

# **SPOONFULS**

## **Financial Statements**

**Years Ended December 31, 2024 and 2023**

**(With Independent Auditors' Report Thereon)**

**SPOONFULS**  
**FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of Spoonfuls:

### **Opinion**

We have audited the accompanying financial statements of Spoonfuls (a not-for-profit organization) (the Organization), which comprise the statement of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Spoonfuls as of December 31, 2024 and 2023, 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 audits 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 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.

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 for 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 auditors' 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, including omissions, 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.

*Kahn, Litwin, Rengya & Co, Ltd.*

April 24, 2025

**SPOONFULS**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2024 and 2023**



	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 923,753	\$ 1,270,448
Investments	32,262	26,765
Contributions receivable, current portion	682,313	704,295
Prepaid expenses and other assets	52,939	53,805
<b>Total current assets</b>	<b>1,691,267</b>	<b>2,055,313</b>
Cash restricted for property and equipment	132,000	111,005
Contributions receivable, net of current portion	178,872	95,942
Right-of-Use Asset - Operating Lease	338,378	474,239
Property and equipment, net	576,817	607,126
<b>Total Assets</b>	<b><u>\$ 2,917,334</u></b>	<b><u>\$ 3,343,625</u></b>
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts payable	\$ 78,033	\$ 34,464
Accrued expenses	143,081	99,333
Current portion of finance leases payable	-	19,382
Current portion of operating lease payable	158,277	153,127
<b>Total current liabilities</b>	<b>379,391</b>	<b>306,306</b>
Operating lease payable, less current portion	195,101	332,779
<b>Total liabilities</b>	<b><u>574,492</u></b>	<b><u>639,085</u></b>
Net Assets:		
Without donor restrictions:		
Available for operations	588,350	1,439,185
Invested in property and equipment, net	576,817	587,744
<b>Total net assets without donor restrictions</b>	<b>1,165,167</b>	<b>2,026,929</b>
With donor restrictions	1,177,675	677,611
<b>Total net assets</b>	<b>2,342,842</b>	<b>2,704,540</b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 2,917,334</u></b>	<b><u>\$ 3,343,625</u></b>

See accompanying notes to the financial statements and independent auditors' report.

**SPOONFULS**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended December 31, 2024 and 2023**



	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Contributions and grants	\$ 2,547,769	\$ 1,162,430	\$ 3,710,199	\$ 2,653,302	\$ 298,432	\$ 2,951,734
Contributed nonfinancial assets	10,977,350	-	10,977,350	9,258,938	-	9,258,938
Special events, net of direct expenses of \$291,349 and \$262,630, respectively	168,502	-	168,502	256,200	-	256,200
Gain on sale of property and equipment	10,021	-	10,021	50,961	-	50,961
Interest income	22,214	-	22,214	27,708	-	27,708
Investment return, net	5,497	-	5,497	5,767	-	5,767
Other income	14,877	-	14,877	15,228	-	15,228
Net assets released from restrictions - operations	551,361	(551,361)	-	956,434	(956,434)	-
Net assets released from restrictions - capital expenditures	111,005	(111,005)	-	103,995	(103,995)	-
<b>Total support and revenue</b>	<b>14,408,596</b>	<b>500,064</b>	<b>14,908,660</b>	<b>13,328,533</b>	<b>(761,997)</b>	<b>12,566,536</b>
Expenses:						
Program services	13,255,223	-	13,255,223	11,330,253	-	11,330,253
Management and general	809,179	-	809,179	780,177	-	780,177
Fundraising and development	1,205,956	-	1,205,956	1,136,563	-	1,136,563
<b>Total expenses</b>	<b>15,270,358</b>	<b>-</b>	<b>15,270,358</b>	<b>13,246,993</b>	<b>-</b>	<b>13,246,993</b>
<b>Change in Net Assets</b>	<b>(861,762)</b>	<b>500,064</b>	<b>(361,698)</b>	<b>81,540</b>	<b>(761,997)</b>	<b>(680,457)</b>
<b>Net Assets, beginning of year</b>	<b>2,026,929</b>	<b>677,611</b>	<b>2,704,540</b>	<b>1,945,389</b>	<b>1,439,608</b>	<b>3,384,997</b>
<b>Net Assets, end of year</b>	<b>\$ 1,165,167</b>	<b>\$ 1,177,675</b>	<b>\$ 2,342,842</b>	<b>\$ 2,026,929</b>	<b>\$ 677,611</b>	<b>\$ 2,704,540</b>

See accompanying notes to the financial statements and independent auditors' report.

