

**FOOD FOR OTHERS, INC.**  
**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**  
**JUNE 30, 2025 AND 2024**



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Strategic, Smart and **Wonderfully Human**

**FOOD FOR OTHERS, INC.**

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**JUNE 30, 2025 AND 2024**

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## Independent Auditors' Report

The Board of Directors  
Food for Others, Inc.  
Fairfax, Virginia

### **Opinion**

We have audited the financial statements of Food for Others, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Food for Others, Inc. as of June 30, 2025 and 2024, 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 (GAAS). 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 Food for Others, 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, 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 Food for Others, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 GAAS, 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 Food for Others, 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 Food for Others, 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.



October 20, 2025  
Fairfax, Virginia

**FOOD FOR OTHERS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

**ASSETS**

	2025	2024
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,229,656	\$ 1,903,146
Contributions receivable, net	49,704	62,735
Other receivables	149,171	119,474
Inventory - food	681,382	476,882
Prepaid expenses	27,831	27,931
Total Current Assets	\$ 3,137,744	\$ 2,590,168
<b>INVESTMENTS</b>	\$ 6,493,184	\$ 5,755,495
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and equipment	\$ 814,329	\$ 811,294
Vehicles	282,313	282,313
Leasehold improvements	471,250	471,250
Less, accumulated depreciation	(912,524)	(799,159)
Net Property and Equipment	\$ 655,368	\$ 765,698
<b>OTHER ASSETS</b>		
Deposits	\$ 5,086	\$ 5,086
<b>TOTAL ASSETS</b>	\$ 10,291,382	\$ 9,116,447
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 208,107	\$ 357,853
Deferred revenue	31,696	26,392
Total Current Liabilities	\$ 239,803	\$ 384,245
<b>NET ASSETS</b>		
Without donor restrictions	\$ 9,681,894	\$ 8,623,458
With donor restrictions	369,685	108,744
Total Net Assets	\$ 10,051,579	\$ 8,732,202
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 10,291,382	\$ 9,116,447

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

**FOOD FOR OTHERS, INC.**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND OTHER REVENUE</b>						
Donated food, utilities and facilities	\$ 5,463,246	\$ -	\$ 5,463,246	\$ 5,757,376	\$ -	\$ 5,757,376
Donated services	32,495	-	32,495	31,395	-	31,395
Contributions	2,150,528	163,247	2,313,775	1,838,186	196,747	2,034,933
Government contracts for services	232,530	-	232,530	335,478	-	335,478
Food Access Program	319,393	212,788	532,181	435,350	-	435,350
Special events, net of direct expenses of \$15,884 in 2025 and \$43,126 in 2024	58,329	-	58,329	119,165	-	119,165
Investment income (loss), net	690,183	-	690,183	649,153	-	649,153
Net assets released from restrictions	115,094	(115,094)	-	210,082	(210,082)	-
<b>Total Support and Other Revenue</b>	<b>\$ 9,061,798</b>	<b>\$ 260,941</b>	<b>\$ 9,322,739</b>	<b>\$ 9,376,185</b>	<b>\$ (13,335)</b>	<b>\$ 9,362,850</b>
<b>EXPENSES</b>						
Program services	\$ 7,196,960	\$ -	\$ 7,196,960	\$ 7,787,785	\$ -	\$ 7,787,785
Management and general	595,347	-	595,347	524,501	-	524,501
Fundraising	211,055	-	211,055	198,708	-	198,708
<b>Total Expenses</b>	<b>\$ 8,003,362</b>	<b>\$ -</b>	<b>\$ 8,003,362</b>	<b>\$ 8,510,994</b>	<b>\$ -</b>	<b>\$ 8,510,994</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 1,058,436</b>	<b>\$ 260,941</b>	<b>\$ 1,319,377</b>	<b>\$ 865,191</b>	<b>\$ (13,335)</b>	<b>\$ 851,856</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>8,623,458</b>	<b>108,744</b>	<b>8,732,202</b>	<b>7,758,267</b>	<b>122,079</b>	<b>7,880,346</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 9,681,894</b>	<b>\$ 369,685</b>	<b>\$ 10,051,579</b>	<b>\$ 8,623,458</b>	<b>\$ 108,744</b>	<b>\$ 8,732,202</b>

