

FEED THE HUNGER, INC.

AUDITED FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Graham, North Carolina

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THOMAS CHANDLER THOMAS & HINSHAW, LLP

Certified Public Accountants

July 15, 2024

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Feed the Hunger, Inc.
Graham, North Carolina

Opinion

We have audited the accompanying financial statements of Feed the Hunger, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Feed the Hunger, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Feed the Hunger, 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 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.

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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 Feed the Hunger, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 Feed the Hunger, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Feed the Hunger, 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.

Thomas Chandler, Thomas, & Hinshaw, LLP

Certified Public Accountants

FEED THE HUNGER, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and December 31, 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 2,016,810	\$ 972,263
Investments	155,974	136,358
Accounts receivable	110,207	45,275
Sales tax receivable	3,002	3,220
Other receivable	342	4,292
Inventory	141,112	77,772
Operating lease asset	59,326	0
Total Current Assets	<u>\$ 2,486,773</u>	<u>\$ 1,239,180</u>
Net Property and Equipment	<u>\$ 78,593</u>	<u>\$ 257,590</u>
Total Assets	<u><u>\$ 2,565,366</u></u>	<u><u>\$ 1,496,770</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 79,112	\$ 152,327
Accrued expenses	40,184	48,520
Unearned revenue	0	14,237
Operating lease liability	59,326	0
Total Current Liabilities	<u>\$ 178,622</u>	<u>\$ 215,084</u>
Net Assets:		
Without donor restriction	\$ 2,134,476	\$ 1,016,697
With donor restriction	252,268	264,989
Total Net Assets	<u>\$ 2,386,744</u>	<u>\$ 1,281,686</u>
Total Liabilities and Net Assets	<u><u>\$ 2,565,366</u></u>	<u><u>\$ 1,496,770</u></u>

See independent auditor's report and accompanying notes.

FEED THE HUNGER, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For The Years Ended December 31, 2023 and December 31, 2022

	<u>2023</u>	<u>2022</u>
Changes in Net Assets Without Donor Restriction:		
Revenues and Support:		
Contributions	\$ 3,555,887	\$ 3,039,759
Interest income	25,076	5,052
Gain on Disposal of Assets	699,992	0
Employee retention credit	0	171,090
Other Income	12,351	0
Unrealized gain (loss)	17,498	(14,640)
	<hr/>	<hr/>
Net Revenue and Support	\$ 4,310,804	\$ 3,201,261
Net Assets Released from Restrictions	<hr/> 607,203	<hr/> 652,327
Total Revenue and Support	<hr/> \$ 4,918,007	<hr/> \$ 3,853,588
Expenses:		
Program services	\$ 3,385,805	\$ 3,141,151
Management and general	207,857	203,141
Fundraising	206,566	175,552
	<hr/>	<hr/>
Total Expenses	\$ 3,800,228	\$ 3,519,844
Increase (decrease) in net assets without donor restriction	<hr/> \$ 1,117,779	<hr/> \$ 333,744
Net Assets With Donor Restriction:		
Contributions	\$ 594,482	\$ 610,488
Net assets released from restrictions	<hr/> (607,203)	<hr/> (652,327)
Increase (decrease) in net assets with donor restriction	<hr/> \$ (12,721)	<hr/> \$ (41,839)
Change in Net Assets	\$ 1,105,058	\$ 291,905
Net Assets - Beginning of Year	<hr/> 1,281,686	<hr/> 989,781
Net Assets - End of Year	<hr/> <hr/> \$ 2,386,744	<hr/> <hr/> \$ 1,281,686

See independent auditor's report and accompanying notes.

FEED THE HUNGER, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 For The Year Ended December 31, 2023

	Program Services and Missions	Supporting Services		Total
		Management and General	Fundraising	
Missions allocations	\$ 2,153,100	\$ 0	\$ 0	2,153,100
Salaries and wages	619,377	108,809	108,809	836,995
Housing allowance	20,274	3,530	3,471	27,275
Retirement contribution	6,308	1,098	1,080	8,486
Payroll taxes	44,882	7,885	7,885	60,652
Dues and subscriptions	15,745	1,948	1,945	19,638
Contracted services	61,852	10,772	10,586	83,210
Travel, food and lodging	81,492	14,317	14,316	110,125
Insurance	109,280	19,030	18,704	147,014
Office supplies and postage	14,343	2,497	2,455	19,295
Telephone	13,857	2,413	2,371	18,641
Maintenance and repairs	2,213	389	389	2,991
IT expenses	37,629	6,611	6,610	50,850
Utilities	14,632	378	478	15,488
Printing	29,275	5,098	5,010	39,383
Interest	0	0	0	0
Operating supplies	4,125	718	707	5,550
Rent	49,779	8,669	8,520	66,968
Miscellaneous	33,377	5,812	5,712	44,901
Depreciation	34,031	1,075	716	35,822
Vehicle expense	11,937	2,097	2,097	16,131
Property Taxes	1,701	45	54	1,800
Bank and broker fees	21,843	3,838	3,837	29,518
Advertising	4,753	828	814	6,395
Total Functional Expenses	\$ 3,385,805	\$ 207,857	\$ 206,566	\$ 3,800,228

See independent auditor's report and accompanying notes.

