Feeding Charlotte Inc.

Financial Statements

Year Ended December 31, 2024

FOARD
EST. 1964

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Feeding Charlotte, Inc.
Charlotte, North Carolina

Opinion
We have audited the accompanying financial statements of Feeding Charlotte, Inc. (the "Organization" - a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Feeding Charlotte, Inc. as of December 31, 2024, 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 of Opinion
We conducted our audit 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 Feeding Charlotte, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Feeding Charlotte, 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 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.

Feeding Charlotte, Inc.
Charlotte, North Carolina

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 purposes of expressing an opinion on the effectiveness of Feeding Charlotte, 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 Feeding Charlotte, 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Foard & Company, P.A.

June 26, 2025

FEEDING CHARLOTTE INC.

Statement of Financial Position

December 31, 2024, with prior year comparative totals

	December 31, 2024	December 31, 2023
ASSETS		
Current Assets:		
Cash	$ 161,598	$ 144,724
Grants receivable	25,000	-
Prepaid expenses	1,475	1,997
Other assets	750	-
Total Current Assets	***188,823***	***146,721***
TOTAL ASSETS	***$ 188,823***	***$ 146,721***
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 884	$ 350
Accrued wages	2,224	-
Total Current Liabilities	***3,108***	***350***
Net Assets:		
Without donor restrictions:	122,939	146,371
With donor restrictions	62,776	-
Total Net Assets	***185,715***	***146,371***
TOTAL LIABILITIES AND NET ASSETS	***$ 188,823***	***$ 146,721***

FEEDING CHARLOTTE INC.

Statement of Activities

Year Ended December 31, 2024, with prior year comparative totals

	Year Ended December 31, 2024			Prior Year Comparative Totals
	Without Donor Restrictions	With Donor Restrictions	TOTALS	
SUPPORT AND REVENUE				
Contributions and grants	$ 201,055	$ 62,776	$ 263,831	$ 199,171
Donated food	993,782	-	993,782	105,644
Donated services	70,500	-	70,500	-
Other income	3,202	-	3,202	2,620
TOTAL	***1,268,539***	***62,776***	***1,331,315***	***307,435***
EXPENSES				
Program services	1,164,405	-	1,164,405	200,042
Management and general	34,905	-	34,905	37,644
Fundraising	92,661	-	92,661	40,599
TOTAL	***1,291,971***	***-***	***1,291,971***	***278,285***
CHANGE IN NET ASSETS	***(23,432)***	***62,776***	***39,344***	***29,150***
NET ASSETS, BEGINNING	***146,371***	***-***	***146,371***	***117,221***
NET ASSETS, ENDING	***$ 122,939***	***$ 62,776***	***$ 185,715***	***$ 146,371***

FEEDING CHARLOTTE INC.

Statement of Functional Expenses

Year ended December 31, 2024, with prior year comparative totals

	Year Ended December 31, 2024				Prior Year Comparative Totals
	Program Services	Management and General	Fundraising	TOTALS	
PERSONNEL					
Salaries	$ 100,818	$ 13,643	$ 13,643	$ 128,104	$ 107,458
Payroll taxes	7,712	1,044	1,044	9,800	8,221
Total Personnel	***108,530***	***14,687***	***14,687***	***137,904***	***115,679***
OTHER EXPENSES					
Food distributed	995,493	-	-	995,493	105,978
Insurance	2,116	286	286	2,688	2,306
Administrative	-	1,349	-	1,349	1,330
Printing	-	-	-	-	922
Advertising	-	-	74,658	74,658	13,398
Bank fees	-	1,229	1,709	2,938	2,373
Technology	-	-	985	985	1,418
Website	630	-	-	630	5,667
Contract services	7,000	15,750	-	22,750	25,935
Dues and subscriptions	2,280	-	-	2,280	777
Transportation	10,442	-	-	10,442	-
Events	33,762	28	336	34,126	-
Rent	3,711	-	-	3,711	-
Miscellaneous	441	1,576	-	2,017	2,502
Total Other	***1,055,875***	***20,218***	***77,974***	***1,154,067***	***162,606***
TOTAL EXPENSES	***$ 1,164,405***	***$ 34,905***	***$ 92,661***	***$ 1,291,971***	***$ 278,285***

FEEDING CHARLOTTE INC.