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

**FOOD FOR OTHERS, INC.**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS - OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,319,377	\$ 851,856
Adjustments to reconcile change in net assets to net cash		
- operating activities:		
Depreciation	113,365	113,529
Realized (gain) loss on sale of investments	(5,367)	(1,211)
Unrealized (gain) loss on investments	(492,093)	(504,926)
Donated investments	(38,362)	(38,650)
Change in allowance for doubtful contributions receivable and bad debt	53,543	52,805
Changes in assets and liabilities:		
Contributions receivable, net	(40,512)	(39,131)
Other receivables	(29,697)	(38,836)
Inventory - food	(204,500)	(91,973)
Prepaid expenses	100	8,686
Accounts payable and accrued expenses	(149,746)	(4,950)
Deferred revenue	5,304	5,259
	<b>\$ 531,412</b>	<b>\$ 312,458</b>
<b>CASH FLOWS - INVESTING ACTIVITIES</b>		
Purchase of property and equipment	\$ (3,035)	\$ (85,351)
Purchase of investments	(2,466,943)	(2,451,006)
Proceeds from sale of investments	2,265,076	2,299,624
	<b>\$ (204,902)</b>	<b>\$ (236,733)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
	<b>\$ 326,510</b>	<b>\$ 75,725</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>		
	<b>1,903,146</b>	<b>1,827,421</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>		
	<b>\$ 2,229,656</b>	<b>\$ 1,903,146</b>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES:</b>		
Donated investments	\$ 38,362	\$ 38,650

There were no non-cash financing activities for the years ended June 30, 2025 and 2024.

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

**FOOD FOR OTHERS, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025				2024			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Special assistance - distributed food	\$ 5,473,569	\$ -	\$ -	\$ 5,473,569	\$ 6,205,009	\$ -	\$ -	\$ 6,205,009
Wages and fringe	922,012	357,285	150,451	1,429,748	807,531	313,713	132,103	1,253,347
Donated facilities and utilities	363,087	45,386	45,386	453,859	352,512	44,064	44,064	440,640
Bank service charges and other fees	9,870	69,994	-	79,864	5,222	19,921	-	25,143
Depreciation	113,365	-	-	113,365	113,529	-	-	113,529
Dues and subscriptions	12,857	19,285	-	32,142	13,997	20,997	-	34,994
Fundraising registration fees and costs	-	-	20,908	20,908	-	-	50,675	50,675
Grant expense	15,000	-	-	15,000	-	-	-	-
Insurance, licenses and permits	26,629	10,332	4,369	41,330	26,300	10,205	4,315	40,820
Loss on uncollectible contributions receivable	73,347	-	-	73,347	60,925	-	-	60,925
Miscellaneous	17,992	1,999	-	19,991	16,822	1,869	-	18,691
Postage, printing and supplies	72,652	15,018	1,921	89,591	55,226	15,245	2,066	72,537
Professional fees	-	95,623	-	95,623	-	96,638	-	96,638
Rent and utilities	3,029	1,704	-	4,733	2,518	1,416	-	3,934
Repairs and maintenance	51,842	-	-	51,842	46,469	-	-	46,469
Technology and telephone expense	23,796	9,233	3,904	36,933	52,452	20,354	8,611	81,417
Vehicle and transportation	17,913	-	-	17,913	29,273	-	-	29,273
<b>Total Expenses</b>	<b>\$ 7,196,960</b>	<b>\$ 625,859</b>	<b>\$ 226,939</b>	<b>\$ 8,049,758</b>	<b>\$ 7,787,785</b>	<b>\$ 544,422</b>	<b>\$ 241,834</b>	<b>\$ 8,574,041</b>
Less investment management fees	-	(30,512)	-	(30,512)	-	(19,921)	-	(19,921)
Less direct expenses of special events	-	-	(15,884)	(15,884)	-	-	(43,126)	(43,126)
<b>Net Expenses</b>	<b>\$ 7,196,960</b>	<b>\$ 595,347</b>	<b>\$ 211,055</b>	<b>\$ 8,003,362</b>	<b>\$ 7,787,785</b>	<b>\$ 524,501</b>	<b>\$ 198,708</b>	<b>\$ 8,510,994</b>

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

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 1. Organization

Food for Others, Inc. (FFO or the Organization), a nonprofit organization incorporated in the Commonwealth of Virginia, distributes free food to its neighbors in need, in partnership with the Northern Virginia community, and provides opportunities for people to volunteer their resources. Food for Others, Inc. also provides relief to churches and other organizations that operate exclusively for such charitable purposes. The major sources of revenue are food contributions from various grocery and retail stores, government grants, and cash contributions.

### Note 2. Summary of Significant Accounting Policies

#### Basis of Accounting

Assets and liabilities and revenues and expenses are recorded on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

#### Income Taxes

FFO is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) as a Section 501(a) organization within the meaning of Section 509(a). The Internal Revenue Service has determined that FFO is a publicly supported organization.

