

Support and Feed, Inc.

Financial Statements

For the Year Ended December 31, 2021



Independent Auditor's Report

To the Board of Directors
Support and Feed, Inc.
Los Angeles, California

Opinion

We have audited the financial statements of Support and Feed, Inc. (the "Organization"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2021, 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of Support and Feed, Inc. as of December 31, 2021, 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 ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 Support and Feed, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Support and Feed, Inc.'s ability to continue as a going concern for one year after the date 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 GAAS 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 GAAS, 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 Support and Feed, 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 Support and Feed, 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.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

St. Louis, Missouri
January 03, 2023

Support and Feed, Inc.

Statement of Financial Position

As of December 31, 2021

ASSETS

Current assets:		
Cash	\$	467,381
Prepaid expenses		2,500
Total current assets		469,881
TOTAL ASSETS		\$ 469,881

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$	48,988
Accrued payroll		10,244
Total current liabilities		59,232
Total liabilities		59,232
Net assets		
Net assets without donor restrictions		410,649
Total net assets		410,649
TOTAL LIABILITIES AND NET ASSETS		\$ 469,881

The notes to the financial statements are an integral part of these financial statements.

Support and Feed, Inc.

Statement of Activities

<i>Year Ended December 31, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Donations	\$ 632,787	\$ -	\$ 632,787
Grant revenue	208,998	-	208,998
In-kind donations	258,498	-	258,498
Total support and revenue	1,100,283	-	1,100,283
Expenses			
Program	589,523	-	589,523
Management and general	73,145	-	73,145
Fundraising	26,966	-	26,966
Total expenses	689,634	-	689,634
Increase in net assets	410,649	-	410,649
Net assets - Beginning of year	-	-	-
Net assets - End of year	\$ 410,649	\$ -	\$ 410,649

The notes to the financial statements are an integral part of these financial statements.

Support and Feed, Inc.

Statement of Functional Expenses

<i>Year Ended December 31, 2021</i>	Program Services	Management and General	Fundraising	Total
Salaries and payroll				
Salaries and wages	\$ 96,707	\$ 4,561	\$ 11,252	\$ 112,520
Payroll expenses	12,689	1,469	1,573	15,731
Total salaries and payroll expenses	109,396	6,030	12,825	128,251
Other expenses				
Bank charges	-	-	3,831	3,831
Contractor fees	16,250	-	1,000	17,250
Fundraising expenses	-	-	2,543	2,543
Insurance	7,154	999	894	9,047
In-kind expenses	200,004	58,494	-	258,498
Marketing	72	232	-	304
Miscellaneous	1,785	639	3,473	5,897
Office expenses	3,248	-	2,400	5,648
Professional fees	-	5,239	-	5,239
Meal distributions	250,990	-	-	250,990
Travel and entertainment	624	1,512	-	2,136
Total other expenses	480,127	67,115	14,141	561,383
Totals	\$ 589,523	\$ 73,145	\$ 26,966	\$ 689,634

Support and Feed, Inc.

Statement of Cash Flows

Year Ended December 31, 2021

Cash flows from operating activities:	
Change in net assets	\$ 410,649
Adjustments to reconcile change in net assets to net cash from operating activities:	
Changes in assets - (increase) decrease	
Prepaid expenses	(2,500)
Change in liabilities - increase (decrease)	
Accounts payable	48,988
Accrued expenses	10,244
Net cash flows from operating activities	467,381
Net increase in cash	467,381
Cash - Beginning of year	-
Cash - End of year	\$ 467,381

The notes to the financial statements are an integral part of these financial statements.

Support and Feed, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

The following is a summary of certain significant accounting policies followed in the preparation of these financial statements.

Nature of Operations

Support and Feed, Inc., a California Non-Profit public benefit corporation, (the Organization), incorporated in November 2020, operates for the purpose of creating an equitable, plant-based food system and combating food insecurity and the climate crisis. The Organization provides education and plant-based meals prepared by local restaurants and delivered through community partnerships in areas including Los Angeles, New York City, Philadelphia, and Washington DC.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk

The Organization maintains the majority of its cash balances in one financial institution where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At various times during the year ended December 31, 2021, the Organization had balances in excess of the insured limit. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

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 of the Organization 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) restrictions.

Support and Feed, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Assets (Continued)

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. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restriction expires within the same reporting period in which the contribution is received. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. 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. As of December 31, 2021, the Organization had no net assets with donor restrictions.