**SPOONFULS**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years Ended December 31, 2024 and 2023**



	2024				2023			
	Program Services	Management and General	Fundraising and Development	Total	Program Services	Management and General	Fundraising and Development	Total
Salaries and related expenses:								
Salaries and wages	\$ 1,332,387	\$ 279,999	\$ 778,018	\$ 2,390,404	\$ 1,280,323	\$ 167,580	\$ 787,742	\$ 2,235,645
Employee benefits	165,083	61,822	114,601	341,506	186,325	37,083	102,743	326,151
Payroll taxes	125,276	19,952	66,804	212,032	138,089	17,999	75,074	231,162
<b>Total salaries and related expenses</b>	<b>1,622,746</b>	<b>361,773</b>	<b>959,423</b>	<b>2,943,942</b>	<b>1,604,737</b>	<b>222,662</b>	<b>965,559</b>	<b>2,792,958</b>
Advertising and promotion	2,284	2,190	5,457	9,931	324	3,506	11,531	15,361
Conferences, staff training, and meals	17,245	25,282	7,924	50,451	18,505	41,073	6,315	65,893
Depreciation	164,377	8,791	44,099	217,267	151,697	7,825	2,503	162,025
Contributed nonfinancial assets - donated food distributed	10,935,010	-	-	10,935,010	9,153,913	-	-	9,153,913
Contributed nonfinancial assets - legal	-	42,340	-	42,340	-	105,025	-	105,025
Dues, fees, and licenses	23,482	22,785	24,796	71,063	19,061	10,058	13,444	42,563
Insurance	12,250	1,905	5,659	19,814	262	14,012	262	14,536
Interest	253	-	-	253	2,775	-	-	2,775
Miscellaneous	3,635	6,038	2,619	12,292	3,567	8,263	1,856	13,686
Occupancy expenses	79,332	31,870	45,970	157,172	72,660	46,700	35,832	155,192
Office expenses	119,642	36,477	38,546	194,665	66,746	56,181	31,258	154,185
Professional fees	80,423	267,954	71,331	419,708	93,125	251,400	67,591	412,116
Supplies and materials	19,942	1,774	132	21,848	10,335	13,472	412	24,219
Vehicle expenses	174,602	-	-	174,602	132,546	-	-	132,546
<b>Total expenses</b>	<b>\$ 13,255,223</b>	<b>\$ 809,179</b>	<b>\$ 1,205,956</b>	<b>\$ 15,270,358</b>	<b>\$ 11,330,253</b>	<b>\$ 780,177</b>	<b>\$ 1,136,563</b>	<b>\$ 13,246,993</b>

**SPOONFULS**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 2024 and 2023**



	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ (361,698)	\$ (680,457)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation expense	217,267	162,025
Amortization of right-of-use asset - operating lease	135,861	140,862
Discount on contributions receivable	(7,070)	30,821
Contributions restricted to capital expenditures	(132,000)	(223,241)
Net gain on sale of property and equipment	(10,021)	(50,961)
Net gain on investments	(5,018)	(5,340)
Changes in operating assets and liabilities:		
Contributions receivable	(53,878)	305,713
Prepaid expenses and other assets	866	737
Operating lease liability	(132,528)	(132,528)
Accounts payable	43,569	(70,017)
Accrued expenses	43,748	(42,919)
<b>Net cash used by operating activities</b>	<b><u>(260,902)</u></b>	<b><u>(565,305)</u></b>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(190,437)	(397,357)
Proceeds from sale of property and equipment	13,500	52,467
Purchase of investments	(479)	(427)
<b>Net cash used by investing activities</b>	<b><u>(177,416)</u></b>	<b><u>(345,317)</u></b>
Cash Flows from Financing Activities:		
Contributions restricted to capital expenditures	132,000	223,241
Principal payments on finance leases	(19,382)	(75,599)
<b>Net cash provided by financing activities</b>	<b><u>112,618</u></b>	<b><u>147,642</u></b>
<b>Net Decrease in Cash, Cash Equivalents and Restricted Cash</b>	<b><u>(325,700)</u></b>	<b><u>(762,980)</u></b>
<b>Cash, Cash Equivalents and Restricted Cash, beginning of year</b>	<b><u>1,381,453</u></b>	<b><u>2,144,433</u></b>
<b>Cash, Cash Equivalents and Restricted Cash, end of year</b>	<b><u>\$ 1,055,753</u></b>	<b><u>\$ 1,381,453</u></b>
<b>Reconciliation to Statement of Financial Position:</b>		
Cash and cash equivalents	\$ 923,753	\$ 1,270,448
Cash restricted for property and equipment	132,000	111,005
<b>Cash, Cash Equivalents and Restricted Cash, end of year</b>	<b><u>\$ 1,055,753</u></b>	<b><u>\$ 1,381,453</u></b>
<b>Supplemental Cash Flow Information:</b>		
Cash paid for interest	<u>\$ 253</u>	<u>\$ 2,775</u>



