



## INDEPENDENT ACCOUNT'S REVIEW REPORT

Board of Directors  
The Food Drive, Inc.  
25 Sargent Street  
Melrose, MA 02176

We have reviewed the accompanying financial statements of The Food Drive, Inc (A Nonprofit Organization), which comprises the statements of financial position as of December 31, 2021 and 2020, the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements or Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee for the AICPA. Those standards require us to perform procedures to obtain limited assurances as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

July 13, 2022

C A Brandt, Inc.

**THE FOOD DRIVE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2021 AND 2020**

(See independent accountants' review report)

	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
Current Assets		
Cash	\$ 10,020	\$ -
Pledges and grants receivable	-	1,802
Total Current Assets	10,020	1,802
Total Assets	\$ 10,020	\$ 1,802
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current Liabilities		
Accounts Payables and accrued expenses	\$ -	\$ 1,802
Total Current Liabilities	-	1,802
Total Liabilities	-	1,802
Net Assets		
Net assets without restrictions	10,020	
Total Net Assets	10,020	-
Total Liabilities and Net Assets	\$ 10,020	\$ 1,802

The accompanying notes are an integral part of these financial statements

**THE FOOD DRIVE, INC.  
STATEMENTS OF ACTIVITIES  
DECEMBER 31, 2021 AND 2020**

(See independent accountants' review report)

	<u>2021</u>	<u>2020</u>
Revenue & Support		
Cash contributions	\$ 76,182	
Pledges		\$ 1,802
In-kind Food Rescue and Supplies	<u>374,223</u>	<u>25,614</u>
Total Revenues & Support	<u>450,405</u>	<u>27,416</u>
Expenses		
Food Drive Programs	416,203	26,444
Administrative	<u>24,182</u>	<u>972</u>
Total Expenses	<u>440,385</u>	<u>27,416</u>
Change in Net Assets	\$ 10,020	\$ (0)
Net Assets (Deficit), Beginning of year	<u>(0)</u>	<u>                    </u>
Net Assets (Deficit), End of Year	<u><u>\$ 10,020</u></u>	<u><u>\$ (0)</u></u>

The accompanying notes are an integral part of these financial statements

**THE FOOD DRIVE, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021			2020		
	Food Drive Programs	Administrative	Total	Food Drive Programs	Administrative	Total
Salaries & Payroll Taxes	\$ 36,025	\$ 21,025	\$ 57,050			-
Advertising and promotion	1,014		1,014	96		96
Bank fees		57	57			-
Compost	255		255			-
Conferences, conventions, and meetings	155		155			-
Dues, subscriptions, and licenses	471		471	73		73
Equipment			-	225		225
Information Technology		576	576		196	196
In-kind food rescue	374,723		374,723	25,614		25,614
Office expense		891	891		532	532
Printing & postage		697	697		88	88
Program - community freezer	624		624			-
Program - food purchases	217		217			-
Telephone		936	936		156	156
Transport Expenses	2,719		2,719	436		436
	<u>\$ 416,203</u>	<u>\$ 24,182</u>	<u>\$ 440,385</u>	<u>\$ 26,444</u>	<u>\$ 972</u>	<u>\$ 27,416</u>

The accompanying notes are an integral part of these financial statements

**THE FOOD DRIVE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**DECEMBER 31, 2021 AND 2020**

(See independent accountants' review report)

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Cash received from grants & contributions	76,182	
Cash paid to employees and suppliers	(66,162)	
Net cash flow from operating activities	<u>\$ 10,020</u>	<u>\$ -</u>
Cash, Beginning of Year	<u>\$ -</u>	<u>\$ -</u>
Cash, End of Year	<u><u>\$ 10,020</u></u>	<u><u>\$ -</u></u>
Reconciliation of Change in Net Assets to Net		
Cash Flow from Operating Activities		
Change in net assets	<u>10,020</u>	<u>(0)</u>
Adjustments to reconcile change in net assets to		
net cash flow from operating activities:		
Decrease (increase) in operating assets		
Pledges receivables	1,802	(1,802)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	<u>(1,802)</u>	<u>1,802</u>
Total Adjustments	<u>-</u>	<u>-</u>
Net cash flow from operating activities	<u><u>\$ 10,020</u></u>	<u><u>\$ (0)</u></u>

The accompanying notes are an integral part of these financial statements

**THE FOOD DRIVE, INC**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021 & 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Organization

The Food Drive, Inc. (the “Organization”) is a nonprofit organization created to promote food access, food justice, and climate action. We partner with commercial and community sources to rescue wholesome food that would otherwise go to waste and deliver it directly to local pantries, programs, and people within an approximate five-mile radius. A significant portion of our rescued food is fresh produce, helping to bridge the shortage of healthy food available to people in poverty.

Net Assets

Net assets, revenues, gain, and losses are classified based on the existence or absence of donor- or grantor 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 or certain grantor restrictions. These may include governing board designations of net assets without donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At December 31, 2021 and 2020 the Organization had only net assets without restrictions.

Contributions and Grants

Contributions are recognized in the year received when cash, securities or other assets, an unconditional promise to give, or notification or beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions are recorded at the fair values.

**THE FOOD DRIVE, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 & 2020**

**In-Kind Contributions**

In-kind contributions of food and supplies are recorded at fair value at the date of the donation.

**Furniture and Equipment**

Furniture and Equipment are recorded at cost if acquired by purchase and fair value if acquired by gift. The cost or carrying value of these assets is depreciated using the straight-line –method over their estimated useful lives. It is the policy of the Organization to capitalize expenditures for major additions and improvements valued at \$1,000 or more and to charge operating expenses of the cost of current maintenance and repair expenditures which do not materially improve the lives of the respective assets. As of December 31, 2021, the Organization had no furniture and fixtures

**Advertising and Public Relations**

The Organization expenses advertising and public relation costs, consisting primarily of program literature, as incurred.

**Tax Status**

The Organization is exempt from income taxes pursuant to Section 501©(3) of the Internal Revenue Code and is classified as an organization other than a private foundation. As such, contributions to the Organization qualify as charitable deductions.

Management has evaluated significant tax positions against criteria established by professional standards and believes there are no such tax positions requiring accounting recognition in the financial statements. Management does not believe its evaluation of tax positions will significantly change within twelve months of December 31, 2021. Any changes in tax positions will be recorded when the ultimate outcome becomes known. The Organization’s annual information returns are subject to examination by taxing authorities generally for the years ended December 31, 2020 through December 31, 2021.

**THE FOOD DRIVE, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 & 2020**

Use of Estimates

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

**Note 2 – Concentration of Credit Risk:**

The Organization maintains its cash balances at one local institution. The aggregate balances at each financial institution are insured up to \$250,000. At December 31, 2021, the Organization had no uninsured cash balances in the financial institution. Management closely monitors the financial condition of the institution, as well as amounts on deposit, in order to minimize its exposure to concentration of credit risk.

**Note 9 – Evaluation of Subsequent Events:**

Management has evaluated events and transactions from the balance sheet date through July 13, 2022, the date of the financial statements were available to be issued and noted no events or transactions that would require recognition or disclosure in these financial statements.