

Healthy Harvest Food Bank, Inc.  
Financial Statements  
June 30, 2024 and 2023



WELLS COLEMAN

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Healthy Harvest Food Bank, Inc.  
Warsaw, Virginia

### Opinion

We have audited the accompanying financial statements of Healthy Harvest Food Bank, Inc. (the Food Bank), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Healthy Harvest Food Bank, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### 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; this includes 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 Healthy Harvest Food Bank, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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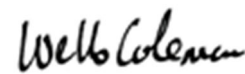
## **Auditor's Responsibilities for the Audits of the Financial Statements**

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 Healthy Harvest Food Bank, 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 Healthy Harvest Food Bank, 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.



May 20, 2025

HEALTHY HARVEST FOOD BANK, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

ASSETS

	<u>2024</u>	<u>2023</u>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 359,350	\$ 561,621
Accounts receivable	10,129	13,921
Promises to give	-	10,000
Prepaid expenses	3,209	27,416
Inventory	<u>225,819</u>	<u>203,158</u>
<b>Total current assets</b>	<u>598,507</u>	<u>816,116</u>
<b>Property and Equipment</b>		
Land	108,621	108,621
Building	6,343,070	2,706,718
Equipment	934,721	464,591
Vehicles	418,120	286,027
Construction in progress	-	3,194,877
Land improvements	<u>20,911</u>	<u>20,911</u>
	7,825,443	6,781,745
Accumulated depreciation	<u>(989,894)</u>	<u>(698,714)</u>
<b>Net property and equipment</b>	<u>6,835,549</u>	<u>6,083,031</u>
<b>Total Assets</b>	<u>\$ 7,434,056</u>	<u>\$ 6,899,147</u>

See accompanying notes to financial statements.

## LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
<b>Current Liabilities</b>		
Current portion of long-term debt	\$ 3,373,496	\$ 24,220
Line of credit	138,155	-
Constuction line of credit	-	1,500,000
Accounts payable	22,824	15,604
Accrued expenses	36,696	26,030
Accrued construction costs	-	974,200
Payroll liabilities	14,878	15,310
<b>Total current liabilities</b>	<u>3,586,049</u>	<u>2,555,364</u>
<b>Notes Payable - Long-Term</b>	<u>-</u>	<u>372,675</u>
<b>Total liabilities</b>	<u>3,586,049</u>	<u>2,928,039</u>
<b>Net Assets</b>		
Without donor restrictions	3,788,217	3,912,358
With donor restrictions	59,790	58,750
<b>Total net assets</b>	<u>3,848,007</u>	<u>3,971,108</u>
 <b>Total Liabilities and Net Assets</b>	 <u><u>\$ 7,434,056</u></u>	 <u><u>\$ 6,899,147</u></u>

**HEALTHY HARVEST FOOD BANK, INC.**

**STATEMENT OF ACTIVITIES**

**For the year ended June 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
Contributions	\$ 1,058,526	\$ 59,790	\$ 1,118,316
Contributions in-kind	5,277,386	-	5,277,386
Program revenue	281,404	-	281,404
Special event revenue, net of \$41,852 in costs of direct benefit to donors	57,218	-	57,218
Interest income	4,498	-	4,498
Net assets released from restrictions:			
Satisfaction of purpose restrictions	48,750	(48,750)	-
Satisfaction of time restrictions	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
<b>Net support and revenue</b>	<u><b>6,737,782</b></u>	<u><b>1,040</b></u>	<u><b>6,738,822</b></u>
<b>Expenses</b>			
Program	<u>6,254,724</u>	<u>-</u>	<u><b>6,254,724</b></u>
Supporting services expense			
General and administrative	164,847	-	164,847
Fundraising and development	<u>257,595</u>	<u>-</u>	<u>257,595</u>
	<u><b>422,442</b></u>	<u>-</u>	<u><b>422,442</b></u>
<b>Total expenses</b>	<u><b>6,677,166</b></u>	<u>-</u>	<u><b>6,677,166</b></u>
<b>Other Income and (Expense)</b>			
Gain on sale of assets	9,800	-	9,800
Interest expense	<u>(194,557)</u>	<u>-</u>	<u>(194,557)</u>
<b>Total other income (expense)</b>	<u><b>(184,757)</b></u>	<u>-</u>	<u><b>(184,757)</b></u>
<b>Change in net assets</b>	<b>(124,141)</b>	<b>1,040</b>	<b>(123,101)</b>
<b>Net Assets, beginning of year</b>	<u><b>3,912,358</b></u>	<u><b>58,750</b></u>	<u><b>3,971,108</b></u>
<b>Net Assets, end of year</b>	<u><b>\$ 3,788,217</b></u>	<u><b>\$ 59,790</b></u>	<u><b>\$ 3,848,007</b></u>

