrued expenses	90,966
Net Cash Provided by Operating Activities	<u>4,973,833</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(692,968)</u>
Net Cash Used in Investing Activities	<u>(692,968)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from line of credit	100,000
Payments on line of credit	(100,000)
Payments on note payable	(2,059,464)
Payments on finance lease obligations	(49,220)
Net Cash Used in Financing Activities	<u>(2,108,684)</u>

Change in Cash and Cash Equivalents 2,172,181

Cash and Cash Equivalents, Beginning of Year 1,125,902

Cash and Cash Equivalents, End of Year \$ 3,298,083

SUPPLEMENTAL DISCLOSURES:

Purchases of property and equipment within accounts payable \$ 34,043

Cash paid for interest \$ 141,878

See notes to financial statements

EVERY MEAL

Notes to Financial Statements

June 30, 2025

1. NATURE OF ORGANIZATION:

Every Meal, formerly The Sheridan Story is a 501(c)(3) non-profit organization based in Roseville Minnesota. 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. Every Meal'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 over 12,000 local children with the food they need to learn and grow. Since its inception in the fall of 2010, Every Meal 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 13 million meals to thousands of children who are living in food insecurity.

Every Meal is incorporated under the laws of the State of Minnesota to operate as a charitable organization within the meaning of Section 501(c)(3) of the Internal Revenue Code (Code). It is exempt from federal and state income taxes other than from unrelated business income, and contributions by the public are deductible within the limitations prescribed by the Code. The organization has been classified as a public organization that is not a private foundation under Section 509(a) of the Code. Every Meal's primary sources of revenue are contributions and grants.

2. SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASU).

USE OF ESTIMATES

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to contributions of non-financial assets and allocation of functional expenses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checking and savings accounts. At June 30, 2025, Every Meal's cash balance exceeded federally insured limits by approximately \$2,810,000.

EVERY MEAL

Notes to Financial Statements

June 30, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTIONS RECEIVABLE

Contributions receivable consists of unconditional promises to give and are recorded at net realizable value. Amounts expected to be collected beyond one year are discounted to present value. The discount on those amounts is computed using a risk adjusted rate at the time the pledge is made. The discount rate utilized was 4.4% for the year ended June 30, 2025. Amortization of the discounts is included in contribution revenue. Management believes that all contributions receivable are fully collectible and therefore, no allowance for doubtful accounts has been recognized.

INVENTORY

Every Meal 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. When evidence exists that the net realizable value of inventory is lower than its cost, the differences is recognized as a loss on the statement of activities in the period in which it occurs. Donated food inventory is recognized as a contribution at its fair value when received using a per-pound rate from an independent external source.

FINANCING LEASE RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets and related liabilities are recognized at commencement date based on the net present value of lease payments over the lease term discounted using a risk-free rate. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Every Meal has elected to exclude short-term leases with lease terms of 12 months or less. The additional lease disclosures can be found in Note 8.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful lives of the assets. Land is not depreciated. Estimated useful lives of assets are as follows:

Building and building improvements	30 years
Furniture and equipment	3-7 years
Vehicles	3-7 years

Donated property and equipment are carried at the approximate fair value at the date of donation. Expenditures for property and equipment and major renewals and replacements costing over \$2,500 are capitalized. Interest costs incurred during construction are also capitalized. Repairs and maintenance costs are expensed as incurred.

EVERY MEAL

Notes to Financial Statements

June 30, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

LONG-LIVED ASSET IMPAIRMENT

Every Meal evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the year ended June 30, 2025.

CONTRIBUTED NON-FINANCIAL ASSETS

Contributed non-financial assets are recorded as contributions at their fair values at the date of donation.

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.

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

NET ASSETS

Net assets without donor restrictions are those currently available for under the direction of management and those invested in property and equipment.

Net assets with donor restrictions are those contributed with donor stipulations for specific operating purposes or programs. At June 30, 2025, the only restrictions on net assets were for the ongoing Setting the Table campaign. Net assets with donor restrictions as of June 30, 2025, were \$1,862,443.

EVERY MEAL

Notes to Financial Statements

June 30, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, AND RECLASSIFICATIONS

Contributions and grants 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 and grants, 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 met.

Gifts of cash and other assets received without donor stipulations are reported as increases in net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as increases in net assets with donor restrictions. When a donor 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 statement of activities as net assets released from restrictions.

Program services fees related to the reimbursement of bags of food from other organizations are recognized as revenue when the performance obligations are satisfied, which is at the time the bags are delivered. There were no contract receivables or liabilities as of June 30, 2025.

Other income is recognized when performance obligations are met, which is typically when the event or service takes place.

EXPENSES AND ALLOCATION OF EXPENSES BY NATURE AND FUNCTION

Expenses are reported as incurred. The costs of program services and supporting activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation among the educational programs, general and administrative and fundraising categories on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimates of time and effort, as well as interest, depreciation and amortization, technology and software, facilities, utilities, and repairs, which are allocated on a square-footage basis.

