

AUDITED FINANCIAL STATEMENTS

GROW FOOD NORTHAMPTON, INC.

Northampton, Massachusetts

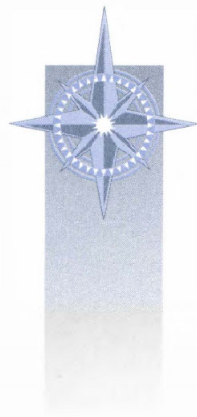
December 31, 2022

Boisselle, Morton & Wolkowicz, LLP
Certified Public Accountants

GROW FOOD NORTHAMPTON, INC.

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Independent Auditors' Report

To the Officers and Directors
Grow Food Northampton, Inc.
Northampton, Massachusetts

Opinion

We have audited the accompanying financial statements of Grow Food Northampton, Inc., a nonprofit organization, which comprise the statement of financial position as of December 31, 2022, 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 referred to above present fairly, in all material respects, the financial position of Grow Food Northampton, Inc. as of December 31, 2022, 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 audit 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 Grow Food Northampton, 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 Grow Food Northampton, Inc.'s ability to continue as a going concern within 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 Grow Food Northampton, 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 Grow Food Northampton, 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 Grow Food Northampton, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 19, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Boisselle, Morton & Wolkowicz, LLP

Hadley, Massachusetts
May 10, 2023

GROW FOOD NORTHAMPTON, INC.
Statement of Financial Position
December 31, 2022
(with comparative totals for December 31, 2021)

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| <u>Assets</u> | | |
| Current assets | | |
| Cash | \$ 397,109 | \$ 493,587 |
| Accounts receivable | 6,169 | 5,867 |
| Contributions receivable | 6,990 | |
| Grants receivable | 63,289 | 32,481 |
| Prepaid expenses | 16,492 | 8,282 |
| Total current assets | <u>490,049</u> | <u>540,217</u> |
| Property and equipment, net | <u>705,227</u> | <u>697,487</u> |
| Other non-current assets | | |
| Right-of-use asset | <u>40,084</u> | |
| Total assets | <u>\$ 1,235,360</u> | <u>\$ 1,237,704</u> |
| <u>Liabilities and Net Assets</u> | | |
| Current liabilities | | |
| Accounts payable | \$ 22,835 | \$ 6,127 |
| Accrued expenses | 41,400 | 40,025 |
| Lease liability, current portion | 9,404 | |
| Total current liabilities | <u>73,639</u> | <u>46,152</u> |
| Non-current liabilities | | |
| Lease liability, net of current portion | 30,680 | |
| Deferred revenue | 111,965 | 112,669 |
| Total non-current liabilities | <u>142,645</u> | <u>112,669</u> |
| Total liabilities | <u>216,284</u> | <u>158,821</u> |
| Net assets | | |
| Without donor restrictions | | |
| Board-designated | 265,604 | 280,148 |
| Undesignated | 589,986 | 529,797 |
| Total without donor restrictions | <u>855,590</u> | <u>809,945</u> |
| With donor restrictions | 163,486 | 268,938 |
| Total net assets | <u>1,019,076</u> | <u>1,078,883</u> |
| Total liabilities and net assets | <u>\$ 1,235,360</u> | <u>\$ 1,237,704</u> |

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

GROW FOOD NORTHAMPTON, INC.
Statement of Activities
For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

| | 2022 | | | 2021 |
|--------------------------------------|----------------------------------|----------------------------|--------------|--------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| Support and revenue | | | | |
| Program service revenue | \$ 144,243 | | \$ 144,243 | \$ 101,082 |
| Contributions | 262,433 | | 262,433 | 215,048 |
| Grants - non-government | 108,744 | \$ 72,500 | 181,244 | 140,139 |
| Grants - government | 145,373 | | 145,373 | 292,107 |
| Interest income | 321 | | 321 | 158 |
| Net assets released from restriction | 177,952 | (177,952) | | |
| Total support and revenue | 839,066 | (105,452) | 733,614 | 748,534 |
| Expenses | | | | |
| Program | 625,905 | | 625,905 | 505,397 |
| Management and general | 124,143 | | 124,143 | 116,417 |
| Fundraising | 43,373 | | 43,373 | 29,583 |
| Total expenses | 793,421 | | 793,421 | 651,397 |
| Change in net assets | 45,645 | (105,452) | (59,807) | 97,137 |
| Total change in net assets | 45,645 | (105,452) | (59,807) | 97,137 |
| Net assets, beginning of year | 809,945 | 268,938 | 1,078,883 | 981,746 |
| Net assets, end of year | \$ 855,590 | \$ 163,486 | \$ 1,019,076 | \$ 1,078,883 |