See accompanying notes to financial statements.

**HEALTHY HARVEST FOOD BANK, INC.**

**STATEMENT OF ACTIVITIES**

**For the year ended June 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
Contributions	\$ 700,657	\$ 777,487	\$ 1,478,144
Contributions in-kind	3,834,238	-	3,834,238
Program revenue	258,730	-	258,730
Special event revenue, net of \$86,300 in costs of direct benefit to donors	113,296	-	113,296
Interest income	1,430	-	1,430
Net assets released from restrictions:			
Satisfaction of purpose restrictions	887,961	(887,961)	-
Satisfaction of time restrictions	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>
<b>Net support and revenue</b>	<u>5,797,312</u>	<u>(111,474)</u>	<u>5,685,838</u>
<b>Expenses</b>			
Program	<u>4,726,631</u>	<u>-</u>	<u>4,726,631</u>
Supporting services expense			
General and administrative	106,846	-	106,846
Fundraising and development	<u>200,369</u>	<u>-</u>	<u>200,369</u>
	<u>307,215</u>	<u>-</u>	<u>307,215</u>
<b>Total expenses</b>	<u>5,033,846</u>	<u>-</u>	<u>5,033,846</u>
<b>Other Income and (Expense)</b>			
Gain on sale of assets	15,541	-	15,541
Interest expense	<u>(34,574)</u>	<u>-</u>	<u>(34,574)</u>
<b>Total other income (expense)</b>	<u>(19,033)</u>	<u>-</u>	<u>(19,033)</u>
<b>Change in net assets</b>	744,433	(111,474)	632,959
<b>Net Assets, beginning of year</b>	<u>3,167,925</u>	<u>170,224</u>	<u>3,338,149</u>
<b>Net Assets, end of year</b>	<u>\$ 3,912,358</u>	<u>\$ 58,750</u>	<u>\$ 3,971,108</u>

See accompanying notes to financial statements.



**HEALTHY HARVEST FOOD BANK, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended June 30, 2024**

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising and Development</u>	<u>Total</u>
Payroll and benefits	\$ 446,002	\$ 54,987	\$ 109,973	\$ 610,962
Advertising	-	-	8,379	8,379
Amortization	9,757	1,187	2,241	13,185
Depreciation	231,268	28,127	53,129	312,524
Direct program expense	54,818	-	-	54,818
Food	5,236,755	-	-	5,236,755
Information technology	9,451	995	1,990	12,436
Insurance	21,306	2,591	4,895	28,792
Meals and entertainment	910	243	4,915	6,068
Office	12,297	5,355	49,285	66,937
Professional fees	-	57,058	-	57,058
Repairs and maintenance	50,815	-	-	50,815
Taxes	39,177	7,276	9,514	55,967
Travel	27,817	3,383	6,390	37,590
Truck	42,852	-	-	42,852
Utilities	29,967	3,645	6,884	40,496
Warehouse	41,532	-	-	41,532
	<u>\$ 6,254,724</u>	<u>\$ 164,847</u>	<u>\$ 257,595</u>	<u>\$ 6,677,166</u>

See accompanying notes to financial statements.