Grant Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant Awards That Are Contributions - Grants awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

Grant Awards That Are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

Donated Services

Donated services are recognized as contributions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605-15, - *Contributions Received*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. However, a substantial number of volunteers have donated significant amounts of their time to the Organization's program; the value of their time is not included in the financial statements.

Support and Feed, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Donated Goods

Various goods are donated to the Organization. Donated goods that meet the criteria for recognition under the provisions of accounting for contributions received and contributions made in regard to financial statements of not-for-profit organizations, as discussed under this topic of the FASB ASC, are recorded at fair market value as of the date of donation.

Functional Allocation of Expenses

Expenses which directly benefit programs, management and general, or fundraising are charged to the respective functional area on the basis of actual costs. Other expenses are charged and allocated to program, management and general, and fundraising based on an appropriate allocation method that would include expenses in the following categories: overhead expenses, salaries, benefits and payroll taxes which are allocated on estimates of time and effort. Management and general expenses include those expenses that are not directly identifiable with any other specific function or program, but provide for the overall support of the Organization.

Promises to Give

Unconditional promises to give, which come from individuals, trusts, companies, foundations, state and local agencies, and other non-profits, are recognized as revenue or gains in the period the promise is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded 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. Unconditional promises to give that are expected to be received in less than one year are classified as current on the statements of financial position. Unconditional promises to give that are expected to be received in future periods are classified as long-term on the statements of financial position. The Organization did not have any promises to give as of December 31, 2021.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation on unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations. The Organization is also exempt from California, New York, Pennsylvania, and Virginia income taxes. Management does not believe there are any uncertain tax positions as of December 31, 2021, including the consideration of unrelated business income tax.

Support and Feed, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases: Amendments to the FASB Accounting Standards Codification* (Topic 842), which amends the existing guidance on accounting for leases. This ASU requires the recognition of lease assets and liabilities on the statement of financial position and the disclosure of key information about leasing arrangements. Early adoption is permitted and modified retrospective application is required for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. In June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers* (Topic 606) and *Leases* (Topic 842) *Effective Dates for Certain Entities*. Prior to ASU No. 2020-05, the amendments to Topic 842 would be effective for periods beginning after December 15, 2020, for entities other than public business entities. ASU No. 2020-05 defers the effective date of the amendments to Topic 842 to periods beginning after December 15, 2021. Management has adopted the provisions of ASU No. 2020-05 and will defer implementation of the amendments to Topic 842. Management is currently evaluating the impact of adopting ASU 2016-02 on the Organization's financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses*. The standard requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the statement of activities will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This standard will be effective for fiscal years beginning after December 15, 2022. Management is currently evaluating the impact of adopting ASU 2016-13 on the Organization's financial statements and related disclosures.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-Financial Assets* (Topic 958). The amendments in this update will require entities to present contributed nonfinancial assets as a separate line item in the statement of activities, expand disclosures on the various contributed nonfinancial assets recognized, including disaggregated category types, the valuation techniques and inputs used to arrive at fair value, and the policy for either monetizing or utilizing contributed nonfinancial assets. The amendments in this update are effective for annual financial statements issued for fiscal years beginning after June 15, 2021, applied on a retrospective basis. Early adoption is permitted. The Organization is currently evaluating the impact this standard will have on the Organization's financial statements and related disclosures.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through January 03, 2023, which is the date the financial statements were available to be issued.

Support and Feed, Inc.

Notes to Financial Statements

Note 2: Liquidity and Availability of Financial Resources

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and operations as well as the conduct of services undertaken to support the mission to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of December 31, 2021, the following table shows the total financial assets held by the Organization. The amounts of these financial assets could readily be made available within one year of the statement of financial position to meet general expenditures:

Cash	\$ 467,381
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Total financial assets available to meet general expenditures over the next twelve months	\$ 467,381

Note 3: In-Kind Contributions

The Organization has recorded in-kind contributions for goods including food, water, and meals, and services including accounting and financial management assistance in the statement of activities in accordance with the financial accounting standards. Total amount of in-kind contributions and expenses recognized was \$258,498 for the year ended December 31, 2021.

Note 4: Contingencies

On March 11, 2020, the World Health Organization declared the outbreak of the Coronavirus (COVID-19) as a global pandemic. The extent and impact of COVID-19 on the operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the employees, donors, and program participants, all of which are uncertain and cannot be predicted.

Note 5: Concentrations

During the year ended December 31, 2021, the Organization received approximately 63% of its total donation revenue from four donors. One of these donors was a board member, and one other donor is the relative of board members.