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

GROW FOOD NORTHAMPTON, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

| | 2022 | | | | | | | | | | 2021 |
|--------------------------|-------------------|-------------------|---------------------|------------------|-------------------|-------------------|-------------------|---------------------------|------------------|-------------------|-------------------|
| | Program | | | | | | Total Program | Management and General | Fundraising | Total | Total |
| Food Access | Farmers Market | Education | Community Garden | Outreach | Community Farm | | | | | | |
| Employee compensation | \$ 101,550 | \$ 47,008 | \$ 73,374 | \$ 14,954 | \$ 39,651 | \$ 70,093 | \$ 346,630 | \$ 35,726 | \$ 36,817 | \$ 419,173 | \$ 336,961 |
| Produce expense | 48,778 | 124,363 | | | | | 173,141 | 30 | | 173,171 | 158,292 |
| Professional fees | | | 250 | 45 | | | 295 | 57,107 | | 57,402 | 36,858 |
| Depreciation | | | | | | 30,190 | 30,190 | | | 30,190 | 23,153 |
| Materials and supplies | 8,635 | 613 | 676 | 6,043 | 250 | 8,242 | 24,459 | 1,133 | | 25,592 | 20,560 |
| Rent and other occupancy | 3,077 | 1,425 | 2,224 | 453 | 1,202 | 9,136 | 17,517 | 6,497 | 1,116 | 25,130 | 18,466 |
| Office | 50 | 127 | 25 | | 5,312 | | 5,514 | 7,599 | 3,575 | 16,688 | 4,478 |
| Fees | 1 | 2,089 | | | | 557 | 2,647 | 6,864 | | 9,511 | 10,389 |
| Computer expenses | 149 | 129 | | | 1,106 | | 1,384 | 6,848 | 848 | 9,080 | 6,120 |
| Temporary help | 575 | 3,644 | 300 | 620 | 1,697 | 890 | 7,726 | | | 7,726 | 14,805 |
| Insurance | 1,592 | 738 | 1,151 | 235 | 622 | 1,100 | 5,438 | 548 | 578 | 6,564 | 7,413 |
| Stipends | 6,327 | | | | | | 6,327 | | | 6,327 | 3,156 |
| Travel and meetings | 529 | 106 | 1,100 | 64 | 173 | 377 | 2,349 | 1,303 | | 3,652 | 1,864 |
| Printing and copying | 1,505 | 96 | 110 | | 206 | 58 | 1,975 | 448 | | 2,423 | 5,370 |
| Postage | 243 | 70 | | | | | 313 | 40 | 439 | 792 | 3,512 |
| | <u>\$ 173,011</u> | <u>\$ 180,408</u> | <u>\$ 79,210</u> | <u>\$ 22,414</u> | <u>\$ 50,219</u> | <u>\$ 120,643</u> | <u>\$ 625,905</u> | <u>\$ 124,143</u> | <u>\$ 43,373</u> | <u>\$ 793,421</u> | <u>\$ 651,397</u> |

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

GROW FOOD NORTHAMPTON, INC.

Statement of Cash Flows

For the Year Ended December 31, 2022

(with comparative totals for the year ended December 31, 2021)

| | <u>2022</u> | <u>2021</u> |
|--|-------------------|-------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ (59,807) | \$ 97,137 |
| Adjustments to reconcile change in net assets to net cash (used) provided by operating activities | | |
| Depreciation | 30,190 | 23,153 |
| Forgiveness of SBA PPP loan | | (48,228) |
| Change in assets and liabilities | | |
| Accounts receivable | (302) | (1,379) |
| Contributions receivable | (6,990) | 50,000 |
| Grants receivable | (30,808) | (6,288) |
| Inventory | | 1,399 |
| Prepaid expense | (8,210) | (3,558) |
| Intangible asset | | 4,405 |
| Right-of-use asset | (40,084) | |
| Accounts payable | 16,708 | (5,544) |
| Accrued expenses | 1,375 | 12,830 |
| Lease liability | 40,084 | |
| Deferred revenue | (704) | (704) |
| Net cash (used) provided by operating activities | <u>(58,548)</u> | <u>123,223</u> |
| Cash flows from investing activities | | |
| Purchase of property and equipment | <u>(37,930)</u> | <u>(89,709)</u> |
| Net cash used by investing activities | <u>(37,930)</u> | <u>(89,709)</u> |
| Cash flows from financing activities | | |
| SBA PPP loan | | <u>48,228</u> |
| Net cash provided by financing activities | | <u>48,228</u> |
| Net (decrease) increase in cash | (96,478) | 81,742 |
| Cash - beginning of year | <u>493,587</u> | <u>411,845</u> |
| Cash - end of year | <u>\$ 397,109</u> | <u>\$ 493,587</u> |