**HEALTHY HARVEST FOOD BANK, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended June 30, 2023**

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising and Development</u>	<u>Total</u>
Payroll and benefits	\$ 433,973	\$ 53,503	\$ 107,007	\$ 594,483
Advertising	-	-	8,502	8,502
Depreciation	119,242	14,502	27,393	161,137
Direct program expense	83,316	-	-	83,316
Food	3,926,442	-	-	3,926,442
Information technology	3,979	419	838	5,236
Insurance	4,839	589	1,112	6,540
Meals and entertainment	1,647	439	8,895	10,981
Office	20,754	2,185	32,694	55,633
Professional fees	-	26,011	-	26,011
Repairs and maintenance	33,607	-	-	33,607
Taxes	31,910	5,926	7,749	45,585
Travel	15,202	1,849	3,492	20,543
Truck	34,847	-	-	34,847
Utilities	11,697	1,423	2,687	15,807
Warehouse	5,176	-	-	5,176
	<u>\$ 4,726,631</u>	<u>\$ 106,846</u>	<u>\$ 200,369</u>	<u>\$ 5,033,846</u>

See accompanying notes to financial statements.

**HEALTHY HARVEST FOOD BANK, INC.**

**STATEMENTS OF CASH FLOWS**

**For the years ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (123,101)	\$ 632,959
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities		
Amortization	13,185	-
Depreciation	312,524	161,137
Gain on sale of assets	(9,800)	(15,541)
(Increase) decrease in operating assets		
Accounts receivable	3,792	(5,439)
Pledges receivable	10,000	1,000
Inventory	(22,661)	99,300
Prepaid expenses	24,207	(17,868)
Increase (decrease) in operating liabilities		
Accounts payable	7,220	9,939
Accrued expenses	10,666	8,281
Payroll liabilities	(432)	9,133
<b>Net cash and cash equivalents provided by operating activities</b>	<u>225,600</u>	<u>882,901</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of property and equipment	9,800	16,000
Purchase of property and equipment	(1,065,042)	(2,319,243)
<b>Net cash and cash equivalents used by investing activities</b>	<u>(1,055,242)</u>	<u>(2,303,243)</u>
<b>Cash Flows from Financing Activities</b>		
Net advance on line of credit	138,155	-
Advance on construction line of credit	-	1,492,500
Loan acquisition fees	(24,380)	-
Additional borrowings from refinancing	528,905	-
Repayment of loan	(15,309)	(20,000)
<b>Net cash and cash equivalents provided by financing activities</b>	<u>627,371</u>	<u>1,472,500</u>

- Continued -

See accompanying notes to financial statements.

**HEALTHY HARVEST FOOD BANK, INC.**  
**STATEMENTS OF CASH FLOWS - CONTINUED**

For the years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(202,271)</b>	52,158
<b>Cash and Cash Equivalents, beginning of year</b>	<u><b>561,621</b></u>	<u>509,463</u>
<b>Cash and Cash Equivalents, end of year</b>	<u><b>\$ 359,350</b></u>	<u><b>\$ 561,621</b></u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid for interest	<b>\$ 194,557</b>	\$ 34,574

See accompanying notes to financial statements.

# HEALTHY HARVEST FOOD BANK, INC.

## NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

### 1. Nature of Organization

Healthy Harvest Food Bank, Inc. (the Food Bank), a Virginia non-profit corporation, was established in 2010. The Food Bank advocates for new and existing food banks in the Northern Neck area by providing low-cost nutritional food and logistical support in the way of storage, transportation, and distribution. The Food Bank is supported primarily through contributions.

### 2. Summary of Significant Accounting Policies

*Method of Accounting:* The financial statements of the Food Bank have been prepared on the accrual basis of accounting. Under this accounting method, income is recorded as earned and expenses are recorded as incurred.

*Cash and Cash Equivalents:* Cash and cash equivalents consist of unrestricted demand deposits and all highly liquid debt securities with maturities of three months or less at purchase.

*Receivables:* Accounts receivable are recorded at net realizable value with an allowance for the current expected credit loss based on history of collections in aging categories. Customer accounts are reviewed by management periodically and any accounts that are considered uncollectible are charged to credit loss expense. The Food Bank has no allowance for current expected credit losses as of June 30, 2024.