FEED THE HUNGER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2022

	Program Services and Missions	Supporting Services		Total
		Management and General	Fundraising	
Missions allocations	\$ 2,248,808	\$ 0	\$ 0	2,248,808
Salaries and wages	453,029	107,594	92,784	653,407
Housing allowance	14,380	3,415	2,945	20,740
Retirement contribution	3,952	939	810	5,701
Payroll taxes	33,054	7,850	6,770	47,674
Dues and subscriptions	10,431	1,406	1,258	13,095
Contracted services	56,052	13,312	11,480	80,844
Travel, food and lodging	55,962	13,291	11,461	80,714
Insurance	93,732	22,261	19,197	135,190
Office supplies and postage	10,789	2,563	2,210	15,562
Telephone	9,930	2,358	2,034	14,322
Maintenance and repairs	4,056	964	831	5,851
IT expenses	21,274	5,053	4,357	30,684
Utilities	10,632	281	338	11,251
Printing	22,891	5,436	4,688	33,015
Interest	0	0	0	0
Operating supplies	19,265	4,576	3,946	27,787
Rent	10,004	2,376	2,049	14,429
Miscellaneous	6,135	1,458	1,257	8,850
Depreciation	25,728	680	815	27,223
Vehicle expense	3,591	853	736	5,180
Property Taxes	218	6	7	231
Bank and broker fees	25,140	5,971	5,149	36,260
Advertising	2,098	498	430	3,026
Total Functional Expenses	\$ 3,141,151	\$ 203,141	\$ 175,552	\$ 3,519,844

See independent auditor's report and accompanying notes.

FEED THE HUNGER, INC.

STATEMENTS OF CASH FLOWS

For The Years Ended December 31, 2023 and December 31, 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 1,105,058	\$ 291,905
Adjustments to Reconcile Change in Net Assets to Net Cash From Operating Activities:		
Depreciation	35,822	27,223
(Increase) decrease in accounts receivable	(64,931)	(45,277)
(Increase) decrease in other receivables	4,168	(4,397)
(Increase) decrease in inventory	(63,340)	(40,830)
(Increase) decrease in prepaid expenses	0	0
Increase (decrease) in current liabilities	(95,788)	103,940
(Gain) on sale of property and equipment	(699,992)	0
Unrealized (Gain) loss on investments	<u>(17,498)</u>	<u>14,640</u>
Net Cash Provided by Operating Activities	<u>\$ 203,499</u>	<u>\$ 347,204</u>
Cash Flows From Investing Activities:		
Proceeds from sale of property and equipment	\$ 900,000	\$ 0
Purchases of property and equipment	(56,834)	(15,733)
Purchases of investments, net of fees	<u>(2,118)</u>	<u>(34,190)</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 841,048</u>	<u>\$ (49,923)</u>
Net Increase in Cash	\$ 1,044,547	\$ 297,281
Cash, Beginning of Year	<u>972,263</u>	<u>674,982</u>
Cash, End of Year	<u><u>\$ 2,016,810</u></u>	<u><u>\$ 972,263</u></u>

See independent auditor's report and accompanying notes.

FEED THE HUNGER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note A: Summary of Significant Accounting Policies:

(1) Nature of the Organization:

Feed The Hunger, Inc. is an evangelical mission organization, headquartered in Greensboro, N.C. that connects followers of Christ with strategic leaders domestically and overseas to help fulfill the Great Commission. The Organization equips these leaders to feed spiritual hunger with tools like Bibles, community centers, church buildings, bicycles and micro-enterprise projects. Physical hunger is met through the provision of nutritious food, clean water and emergency aid.

(2) Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the accounting period in which revenues are earned regardless of when cash is received, and recognizes expenses in the accounting period in which expenses are incurred regardless of when cash is disbursed.

(3) Basis of Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets "without donor restrictions" and net assets "with donor restrictions". The level of restriction is stipulated by the donor at the time of the donation. As of December 31, 2023 and 2022, restricted net assets represent donations whose use is limited to various missions projects.

(4) Inventory:

Inventory consists of raw materials and packaging materials used in the Organization's Feed the Hunger Pack-A-Thons. The inventory is valued at cost.