**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

**1. Nature of Operations**

Spoonfuls (the Organization), formerly Lovin' Spoonfuls, was formed on January 29, 2010, to facilitate the recovery and distribution of perishable and unserved foods that would otherwise be thrown away and wasted. The Organization delivers this food directly to local crisis centers, soup kitchens and other social assistance entities.

The Organization is exempt from federal income taxes as a not-for-profit organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization is also exempt from state income taxes. Contributions made to the Organization are deductible by donors within the IRC requirements.

**2. Summary of Significant Accounting Policies**

This summary of significant accounting policies of the Organization is presented to assist the reader in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

***Basis of Presentation***

The Organization prepares its financial statements on the accrual basis of accounting and, in accordance with authoritative guidance, 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.

***Net Assets Without Donor Restrictions***

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. The Organization has grouped its net assets without donor restrictions into the following categories:

- Available for operations – Represents funds available to carry on the operations of the Organization.
- Invested in property and equipment, net – Represents amounts expended and resources available for property and equipment, net of related debt.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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***Net Assets With Donor Restrictions***

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction is satisfied, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

***Cash and Cash Equivalents***

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

***Contributions Receivable***

Contributions receivable are recognized in the period the contribution or promise to give is made and do not bear interest. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions are substantially met. If material, receivables with amounts due beyond one year are discounted to their net present value using the interest rate for treasury bills with a remaining term equal to that of expected future receipts.

The Organization carries its contributions receivable at the amount management expects to collect from outstanding balances. On a periodic basis, the Organization evaluates its receivables and provides for doubtful accounts based on the history of collections and current credit conditions. A receivable is considered past due if payment has not been received within stated terms. At December 31, 2024 and 2023, management has determined that no allowance for doubtful accounts is necessary.

***Investments and Fair Value Measurements***

The Organization reports its investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income, or cost approach, as specified by authoritative guidance, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.

Level 2 inputs (other than quoted prices included within level 1) are observable for the asset or liability, either directly or indirectly.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Level 3 inputs are unobservable for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include the Organization's data.

The Organization reports its investments at fair value on a recurring basis. These investments are classified as level 1 within the fair value hierarchy.

Level 1 investments owned by the Organization and listed on a National Securities Exchange are valued at the last recorded sales price as of the financial statement reporting date or, in the absence of recorded sales, at the last quoted bid price reported as of the financial statement reporting date.

Realized and unrealized gains and losses are included as a component of investment return on the statements of activities. Gains and losses on investments are reported as changes in net assets without donor restrictions unless gains and losses on investments are restricted by a donor's explicit stipulation or by a law that extends a donor's restriction.

Interest and dividends on investments are included in investment return. Interest earned on balances classified as cash and cash equivalents is reported separately from investment return. Dividends are recorded on the ex-dividend date and interest is recorded on the accrual basis of accounting. Purchases and sales of securities are recorded on the trade date. In determining the gains (losses) realized on the sales of securities, the cost of securities sold is determined on a specific identification basis.

***Property and Equipment***

Purchased property and equipment, and equipment held under finance lease agreements are recorded at cost. Renewals and betterments are capitalized as additions to the related asset accounts, while repairs and maintenance are expensed as incurred. The Organization's policy is to capitalize property and equipment costing \$5,000 or more. Costs incurred for developing new websites or adding new components to the websites are capitalized and amortized. Costs incurred for renovations, upgrades and uploading of content to the website are considered routine maintenance and are expensed as incurred.