*Promises to Give:* Promises to give are recorded at net realizable value if expected to be collected in one year and at present value of their estimated future cash flows if expected to be collected in more than one year. The discounts on amounts to be collected in more than one year are computed using risk-free interest rates.

*Inventory:* Inventory consists primarily of in-kind donations of food and is valued at estimated fair value based on average value-per-pound of food. The average value-per-pound of food was \$1.97 and \$1.93 at June 30, 2024 and 2023, respectively, and is based upon a study performed by Feeding America to assist food banks in valuing their inventory.

*Property and Equipment:* Property and equipment are recorded at historical cost. Items are depreciated using the straight-line method over the estimated useful lives of assets, which range from 3 to 40 years. Maintenance and repairs are expensed as incurred.

*Net Assets:* Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor-imposed restrictions.
- Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that can be filled by actions of the Food Bank pursuant to those restrictions or that expire by the passage of time. Some donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period the contribution is received, the contribution is recorded as unrestricted for financial statement purposes.

## HEALTHY HARVEST FOOD BANK, INC.

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

#### 2. Summary of Significant Accounting Policies - Continued

*Contributions:* The Food Bank adheres to Financial Accounting Standards Board Accounting Standards Codification 958-605, "Revenue Recognition", whereby contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions.

*Revenue:* Revenue is measured based on consideration specified in a contract with a customer. The Food Bank recognizes revenue in the period the program is effective.

*Nature of Goods and Services:* The following is a description of principal activities, separated by reportable segments, from which the Food Bank generates its revenue. Reportable segments are shown separately on the statements of activities.

- Program services - the Food Bank provides a la carte product for food pantries, churches, and other organizations. The Food Bank recognizes revenue at the time of transaction. Typically, the product is delivered and billed within the same day and payment is collected within 30 days of the transaction.

*Advertising:* Advertising costs are expensed as incurred.

*Functional Allocation of Expenses:* The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses are reviewed by management and allocated appropriately based on the type and purpose of the expense. Salaries and other overhead expenses are based on estimated allocation percentages determined by staff time spent between program, administrative, and fundraising tasks.

*Income Tax Status:* The Food Bank is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, the financial statements do not reflect a provision for income taxes. The Food Bank is required to file annually a Return of Organization Exempt from Income Tax (Form 990). The Food Bank's tax returns are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

*Use of Estimates:* Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

*Accounting Standards Adopted in 2023:* On July 1, 2023, the Food Bank adopted Accounting Standards Update 2016-13 "Financial Instruments - Credit Losses" (Topic 326): "Measurement of Credit Losses on Financial Instruments" (Accounting Standards Codification 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance-sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses.

**HEALTHY HARVEST FOOD BANK, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**2. Summary of Significant Accounting Policies - Continued**

*Evaluation of Subsequent Events:* Management has evaluated subsequent events through May 20, 2025, which is the date the financial statements were available to be issued.

**3. Liquidity and Availability**

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:

Cash and cash equivalents	\$ 359,350
Accounts receivable	10,129
Less cash unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions	(59,790)
	<u>\$ 309,689</u>

As part of the Food Bank's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Food Bank has available a \$450,000 line of credit to be used for general expenditures, liabilities, and other obligations.

**4. Promises to Give**

Promises to give at June 30, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Due in less than one year	\$ -	\$ 10,000
Due in one to five years	-	-
	<u>\$ -</u>	<u>\$ 10,000</u>

The current promises to give at June 30, 2024 and 2023, are shown net of an allowance for uncollectible promises of \$0.

**5. Concentrations of Credit Risk**

Financial instruments that potentially subject the Food Bank to concentrations of credit risk consist principally of cash in excess of FDIC insurance limits and accounts receivable. From time to time, the cash balance may exceed the FDIC insurance limit of \$250,000.

**6. Line of Credit**

The Food Bank maintains a \$450,000 bank line of credit. Interest is payable monthly based on the Wall Street Journal U.S. Prime Rate. The interest rate at June 30, 2024, was 7.750%. The line is secured by a deed of trust on real property located at 55 Commerce Parkway, Warsaw, VA 22572. The line of credit outstanding balances at June 30, 2024, was \$138,155 and at December 31, 2023, was \$0.