(5) Property and Equipment:

The Organization capitalizes property and equipment with an original cost over \$2,500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Maintenance and repair costs are charged to operations as incurred. Gains and losses on disposals are reflected in income. Depreciation on assets is computed using the double declining balance and straight-line methods over the estimated useful lives of the assets ranging from three to forty years.

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note A: Summary of Significant Accounting Policies: (continued)

(6) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

(7) Contributions:

Contributions received are recorded as contributions “without donor restrictions” and contributions “with donor restrictions” depending on the existence and/or nature of any donor restrictions. The Organization reports expirations of donor restrictions when funds are spent for the restricted purpose.

(8) Donated Assets:

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies restricted net assets to unrestricted net assets at that time.

(9) Marketable Securities:

Marketable securities are sometimes contributed to Feed the Hunger, Inc. The policy of the Organization is to sell the securities as soon as possible after the securities are received.

(10) Investments:

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note A: Summary of Significant Accounting Policies: (continued)

(11) Reclassification of Contributions:

The organization has a policy whereby a percentage of unrestricted and restricted contributions are set aside at the time of the gift to help defer general and administrative expenses. This policy is communicated to all donors at the time of their gift. The percentage set aside for these expenses is dependent on the size of the contribution but ranges from 6% to 20%.

(12) Income Tax Status:

Feed The Hunger, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A).

The Organization's Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination for the preceding three years by the Internal Revenue Service per federal law.

(13) Expense Allocation:

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited on the basis of estimates made by the Organization's management. Expenses that are readily identifiable with a program are charged to that program. Management and general expenses are those expenses that are not directly identifiable with any other specific program but provide for the overall support and direction of the Organization.

(14) Advertising:

Advertising costs are expensed as incurred and were \$6,395 and \$3,206 for the years ended December 31, 2023 and 2022, respectively.

Note B: Uninsured Cash Balances:

The Organization maintains its cash balances at a North Carolina based financial institution. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 in 2023 and 2022 per bank. During 2023 the Organization entered into an Insured Cash Sweep Deposit Placement Agreement with the bank. Under this agreement, when the deposit balance reaches \$250,000 it is transferred to another participating banking institution to be covered under the FDIC limit. Uninsured balances were \$0 and \$210,644 for the years ended December 31, 2023 and 2022, respectively.

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note B: Uninsured Cash Balance (continued):

The Organization maintains its investment balances at a North Carolina based financial institution. Accounts at this institution are insured by the Securities Investor Protection Corporation up to \$250,000 in 2023 and 2022 per bank. Uninsured balances were \$0 and \$182,664 for the years ended December 31, 2023 and 2022, respectively.

Note C: Available Resources and Liquidity:

The Organization's personnel and governing Board monitor financial resources to ensure funds remain available to sustain operations without disruption. Revenue contains a moderate degree of predictability based on the number of pack-a-thons performed throughout the year as well as the continued support of individuals and Churches. General and occupancy type expenses are generally fixed. Program expenses are semi-fixed but correlate directly with the number of pack-a-thons performed.

Cash balances as of the end of the past two years were \$2,016,810 and \$972,263 for the years ended December 31, 2023 and 2022, respectively. Total operating expenses were \$3,800,729 and \$3,519,844 for the years ended December 31, 2023 and 2022, respectively. Consequently, cash reserves are 194 days and 101 days for the years ended December 31, 2023 and 2022, respectively.

Note D: Investments:

Investments at December 31, 2023 and 2022 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
December 31, 2023:			
Alamance Community Fdn.:			
Balanced Fund	\$ 151,048	\$ 155,974	\$ 4,926
	<u>\$ 151,048</u>	<u>\$ 155,974</u>	<u>\$ 4,926</u>
December 31, 2022:			
Alamance Community Fdn.:			
Balanced Fund	\$ 148,930	\$ 136,358	\$ (12,572)
	<u>\$ 148,930</u>	<u>\$ 136,358</u>	<u>\$ (12,572)</u>

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note E: Property and Equipment:

Property and equipment at December 31, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Land and buildings	\$ 0	\$ 626,811
Audio and video equipment	5,870	5,870
Furniture, fixtures, and general equipment	156,433	133,324
Autos and trucks	68,956	50,895
Trademark	<u>21,812</u>	<u>21,812</u>
	\$ 253,071	\$ 838,712
Less: Accumulated depreciation	<u>174,478</u>	<u>581,122</u>
	<u>\$ 78,593</u>	<u>\$ 257,590</u>

Depreciation expense was \$35,822 and \$27,223 for the years ended December 31, 2023, and 2022, respectively.

