



SUPPORT AND FEED, INC.

FINANCIAL STATEMENTS

December 31, 2022 and 2021



	Page
REPORT	
Independent Auditors' Report.....	1
FINANCIAL STATEMENTS	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statement of Functional Expenses 2022.....	5
Statement of Functional Expenses 2021.....	6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8



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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of Support and Feed, Inc. (the Organization) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 2022 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022, 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 Auditors' 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Summarized Comparative Information

The financial statements of the Organization as of December 31, 2021 were audited by other auditors whose report dated January 3, 2023 expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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.

Auditors' 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 opinions. 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 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.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
May 18, 2023

Support and Feed, Inc.
Statements of Financial Position

<i>December 31,</i>	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 3,254,638	\$ 467,381
Promises to give, net	444,565	-
Prepaid expenses	13,345	2,500
<hr/>		
Total current assets	3,712,548	469,881
Total assets	\$ 3,712,548	\$ 469,881
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Liabilities and Net Assets		
Current liabilities		
Accounts payable	152,297	48,988
Accrued expenses	19,660	10,244
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Total liabilities	171,957	59,232
Net assets		
Without donor restrictions	3,408,514	410,649
With donor restrictions	132,077	-
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Total net assets	3,540,591	410,649
Total liabilities and net assets	\$ 3,712,548	\$ 469,881
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The accompanying notes are an integral part of these financial statements.

Support and Feed, Inc.
Statements of Activities

<i>For the years ended December 31,</i>	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenue and Other Support				
Donations	\$ 3,122,035	\$ 300,000	\$ 3,422,035	\$ 632,787
Grant revenue	1,229,500	-	1,229,500	208,998
Contributions of non-financial assets	362,412	-	362,412	258,498
Net assets released from restrictions	167,923	(167,923)	-	-
Total revenue and other support	4,881,870	132,077	5,013,947	1,100,283
Expenses				
Program	1,623,707	-	1,623,707	589,523
Management and general	168,541	-	168,541	73,145
Fundraising	91,757	-	91,757	26,966
Total expenses	1,884,005	-	1,884,005	689,634
Change in net assets	2,997,865	132,077	3,129,942	410,649
Net assets at beginning of year	410,649	-	410,649	-
Net assets at end of year	\$ 3,408,514	\$ 132,077	\$ 3,540,591	\$ 410,649

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

Support and Feed, Inc.
Statement of Functional Expenses

<i>For the year ended December 31, 2022</i>	Program Services	Management and General	Fundraising	Total
Salaries and payroll				
Salaries and wages	\$ 389,188	\$ 44,037	\$ 36,560	\$ 469,785
Payroll expenses	36,838	2,174	4,445	43,457
Total salaries and payroll expenses	426,026	46,211	41,005	513,242
Other expenses				
Meal distributions	564,184	-	1,298	565,482
Contributions of nonfinancial assets	357,676	4,736	-	362,412
Education	214,502	-	-	214,502
Professional fees	6,053	84,689	8,134	98,876
Travel and entertainment	30,301	65	2,807	33,173
Contractor fees	4,662	8,524	17,536	30,722
Computer and software	8,864	7,298	2,601	18,763
Licenses, permits, and fees	-	50	15,717	15,767
Insurance	-	15,604	-	15,604
Website	7,329	-	-	7,329
Bank charges	-	295	2,496	2,791
Office expenses	2,035	657	52	2,744
Miscellaneous	2,075	412	111	2,598
Total other expenses	1,197,681	122,330	50,752	1,370,763
Total expenses	\$ 1,623,707	\$ 168,541	\$ 91,757	\$ 1,884,005

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

Support and Feed, Inc.
Statement of Functional Expenses

<i>For the 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				
Contributions of nonfinancial assets	200,004	58,494	-	258,498
Meal distributions	250,990	-	-	250,990
Contractor fees	16,250	-	1,000	17,250
Insurance	7,154	999	894	9,047
Miscellaneous	1,785	639	3,473	5,897
Office expenses	3,248	-	2,400	5,648
Professional fees	-	5,239	-	5,239
Bank charges	-	-	3,831	3,831
Fundraising expenses	-	-	2,543	2,543
Travel and entertainment	624	1,512	-	2,136
Marketing	72	232	-	304
Total other expenses	480,127	67,115	14,141	561,383
Total expenses	\$ 589,523	\$ 73,145	\$ 26,966	\$ 689,634