FFO has adopted the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The adoption of this standard had no impact on FFO's financial statements. FFO files tax returns as a tax-exempt organization. FFO has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash Equivalents

For financial statement purposes, FFO considers all cash and interest bearing deposits, except for cash and money market funds held in professionally managed investment accounts, to be cash equivalents. Cash and money market accounts held in professionally managed accounts are included in investments.

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 2. Summary of Significant Accounting Policies (Continued)

#### Contributions and Other Receivables

The majority of the receivables are from pledges and contracts. The other receivables represent amounts primarily due under the Fairfax County Food Access Program Grant Award. The amounts due are analyzed for collectability and are recorded at their net realizable value with an offsetting allowance for doubtful accounts or credit losses. When all collection efforts have been exhausted, the account is written off against the allowance for doubtful accounts or credit losses. At June 30, 2025 and 2024, the allowance for doubtful accounts pertaining to contributions receivable was \$53,543 and \$52,805, respectively. There was no allowance for credit losses pertaining to other receivables. The contributions and other receivables are due within one year.

#### Inventory – Food

Inventory consists mainly of donated food and is recorded using the average valuation of food donated through Feeding America. This valuation is determined by a proprietary audit conducted on behalf of Feeding America by RSM U.S. LLP, determining the approximate average wholesale value of one pound of food at the national level. The average wholesale value of food was \$1.97 and \$1.93 per pound for the years ended June 30, 2025 and 2024, respectively.

#### Investments

FFO carries its investments at fair value.

FFO invests funds in a professionally managed portfolio that contains various types of marketable securities. Such investments are exposed to various risks, such as fluctuation in market value and credit risk. Thus, it is at least reasonably possible that changes in these risks could materially affect investment balances and the amounts reported in the financial statements.

#### Property and Equipment

All acquisitions of property and equipment greater than \$1,000 are capitalized at cost. Property and equipment are depreciated using the straight-line method over estimated useful lives of three to seven years.

#### Net Assets – Basis of Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, *Presentation of Financial Statements for Not-for-Profit Entities*. Under FASB ASC 958-205, net assets and revenue are classified on the basis of existence or absence of donor-imposed restrictions, as follows:

Net assets without donor restrictions – represents resources available for support of the operations of the Organization.

Net assets with donor restrictions – represents resources received by the Organization from contributors or grantors that are time or purpose restricted by the donors.

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 2. Summary of Significant Accounting Policies (Continued)

#### Revenue Recognition

FFO adopted Accounting Standards Codification 606 (ASC 606), *Revenue from Contracts with Customers*. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied. The five-step model is outlined below:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue from events is recognized at the gross amounts received when the events are held. Revenue from fee for service programs under cost-reimbursable federal and state contracts and grants are recognized at the point in time that the programs are run. These contract and grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. All services for the programs are transferred and used at the same point in time. Accordingly, FFO satisfies the performance obligation and the revenue is recognized when the programs occur. The transaction price for the programs is based upon the stand-alone selling price or the program costs, primarily food costs. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the Statements of Financial Position.

#### Deferred Revenue

Amounts collected for events or other programs not yet earned are recorded as deferred revenue.

The following revenue streams are outside the scope of ASC 606:

Revenues from contributions are considered to be available for unrestricted use and are recognized as revenue when an unconditional pledge is received or when cash is received if no pledge exists. Contributions that are restricted for use in a later time period or for a particular purpose are recognized as net assets with donor restrictions. Net assets with donor restrictions become net assets without donor restrictions when the time restrictions expire or the purpose restriction is met. Donor restricted contributions whose restrictions are met in the same reporting period are recorded as net assets without donor restrictions. Contributions receivable as of June 30, 2025 and 2024, are due within one year.

Conditional contributions received are accounted for as a liability or are unrecognized initially, that is, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

In-kind donations such as fixed assets and investments are recorded at their estimated fair market value on the date of receipt. In-kind services are recorded at their estimated fair market value if such services are specialized and would typically be purchased if not donated and are in compliance with recording requirements under U.S. GAAP. Donated facilities are recorded at their estimated fair market value.

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 2. Summary of Significant Accounting Policies (Continued)

#### Fair Value Measurement

FFO measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The inputs used to measure fair value are categorized into the following three categories:

*Level 1* – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, and corporate and government bonds, that FFO has the ability to access as of the measurement date.

*Level 2* – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

*Level 3* – Inputs that are unobservable. Unobservable inputs reflect FFO's own assumptions about the factors market participants would use in pricing an investment and are based on the best information available in the circumstances.