**HEALTHY HARVEST FOOD BANK, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**6. Line of Credit - Continued**

In April 2022, the Food Bank obtained a line of credit with a financial institution that allows it to borrow up to \$1,500,000 to build a new aquaponics facility. The line is secured by a deed of trust on real property located at 55 Commerce Parkway, Warsaw, VA 22572. The credit agreement provides for monthly interest payments on the outstanding balance at a fixed rate of 2.65%. There was an outstanding balance of \$0 and \$1,500,000 on the line as of June 30, 2024 and 2023, respectively. The Food Bank received funding of \$3.4 million in September 2023 in the form of a term loan bearing interest at 6.25% and maturing in March 2025. The financing extinguished the \$1.5 million construction line of credit.

**7. Notes Payable**

Long-term debt consists of the following as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Note payable, bank, monthly interest payments at a rate of 6.25%. Secured by construction deed of trust on real estate. Balloon payment of balance due March 2025.	<b>\$ 3,384,691</b>	\$ -
Note payable, bank, \$4,513 due monthly, including interest of 4.00%. Secured by construction deed of trust on real estate. Balloon payment of balance due April 2027.	-	396,895
Unamortized loan acquisition costs	<b>(11,195)</b>	-
Current portion	<u><b>(3,373,496)</b></u>	<u>(24,220)</u>
<b>Long-term portion of notes payable</b>	<u><b>\$ -</b></u>	<u><b>\$ 372,675</b></u>

Principal repayment requirements in the succeeding five years are as follows:

<u>Years ending June 30:</u>	
2025	\$ 3,384,691



# HEALTHY HARVEST FOOD BANK, INC.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

### 8. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2024 and 2023, are as follows:

	Balance 6/30/2023	Receipts	Released from Restrictions	Balance 6/30/2024
<b>Net assets restricted by purpose:</b>				
Backpack buddy	\$ -	\$ 29,790	\$ -	\$ 29,790
Summer meals	-	30,000	-	30,000
Box truck	48,750	-	48,750	-
	<u>48,750</u>	<u>59,790</u>	<u>48,750</u>	<u>59,790</u>
<b>Net assets restricted by time:</b>				
Promises to give	10,000	-	10,000	-
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
<b>Total Net Assets with Donor Restrictions</b>	<b><u>\$ 58,750</u></b>	<b><u>\$ 59,790</u></b>	<b><u>\$ 58,750</u></b>	<b><u>\$ 59,790</u></b>

### 9. Retirement Plan

The Food Bank offers a Simple IRA plan to all employees earning at least \$5,000 per year. For employees electing to participate, the Food Bank matches their contributions in an amount up to 3% of the participant's compensation with a maximum employer contribution of \$8,000. Employer contributions amounted to \$13,210 and \$10,677 for the years ended June 30, 2024 and 2023, respectively.

### 10. In-Kind Contributions

The Food Bank recognizes contribution revenue for food inventory received at fair value based on the average value-per-pound of food on the date of the contribution. In-kind contributions of food for the years ended June 30, 2024 and 2023, totaled \$5,277,386 and \$3,834,238, respectively.

### 11. Contributed Services

A substantial number of unpaid volunteers have made significant contributions of their time to aid the Food Bank in its general activities. The value of this contributed time is not reflected in these statements since it does not meet the recognition criteria as defined in Financial Accounting Standards Board ASC 958-225-45, "Accounting for Contributions Received and Contributions Made".

### 12. Major Contributors

The Food Bank receives its in-kind contributions primarily from regional food distributors and governmental agencies. In-kind contributions from two organizations totaled 40% and 41%, respectively, of total revenue for the years ended June 30, 2024 and 2023.

**HEALTHY HARVEST FOOD BANK, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
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**13. Subsequent Events**

In March 2025, the Food Bank refinanced their outstanding debt in the form of a term loan bearing interest at 6.25% and maturing in March 2050. Monthly payments of principal and interest are \$21,634.