Statement of Cash Flows

Year Ended December 31, 2024, with prior year comparative totals

	December 31,	
OPERATING ACTIVITIES	2024	2023
Change in net assets	$ 39,344	$ 29,150
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Change in operating assets:		
Grants receivable	(25,000)	-
Prepaid expenses	522	1,527
Other assets	(750)	-
Change in operating liabilities:		
Accounts payable	534	50
Accrued wages	2,224	-
Cash Flows from Operating Activities	***16,874***	***30,727***
CHANGE IN CASH	***16,874***	***30,727***
CASH, BEGINNING	***144,724***	***113,997***
CASH, ENDING	***$ 161,598***	***$ 144,724***

NOTE 1 – NATURE OF ACTIVITIES

Organization
Feeding Charlotte Inc. (the "Organization") is a nonprofit organization incorporated in the state of North Carolina, classified as a tax-exempt public charity under section 501(c)(3) of the Internal Revenue Code. The Organization collects fresh, unserved, surplus meals from restaurants, caterers, and institutions and delivers the meals to local nonprofits who feed the hungry in order to reduce food waste and ease hunger.

Funding sources
The Organization is supported primarily by contributions and grants that are received primarily from individuals, companies, and foundations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – These amounts are not subject to any donor-imposed stipulations and are those currently available for use in the day-to-day operation of the Organization.

Net assets with donor restrictions – These amounts consist of net assets that may be temporary in nature, which are subject to donor-imposed stipulations that may or will be met either by actions of the Organization or the passage of time and net assets that are perpetual in nature, which are subject to donor-imposed stipulations that they be maintained in perpetuity. When a restriction expires, that is when a stipulated time restriction, ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are accomplished in the same accounting period are recorded as net assets without donor restrictions. At December 31, 2024, the Organization had a total of $62,776 of net assets with donor restrictions, consisting of time restricted net assets of $25,000 and purpose restricted net assets as $37,776.

Presentation
Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are recorded as decreases in net assets without donor restrictions. Unconditional promises to give are recorded when the promise is made. Conditional promises to give are not recognized until they become unconditional. This occurs when the conditions on which they depend are substantially met.

Grants receivable
As of December 31, 2024, the Organization has grants receivable in the amount of $25,000 which has been pledged by one grantor. The funds are considered to be an unconditional promise to give and are expected to be collected within the next fiscal year. As a result, management has determined that no present value discount or allowance for bad debt is considered necessary.

Donated goods and services
Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated equipment or materials, if significant, are included in support at fair value. During the year, the Organization recorded $993,782 of donated food, which represented 504,458 pounds of food. Donated food was valued at the approximate average wholesale value of one pound of donated product at the national level as outlined in the Product Valuation Survey Methodology, prepared by Feeding America, a national food bank network nonprofit corporation. The value per pound of inventory as determined by Feeding America was $1.97 for the year.

During the year, the Organization also received donated marketing services in the amount of $60,000 and donated consulting services in the amount of $10,500. Donated marketing services in the amount of $60,000 is included in advertising expense on the accompanying statement of functional expenses. The value of the donated marketing services was provided by the donor and was valued at the market rate that would have been charged by the donor if the services had not been donated. Donated consulting services in the amount of $10,500 is included in contract services in the accompanying statement of functional expenses. The value of the donated consulting services was provided by the donor and was valued at the market rate that would have been charged by the donor if the services had not been donated.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with program services, management and general, and fundraising efforts. The Organization does not record the value of other donated services in its financial statements since the value of the services does not meet the requirements for recognition in the financial statements.

Functional expenses
The Organization's activities are focused in three functional areas. Program services represent the primary focus of the Organization's activities. Supporting services are fundraising activities and general and administrative activities. All expenses are allocated on an analysis of the various expenses that comprise those costs.

Leases
The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right of use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its leases with a term of 12 months or less; rather they are reported as a lease expense on a straight-line basis over the lease term. At December 31, 2024, the Organization had no leases that met the criteria of ROU asset and lease liability recognition.

Federal income tax status
The Organization is exempt from Federal income tax under Internal Revenue Code Section 501(c)(3). The Organization is classified as other than a private foundation as defined by Section 509(a) of the Internal Revenue Code.

Use of estimates
The preparation of the 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 support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prior-year comparative totals
The financial statements include certain prior-year summarized information in total, but not by functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's 2023 financial statements, from which the summarized information was derived.

NOTE 3 – CONCENTRATION OF RISKS

Support and revenue
The Organization operates in a small geographic area, and therefore is sensitive to changes in the local economy. The Organization received 49% of its total contribution and grant income, excluding donated food and donated services, from five donors. Any reduction of this funding could have a substantial impact on the operations of the Organization.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has $186,598 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of $161,598 and grants receivable of $25,000. Of the financial assets available, $37,776 are restricted for a specific purpose. The Organization has a policy to structure its cash to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 5 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events from the date of the statement of financial position through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued. During this period no material subsequent events were identified.