The objective of a fair value measurement is to determine 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 (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). FFO may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

#### Functional Allocation of Expenses

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statements of activities and changes in net assets. Costs that can be identified with a particular program or support function are charged directly to that program or function. Salaries and related costs, insurance, postage, printing and supplies, and technology and telephone expenses have been allocated among the programs and supporting services based upon time and effort spent. Other allocable costs have been allocated to program services and to management and general based upon management's best estimates.

#### Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 2. Summary of Significant Accounting Policies (Concluded)

#### New Accounting Pronouncements

In June 2016, the FASB issued, FASB ASC 326, *Financial Instruments – Credit Losses* (Topic 326). Topic 326 significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by FFO that are subject to the guidance in FASB ASC 326 are other receivables. Topic 326 was adopted July 1, 2023. The impact of the adoption was not material to the financial statements.

### Note 3. Concentrations

#### Credit Risk

Financial instruments that potentially subject FFO to significant concentrations of credit risk consist of cash, cash equivalents and investment accounts. FFO maintains the cash, cash equivalents and investment accounts with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). FFO has not experienced any credit losses on its cash, cash equivalents and investments to date as it relates to FDIC and SIPC insurance limits. Management believes that the risk of any credit loss is minimal.

#### Other

Fairfax County, Virginia provided donated facilities which comprise FFO's main office and warehouse space. The value of these donated facilities totaled \$453,859 and \$440,640, and represent approximately 6% and 5% of total expenses for the years ended June 30, 2025 and 2024, respectively.

### Note 4. Liquidity and Availability

FFO invests cash balances in excess of immediate liquidity needs in accordance with its investment policy. 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 as of June 30, 2025 and 2024, are comprised of the following:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 2,229,656	\$ 1,903,146
Investments	6,493,184	5,755,495
Contributions and other receivables, net	<u>198,875</u>	<u>182,209</u>
Total	\$ 8,921,715	\$ 7,840,850
Less amounts not available within one year, donor restricted net assets	<u>369,685</u>	<u>108,744</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 8,552,030</u>	<u>\$ 7,732,106</u>

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2025 AND 2024**

### Note 5. Investments

FFO's investments are stated at fair value. As of June 30, 2025 and 2024, investments consisted of the following Level 1 assets in the fair value hierarchy:

	Market value	
	2025	2024
Mutual funds:		
Equity funds	\$ 674,423	\$ 827,660
Exchange traded funds	5,346,503	4,637,621
Government bond funds	341,016	176,036
Total at fair value	\$ 6,361,942	\$ 5,641,317
Other cash and money market accounts:		
Cash and money market funds*	131,242	114,178
	<b>\$ 6,493,184</b>	<b>\$ 5,755,495</b>

\*Cash and money market funds in the investment portfolio are not subject to provisions of the fair value measurements as they are recorded at cost.

Investment income, net consisted of the following for the years ended June 30:

	2025	2024
Interest and dividends	\$ 223,235	\$ 162,937
Unrealized gains	492,093	504,926
Realized gains	5,367	1,211
Investment management fees	(30,512)	(19,921)
Investment income, net	<b>\$ 690,183</b>	<b>\$ 649,153</b>

FFO's investment policy includes guidelines for the prudent investment of FFO's investments. To manage investment risk and to optimize investment returns within acceptable risk parameters, the investment policy created three separate investment pools: operating reserve funds, board designated reserves fund, and an intermediate term reserve fund. The overall goal of the policy is to preserve capital, liquidity and optimize investment returns.

### Note 6. In-Kind Donations

A significant portion of FFO's support is derived from donated food, facilities, and services (contributed non-financial assets). Unless otherwise noted, contributed non-financial assets did not have donor-imposed restrictions and were utilized in operations during the year received. Such activity is included in donated goods, utilities, and facilities or donated services in the accompanying statements of activities and changes in net assets and are comprised of the following:

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 6. In-Kind Donations (Continued)

#### Donated Food

The Organization uses the average valuation of food donated through the Feeding America network when valuing the donated food. This valuation is determined by a proprietary audit conducted on behalf of Feeding America by another auditor, determining the approximate average wholesale value of one pound of food at the national level. This is the value used by other Washington, D.C. area food banks. The average wholesale value of one pound of food as determined by Feeding America was \$1.97 and \$1.93 for the years ended June 30, 2025 and 2024, respectively. FFO received 2,542,836 and 2,754,786 pounds of donated food for the years ended June 30, 2025 and 2024, respectively.