Depreciation is computed on a straight-line basis over the following estimated useful lives of the related assets:

Vehicles	5 years
Website and software	3 years
Office equipment	3 years

Right-of-use assets under finance lease agreements are amortized over the shorter of the asset's useful life or the lease term.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

***Leases***

The Organization leases office space under an operating lease agreement and leases vehicles under finance lease agreements. The Organization determines if an arrangement is a lease at inception. Operating leases are recorded on the statement of financial position as operating lease right-of-use (ROU) assets, ROU assets related to finance leases are included in property and equipment, and lease liabilities are classified as either operating lease or finance lease liabilities.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. If a lease does not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The ROU asset also includes any lease payments made and excludes lease incentives. The Organization's lease terms include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

***Support and Revenue Recognition***

***Contributions and Grants*** - Contributions and grants without donor restrictions are recorded as revenue when received or unconditionally pledged. Revenue from donor-restricted grants and pledges are recorded as revenue and net assets with donor restrictions when the Organization receives an unconditional commitment. Net assets with donor restrictions are reclassified to net assets without donor restrictions as the restrictions are met and are reported in the statements of activities as net assets released from restrictions. Donor contributions and grants whose restrictions are met in the year they are received or pledged are recorded as net assets without donor restrictions. All other revenue is recognized when earned.

***Contributed Nonfinancial Assets*** - The Organization records the value of donated goods at fair value at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills and are performed by people with those skills and would otherwise be purchased by the Organization. Donated goods and services do not have donor-imposed restrictions, are utilized in the Organization's programs and are not monetized. The Organization received in-kind food donations from various retailers, restaurants, and farms. The Organization also received in-kind legal and other services.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

Food donations are reflected in the accompanying financial statements based upon the estimated value assigned by the donating agencies or by management. The fair value of donated services is measured based on the cost of those services if purchased.

***Special Events*** - Special events contributions and support are recognized in the period in which the event takes place, services have been rendered, and/or contractual obligations have been met. Special events contributions and support are shown net of direct expenses in the accompanying financial statements. Direct expenses consist of food and drink, printing, postage, rentals, service fees, supplies, travel, and other miscellaneous expenses related to special events.

***Income Taxes***

The Organization is exempt from income taxes as a public charity under Section 501(c)(3) of the IRC. Management believes that the Organization operates in a manner consistent with its tax-exempt status at both the state and federal levels.

The Organization annually files IRS Form 990, *Return of Organization Exempt From Income Tax*, reporting various information that the IRS uses to monitor the activities of tax-exempt entities. These tax returns are subject to review by the taxing authorities, generally for a period of three years after they were filed. The Organization currently has no tax examinations in progress.

***Advertising Costs***

Advertising costs are expensed as incurred.

***Functional Allocation of Expenses***

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related expenses, which are allocated on the basis of estimates of time and level of effort spent on each program and supporting functions. Various overhead costs such as rent, office expense, travel, food and beverage, supplies and materials, and printing and postage are allocated to the functional area based on estimated usage. Expenses related directly to a program are allocated to that program, while other expenses are allocated to programs based upon management's estimate of the percentage attributable to each function.

***Estimates and Assumptions***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

***Reclassifications***

Certain prior year amounts have been reclassified to conform with the current year presentation.

***Subsequent Events***

Management has evaluated subsequent events through April 24, 2025, which is the date the financial statements were available to be issued.

**3. Related Party Transactions**

The President of the Organization is a voting member of the Board of Directors. This individual was compensated only for her role as the President and compensation was approved by the Board of Directors.

A member of the Board of Directors served as the Chief Financial Officer of the Organization. In addition, the Chief Financial Officer is the Chief Financial Officer at another not-for-profit organization that received in-kind food donations from the Organization with a value of \$28,305 and \$22,058 for the years ended December 31, 2024 and 2023, respectively.

During the year ended December 31, 2024, the Organization received donated legal services valued at \$9,259 from a law firm associated with a member of the Board of Directors.