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

Support and Feed, Inc.
Statements of Cash Flows

<i>For the years ended December 31,</i>	2022	2021
Operating Activities		
Change in net assets	\$ 3,129,942	\$ 410,649
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Changes in operating assets and liabilities		
Promises to give	(444,565)	-
Prepaid expenses	(10,845)	(2,500)
Accounts payable	103,309	48,988
Accrued expenses	9,416	10,244
Net cash provided by (used in) operating activities	2,787,257	467,381
Net change in cash and cash equivalents	2,787,257	467,381
Cash and cash equivalents, at beginning of year	467,381	-
Cash and cash equivalents, at end of year	\$ 3,254,638	\$ 467,381

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

Support and Feed, Inc.

Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

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 systems and combating food insecurity and the climate crisis. The Organization provided education and plant-based meals prepared by local restaurants and delivered throughout community partnerships in areas including Los Angeles, New York City, Philadelphia, Washington, DC, Atlanta, Minneapolis, Nashville, New Orleans, and London, United Kingdom.

Note 2: SUMMARY OF 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 (ASUs).

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 the allocation of expenses by function.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of three months or less.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All promises to give are expected to be collected within one year.

The Organization uses the direct write-off method to provide for uncollectible accounts. Management believes the use of this method does not result in a material difference from the valuation method required by U.S. GAAP.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. The Organization had donor restricted net assets of \$132,077 and \$- as of December 31, 2022 and 2021.

Revenue Recognition

A significant portion of the Organization's grants are from private foundations. Grants are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions of Nonfinancial Assets

In addition to receiving financial asset contributions, the Organization receives nonfinancial contributions including meal distributions, professional fees, and travel and entertainment donated to the Organization. Contributed nonfinancial assets did not have donor-imposed restrictions. Contributed meals, professional fees, and travel and entertainment are used in the Organization's operations and the fair value is determined based on estimates of wholesale prices that would be paid for similar products or services.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include personnel costs, professional services, office expenses, information technology, and other, which are allocated on the basis of estimates of time and effort.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code (IRC), the Organization is exempt from taxes. 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 has evaluated its tax positions and has determined that there are no uncertain tax positions that require adjustments to or disclosure in the financial statements. As of December 2022 and 2021, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, May 18, 2023, and determined there were no events that occurred that required disclosure subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) 2016-02, Leases (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled Leases. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The Organization applied this guidance beginning January 1, 2022, which did not have a material impact on the Organization's financial statements.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (Continued)

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is essentially the final rule on use of the so-called CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. For non-public entities, the amendments in this ASU are effective for fiscal years beginning after December 15, 2022. Early adoption will be permitted for all organizations for fiscal years beginning after December 15, 2018.

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 to 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 were 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 implemented this ASU for the year ending 2022, and additional disclosures are shown in Note 4.

Support and Feed, Inc.
Notes to Financial Statements

Note 3: FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as its expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual restrictions.

<i>December 31,</i>	2022	2021
Total assets at year end	\$ 3,712,548	\$ 469,881
Less non-financial assets		
Prepaid expenses	(13,345)	(2,500)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,699,203	\$ 467,381

Note 4: CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2022 and 2021, contributed nonfinancial assets recognized within the statement of activities included:

	2022	2021
Meal distributions	\$ 318,226	\$ 200,004
Professional fees	30,986	58,494
Travel and entertainment	13,200	-
Total contributed nonfinancial assets	\$ 362,412	\$ 258,498

Note 5: CONCENTRATIONS

The Organization maintains cash deposits with financial institutions at December 31, 2022 and 2021 in excess of federally insured limits of \$2,996,778 and \$203,373, respectively.

During the years ended December 31, 2022 and 2021, respectively, the Organization received approximately 35% and 63% of its total donation revenue from relatives of a board member.

Support and Feed, Inc.
Notes to Financial Statements

Note 6: NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with donor restrictions are available for the following purpose or periods:

	2022	2021
Subject to expenditure for specified pupose:		
Meals and education program	\$ 132,077	\$ -
Total	\$ 132,077	\$ -