#### Donated Utilities and Facilities

The County of Fairfax, Virginia (the County) provides FFO the use of a 10,750 square foot warehouse and office facility and related utilities at no cost. Effective November 3, 2017, the County amended the office lease with the landlord via a Second Extension and Modification of Lease Agreement (the Second Amendment) to include the adjacent space to the current facilities which consists of approximately 5,385 square feet of rentable floor space. The Second Amendment also extends the lease for a five-year term, March 1, 2018 through February 28, 2023, and includes an option to renew the lease for one five-year term. Effective February 2022, the County amended the office lease with the landlord via a Third Extension and Modification of Lease Agreement (the Third Amendment) to include space adjacent to the current facilities which consists of approximately 10,771 square feet of rentable floor space. In July 2022, FFO entered into a contract for construction services to renovate this additional space. The cost of the renovations per the construction contract is approximately \$576,000. As of June 30, 2025 FFO has incurred approximately \$550,000 in renovation costs related to this contract. The Third Amendment also extends the Lease for a ten-year term, March 1, 2023 through June 30, 2032, unless sooner terminated in accordance with the lease. There is no option to renew the lease in the Third Extension.

In July 2016 the County and FFO entered into a license agreement (the License) whereby the County licenses to FFO the leased premises pursuant to FFO providing services under a contract (the Contract) with the County. The Contract has a term of one year and has been renewed annually. The License runs concurrently with the term of the Contract and its amendments. The License renews automatically at any time that the Contract is renewed, with all covenants and conditions remaining the same, unless written termination of the License is given by either party 60 days prior to the end of the then current term. There are no charges to FFO under the terms of the License.

The County estimates that the fair value of the free use of this warehouse space was \$453,859 and \$440,640 for the years ended June 30, 2025 and 2024, respectively.

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

### Note 6. In-Kind Donations (Concluded)

#### Donated Services

FFO receives a substantial amount of services from volunteers. These volunteers assist in the acquisition and distribution of food and food products. They also provide management and administrative services. Volunteers donated 33,712 and 35,925 non-professional hours in the years ended June 30, 2025 and 2024, respectively. FFO does not record these in-kind services as such services are not considered to be specialized and would not typically be purchased if not donated. Additionally, FFO received donated HVAC services in the amount of \$12,497 and \$31,395 in the years ended June 30, 2025 and 2024, respectively. FFO received donated legal services in the amount of \$12,958 and \$0 in the years ended June 30, 2025 and 2024, respectively. FFO received donated consulting services in the amount of \$7,040 and \$0 in the years ended June 30, 2025 and 2024, respectively.

### Note 7. Pension Plan

FFO has a Savings Incentive Match Plan (SIMPLE Plan) covering all eligible employees. Under this Plan, all employees may elect to defer a percentage of compensation up to statutory limits. FFO will match the first 3% of each employee's contribution and the contribution is immediately vested. FFO's contribution expense for the years ended June 30, 2025 and 2024 was \$20,507 and \$18,684, respectively, which was included as wages and fringe in the statements of functional expenses.

### Note 8. Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30 were as follows:

	<u>2025</u>	<u>2024</u>
Time restricted	\$ 156,897	\$ 108,744
Purpose restricted - Food Access Program	<u>212,788</u>	<u>-</u>
	<u>\$ 369,685</u>	<u>\$ 108,744</u>

### Note 9. Net Assets Released from Restrictions

Net assets released from restrictions at June 30 were as follows:

	<u>2025</u>	<u>2024</u>
Time restricted	\$ 115,094	\$ 210,082
Purpose restricted	<u>-</u>	<u>-</u>
	<u>\$ 115,094</u>	<u>\$ 210,082</u>

# FOOD FOR OTHERS, INC.

## NOTES TO FINANCIAL STATEMENTS

### JUNE 30, 2025 AND 2024

#### Note 10. Deferred Revenue

FFO has received event revenue for events to be held subsequent to year end in the amount of \$31,696 and \$26,392 for the years ended June 30, 2025 and 2024, respectively.

The following table provides information about significant changes in deferred revenue for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Deferred revenue, beginning of the year	\$ 26,392	\$ 21,133
Revenue recognized in current year that was included in deferred revenue at beginning of year	\$ (26,392)	\$ (21,133)
Deferred revenue, end of year	\$ 31,696	\$ 26,392

#### Note 11. Subsequent Events

In preparing these financial statements, FFO has evaluated events and transactions for potential recognition or disclosure through October 20, 2025, the date the financial statements were available to be issued. Management of FFO has determined no subsequent event has occurred that requires recognition or disclosure in the financial statements.