**4. Program Service Accomplishments – Delivering Food with Purpose (Unaudited)**

In the U.S, 31% of all food goes unsold or uneaten. Across Massachusetts alone, over 1 million tons of food hit the waste stream annually while 1 in 6 households faces food insecurity.

The Organization keeps good food from going to waste. Through food recovery and distribution, education, and advocacy, the Organization works to address the health, environmental, and economic impact that wasted food has on people and the planet.

Since founding, the Organization has recovered over 37.5 million pounds of food and distributed it across Massachusetts.

The Organization sources unsold, fresh food (like fruits and veggies, dairy, lean protein, and baked goods) from food retailers like grocery stores, wholesalers, and farms. The team of food-safety certified drivers delivers, same day, to food programs (like pantries, meal programs, and more) that reach neighbors facing food insecurity.

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

In 2024, the Organization worked with nearly 300 partners to recover and distribute over 5.5 million pounds of food (valued at nearly \$11,000,000) across the Commonwealth and forged 23 new partnerships with food retailers and nonprofits.

The food distributed in 2024 reached more than 200 community agencies that collectively serve more than 400,000 clients each year, and the corresponding food recovery efforts prevented the same greenhouse gas emissions as 634 gas-powered vehicles driven for one year.

With additional capacity on the team, the Organization is sourcing more food (on average, recovering 17% more food compared to last year).

The Organization is on track to do even more in 2025, with a planned expansion to Southeastern MA in quarter four of 2025.

**5. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the statement of financial position date, comprise the following at December 31, 2024 and 2023:

	2024	2023
Current financial assets:		
Cash and cash equivalents	\$ 923,753	\$ 1,270,448
Investments	32,262	26,765
Contributions receivable, current portion	682,313	704,295
Current financial assets, end of year	<u>1,638,328</u>	<u>2,001,508</u>
Less financial assets unavailable for general expenditure:		
Subject to expenditure for specified purpose	806,803	310,664
Subject to expenditure based on time	<u>60,000</u>	<u>160,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 771,525</u>	<u>\$ 1,530,844</u>

As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. To help manage unanticipated liquidity needs, the Organization is able to draw upon its available line of credit up to \$1,000,000 as of December 31, 2024 (Note 10).

**SPOONFULS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**



**6. Investments**

Investments are presented in the financial statements at their aggregate fair value and consist of the following level 1 investments:

	<u>2024</u>	<u>2023</u>
Mutual funds	\$ 3,346	\$ 2,921
Exchange traded funds	10,904	9,700
Common stock - financial services	18,012	14,144
Total investments	<u>\$ 32,262</u>	<u>\$ 26,765</u>

**7. Contributions Receivable**

Contributions receivable consisted of the following at December 31:

	<u>2024</u>	<u>2023</u>
Gross contributions receivable	\$ 872,313	\$ 804,295
Unamortized discount	<u>(11,128)</u>	<u>(4,058)</u>
Contributions receivable, net	<u>\$ 861,185</u>	<u>\$ 800,237</u>

Contributions receivable at December 31, 2024 are expected to be received as follows:

Within one year	\$ 682,313
One to two years	110,284
Two to three years	<u>68,588</u>
Total	<u>\$ 861,185</u>

At December 31, 2024 and 2023, contributions receivable included \$179,177 of Employee Retention Tax Credit (ERTC) receivable. The Organization received the full amount of the ERTC receivable in January 2025.



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**8. Right-of-Use Assets and Leases Payable**

The Organization leases office space under a non-cancellable operating lease which expires in August 2027, with an option to extend the lease for an additional five years. The Organization also leased vehicles under finance leases that expired at various dates through April 2024.

The related cost of the right-of-use assets and accumulated amortization at December 31, 2024 and 2023 were as follows:

	2024	2023
Right-of-use asset - operating lease	\$ 662,610	\$ 662,610
Accumulated amortization	(324,232)	(188,371)
Total right-of-use asset - operating lease	<u>\$ 338,378</u>	<u>\$ 474,239</u>
Right-of-use asset - finance lease	\$ -	\$ 55,557
Accumulated amortization	-	(48,754)
Total right-of-use asset - finance lease	<u>\$ -</u>	<u>\$ 6,803</u>

During the year ended December 31, 2024, one fully depreciated finance lease ended with an original cost of \$55,557. The Organization retained the expired finance lease vehicle for use in its ongoing operations. No gain or loss was recognized on this transaction.