Note F: Fair Value Measurement:

Fair values of assets measured on a recurring basis at December 31, 2023 and 2022 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
December 31, 2023:				
Investments:				
Alamance Comm- unity Foundation	\$ <u>155,974</u>	\$ <u>0</u>	\$ <u>155,974</u>	\$ <u>0</u>
	<u>\$ 155,974</u>	<u>\$ 0</u>	<u>\$ 155,974</u>	<u>\$ 0</u>

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note F: Fair Value Measurement (continued):

December 31, 2022:

Investments:

Alamance Comm-

unity Foundation	\$ 136,358	\$ 0	\$ 136,358	\$ 0
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	<u>\$ 136,358</u>	<u>\$ 0</u>	<u>\$ 136,358</u>	<u>\$ 0</u>
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Fair value for investments in common and preferred stocks, and fixed income securities are determined by reference to quoted market prices, other relevant information generated by market transactions, and year end statements. The organization recognizes transfers into and out of levels at the end of the reporting period. There were no transfers between levels for the years ended December 31, 2023 and 2022.

Note G: Accounts Payable:

Accounts payable at December 31, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Credit cards	\$ 60,665	\$ 103,056
Trade payables	18,447	49,271
Payroll deductions	<u>0</u>	<u>0</u>
	<u>\$ 79,112</u>	<u>\$ 152,327</u>

Note H: Accrued Expenses:

Accrued expenses at December 31, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Accrued liabilities for food purchases	\$ 40,184	\$ 48,500
Payroll taxes	<u>0</u>	<u>20</u>
	<u>\$ 40,184</u>	<u>\$ 48,520</u>

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note I: Change in Accounting Standards:

FASB ASC 842 supersedes the lease requirements in FASB ASC 840. Under FASB ASC 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. The Organization adopted FASB ASC 842, with a date of initial application of January 1, 2023, by applying the modified retrospective transition approach and using the additional (and optional) transition method provided by ASU No. 2018-11.

The implementation of FASB ACS 842 requires the recognition of operating lease assets, commonly known as a Right of Use (ROU) assets and the related liabilities. No cumulative effect adjustment to net assets as of January 1, 2023, was necessary. FASB ASC 842 did not have a significant effect on the results of operations or cash flows for the year ended December 31, 2023.

The Organization elected to apply the following practical expedients:

- Election not to reassess whether any expired or existing contracts are, or contain leases.
- Election not to reassess the lease classification for any expired or existing leases.
- Election not to reassess initial direct costs on any existing leases.
- Election not to record ROU assets and corresponding lease liabilities for short-term leases with a lease term of 12 month or less, but greater than 1 month. Leases of 1 month or less are not included in short-term lease costs.

The Organization sponsors a simple IRA plan through American Funds. Employees choose the percentage or fixed amount they want withheld from their paychecks. Feed The Hunger, Inc. matches 100% of the deduction up to 3% of the employee's gross wages. The Organization's matching portion was \$8,486 and \$5,701 for the years ended December 31, 2023 and 2022, respectively.

Note J: Operating Lease Commitments:

The Organization entered into an agreement in 2023 to lease warehouse space located in Texas that expires in December 2024. The lease has been renewed. Rent expense was \$60,480 and \$0 for each the years ended December 31, 2023 and December 31, 2022, respectively. The lease calls for 24 monthly payments with a minimum annual lease payments of \$5,191.

FEED THE HUNGER, INC.

(continued)

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and December 31, 2022

Note J: Operating Lease Commitments: (continued)

Future minimum lease commitments for these leases at December 31, 2023 are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amounts</u>
2024	\$ 62,328

Note K: Gifts in Kind and Volunteer Services:

The Organization recognized contribution revenue of \$31,516 and \$55,119 for the years ended December 31, 2023 and 2022, respectively, for gifts in kind related to their exempt purpose. Contribution revenue from gifts in kind was measured based on the fair value of the items received. No amounts have been reflected in the financial statements for volunteer hours since these services do not meet the requirements for recognition in the financial statements.

Note L: Retirement Plan:

The Organization sponsors a simple IRA plan through American Funds. Employees choose the percentage or fixed amount they want withheld from their paychecks. Feed the Hunger, Inc. matches 100% of the deduction up to 3% of the employee's gross wages. The Organization's matching portion was \$8,486 and \$5,701 for the years ended December 31, 2023 and 2022, respectively.

Note M: Subsequent Events:

The Organization has evaluated the effects that subsequent events would have on the financial statements through July 15, 2024, which is the date of the financial statements were available for issuance. Feed the Hunger, Inc. purchased real property to be used as their headquarters and is subject to a mortgage.

See independent auditor's report.