ADVERTISING AND JOINT COSTS

For the year ended June 30, 2025, Every Meal did not incur any advertising expenses or joint costs.

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Notes to Financial Statements

June 30, 2025

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects Every Meal's financial assets, as of June 30, 2025, reduced by amounts not available for general expenditure because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

Financial assets:	
Cash and cash equivalents	\$ 3,298,083
Contributions receivable, net	1,491,971
Financial assets, at year end	<u>4,790,054</u>
Less those unavailable for general expenditure within one year, due to:	
Net assets with donor restrictions - Setting the Table campaign	<u>(1,862,443)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,927,611</u></u>

Every Meal has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Every Meal reviews its cash needs on a daily basis and also reviews its budgeted cashflow for future needs and adjusts it accordingly to maintain adequate cash balances as needed. In the event of unanticipated liquidity needs, Every Meal has a line of credit with available borrowings of \$450,000 at June 30, 2025.

4. CONTRIBUTIONS RECEIVABLE, NET:

Contributions receivable, net consists of the following at June 30, 2025:

Pledges:	
Within one year	\$ 803,733
Within two to five years	800,000
	<u>1,603,733</u>
Less:	
Discount to present value	<u>(111,762)</u>
	<u><u>\$ 1,491,971</u></u>

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Notes to Financial Statements

June 30, 2025

5. LINE OF CREDIT:

Every Meal maintains a \$450,000 line of credit agreement dated June 3, 2024, with a financial institution, with an interest rate of 8.5% and a maturity date of December 3, 2025. The line of credit is secured by substantially all assets of Every Meal. There were no outstanding borrowings on this line of credit at June 30, 2025.

6. NOTE PAYABLE:

Note payable to a financial institution in the original amount of \$380,292. The note bears interest at a fixed rate of 6.75%. Interest only payments are due monthly until December 11, 2025, with semiannual principal and interest payments of \$20,549 due thereafter. The note is unsecured and matures on December 11, 2039. The outstanding balance of this note is \$274,935 as of June 30, 2025.

Future estimated maturities of notes payable as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	
2026	\$ 7,714
2027	15,948
2028	17,025
2029	18,174
2030	19,400
Thereafter	<u>196,674</u>
	<u>\$ 274,935</u>

For the year ended June 30, 2025, Every Meal was in compliance with all debt covenants.

7. CONCENTRATION OF SUPPORT RISK:

During the year ended June 30, 2025, 36% of Every Meal's contribution and grant income came from two donors.

EVERY MEAL

Notes to Financial Statements

June 30, 2025

8. FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS:

Every Meal leases certain vehicles under three long-term leasing agreements classified as financing leases, with expiration dates in fiscal years 2026 and 2027. The finance lease obligations are payable in monthly installments ranging from \$1,340 to \$1,482, including interest ranging from 2.47% to 4.39%. Right-of-use lease assets and liabilities consist of the following at June, 30, 2025:

Finance right-of-use assets	\$	62,769
Finance lease liabilities	\$	67,028
Finance lease costs:		
Amortization of right-of-use assets	\$	46,999
Interest on lease liabilities	\$	2,647
Weighted-average discount rate		2.76%
Weighted-average remaining lease term		1.44 years

Future minimum lease payments required under the finance leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Year Ending June 30,</u>		
2026	\$	47,628
2027		20,748
		<hr/>
		68,376
Less imputed interest		(1,348)
		<hr/>
	\$	67,028
		<hr/> <hr/>

9. PROPERTY AND EQUIPMENT, NET:

Property and equipment-net as of June 30, 2025, consists of the following:

Land	\$	1,183,900
Building and building improvements		7,554,225
Furniture and equipment		1,219,083
Vehicles		101,284
		<hr/>
		10,058,492
Less accumulated depreciation		(1,521,091)
		<hr/>
	\$	8,537,401
		<hr/> <hr/>

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Notes to Financial Statements

June 30, 2025

10. CONTRIBUTED NON-FINANCIAL ASSETS:

Contributed non-financial assets consist of the following for the year ended June 30, 2025:

	<u>Usage in Programs</u>	<u>Fair Value Techniques</u>	<u>Amount</u>
Food	Fight child hunger	Estimated wholesale prices of identical or similar products if purchased in the region	\$ 242,297
Equipment	Management and general	Estimated wholesale prices of identical or similar products if purchased in the region	215,952
Software	Management and general	Estimated based on rates for identical or similar subscription services	138,590
Promotion and marketing	Management and general	Estimated based on rates for identical or similar subscription services	12,500
Other	Management and general	Estimated wholesale prices of identical or similar products if purchased in the region	<u>62,694</u>
			<u>\$ 672,033</u>

11. RELATED PARTIES:

For the year ended June 30, 2025, members of the Board of Directors contributed approximately \$390,000 to Every Meal.

12. RETIREMENT PLAN:

Every Meal has established a deferred 401(k) compensation plan for all eligible employees who elect participation. Every Meal matches up to a maximum of 4% of the employee's compensation. For the year ended June 30, 2025, Every Meal contributed approximately \$59,000 to the plan.

13. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through December 19, 2025, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.