The components of lease cost for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Operating lease cost	<u>\$ 152,000</u>	<u>\$ 152,000</u>
Finance lease cost:		
Amortization of right-of-use assets	\$ 6,803	\$ 30,826
Interest on lease liabilities	<u>253</u>	<u>2,775</u>
Total finance lease cost	<u>\$ 7,056</u>	<u>\$ 33,601</u>

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Other information related to leases for the years ended December 31, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Supplemental Cash Flows Information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 148,667	\$ 143,667
Operating cash flows from finance leases	\$ 253	\$ 2,775
Financing cash flows from finance leases	\$ 19,382	\$ 75,599
Weighted average remaining lease term:		
Operating lease	2.67 years	3.67 years
Finance lease	n/a	5 months
Weighted average discount rate:		
Operating lease	3.39%	3.39%
Finance lease	n/a	3.41%

Future minimum lease payments under non-cancellable leases as of December 31, 2024 were as follows:

	<u>Operating Lease</u>
Year Ending December 31,	
2025	\$ 158,277
2026	163,427
2027	111,239
	<u>432,943</u>
Imputed interest	<u>(79,565)</u>
	353,378
Less current portion of leases payable	<u>158,277</u>
Leases payable, long-term	<u><u>\$ 195,101</u></u>

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**9. Property and Equipment**

Property and equipment consisted of the following at December 31:

	2024	2023
Vehicles	\$ 894,951	\$ 781,531
Website	158,238	158,238
Office equipment	43,738	36,296
Software	17,298	17,298
Leasehold improvements	5,000	5,000
	<u>1,119,225</u>	<u>998,363</u>
Less accumulated depreciation	<u>542,408</u>	<u>391,237</u>
Property and equipment, net	<u><u>\$ 576,817</u></u>	<u><u>\$ 607,126</u></u>

During 2024, the Organization sold a vehicle with an original cost of \$69,574 and a net book value of \$3,479 for \$13,500, resulting in a gain of \$10,021.

**10. Line of Credit**

Effective December 31, 2024, the Organization entered into a demand revolving line of credit note agreement with Cambridge Savings Bank which provides for maximum borrowings of \$1,000,000. The line of credit bears interest at the prime rate (7.50% at December 31, 2024) and is secured by substantially all assets of the Organization. There were no outstanding borrowings under the line of credit as of December 31, 2024.

The line of credit contains non-financial and financial reporting covenants. Management believes the Organization was in compliance with all covenants as of December 31, 2024.

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**11. Net Assets With Donor Restrictions**

Net assets with donor restrictions consisted of the following at December 31:

	2024	2023
Net assets with donor restrictions:		
MetroWest	\$ 375,000	\$ 99,714
Strategic planning	250,000	90,282
Southeast expansion	209,303	-
Capital and maintenance	132,000	124,694
Boston	15,000	-
Worcester expansion	7,500	156,979
Subject to the passage of time	188,872	205,942
	<u>\$ 1,177,675</u>	<u>\$ 677,611</u>
Total net assets with donor restrictions	<u>\$ 1,177,675</u>	<u>\$ 677,611</u>

**12. Contributed Nonfinancial Assets**

The fair value of contributed nonfinancial assets was recorded in the accompanying statements of activities as follows:

	2024	2023
Donated food	\$ 10,935,010	\$ 9,153,913
Legal and other services	42,340	105,025
	<u>\$ 10,977,350</u>	<u>\$ 9,258,938</u>
Total	<u>\$ 10,977,350</u>	<u>\$ 9,258,938</u>

**13. Concentrations of Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, contributions receivable and investments.

The Organization maintains its cash balances in three financial institutions. The balance at each institution is insured by the Federal Deposit Insurance Corporation up to \$250,000. The uninsured portion of these balances was approximately \$667,700 at December 31, 2024. The Organization monitors its exposure with regard to cash and cash equivalents and has not experienced losses on such accounts.

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At December 31, 2024, 76% of the contributions receivable balance was due from four sources. At December 31, 2023, 47% of the contributions receivable balance was due from two sources. Management believes the credit risk associated with its receivables is minimal and that no allowance is necessary as of year-end.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and that such changes could materially affect investment balances and activity included in the financial statements.