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

GROW FOOD NORTHAMPTON, INC.

Notes to Financial Statements

December 31, 2022

1. Summary of Significant Accounting Policies

Nature of Business: Grow Food Northampton, Inc. (the “Organization”) is a nonprofit organization incorporated in the Commonwealth of Massachusetts in 2010. The Organization is dedicated to building a just and resilient local food system that nourishes the community and protects and enriches the Earth. The Organization distributes local produce to hunger relief agencies and low-income households, leases land to locally-owned farms, provides food system education programs to children, and manages a farmer’s market and community garden.

Basis of Accounting: The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles in the United States of America (GAAP).

Income Taxes: The Organization is a nonprofit corporation exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, except for net income derived from unrelated business activities. At December 31, 2022 and 2021, the Organization has determined that they had no such unrelated business activities. Accordingly, no provision for federal and state income taxes is required. Management annually reviews its tax positions and has determined that there are no uncertain tax positions that require recognition in these financial statements.

Basis of Presentation: The Organization presents its financial statements according to two classes of net assets: those with donor restrictions and those without donor restrictions. Net assets with donor restrictions are subject to purpose or time restrictions imposed by donors and grantors. At the time that the purpose or time restriction is met, the amount is reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in net assets without restrictions if the restriction expires in the reporting period in which the support is recognized. All other net assets are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

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

Cash: Cash consists of the balance in checking and savings accounts, cash on hand, and cash held by online merchant services companies.

Accounts, Contributions, and Grants Receivable: Accounts, contributions, and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to revenue and a credit to the valuation allowance based on management’s assessment of the current status of individual accounts.

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

1. Summary of Significant Accounting Policies (Continued)

Accounts, Contributions, and Grants Receivable (Continued): Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management determined that no valuation allowance was necessary at December 31, 2022 and 2021.

Property and Equipment: Property and equipment with a cost greater than \$3,500 and a useful life greater than one year is capitalized. Purchased property and equipment is recorded at cost. Donated property and equipment is recorded at the approximate fair value at the time of donation. Repair and maintenance costs are expensed as they are incurred. Depreciation is computed by the straight-line method over the following estimated useful lives:

| | |
|-------------------|------------|
| Buildings | 40 years |
| Land improvements | 5-15 years |
| Equipment | 3-5 years |
| Software | 3 years |

Revenue Recognition: The Organization recognizes contributions and grants when they are received or an unconditional promise to give is made. The Organization receives contract funding from the Commonwealth of Massachusetts to provide food access services to the public. Such contracts are nonreciprocal transactions and include conditions stipulated by the grantor and are therefore accounted for as conditional contributions. Contributions and grants with a right of return and measurable performance or other barriers are not recognized until the conditions on which they depend have been met. Cash received in advance of revenue being recognized is recorded as deferred revenue on the statement of financial position.

Program service revenue is recognized at a point in time when goods are transferred to the purchaser or over time as leases with local farmers and community members elapse.

Expense Allocation: The costs of providing the program and other activities have been summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses which are directly associated with program, management and general, or fundraising activities are charged directly to that function area. Certain other expenses have been allocated among program and supporting services based on time devoted by staff or square footage.

Advertising: The Organization uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as they are incurred.

New Accounting Standards: In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under *Topic 840, Leases*.

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

1. Summary of Significant Accounting Policies (Continued)

New Accounting Standards (Continued): The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*; ASU 2018-10, *Codification Improvements to Topic 842, Leases*; ASU 2018-11, *Leases (Topic 842): Targeted Improvements*; ASU 2018-20, *Narrow-scope Improvements for Lessors*; and ASU 2019-01, *Leases (Topic 842): Codification Improvements*.

The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the balance sheet.

The Organization elected to adopt these ASUs effective January 1, 2022. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard.

Change in Accounting Principles: The Organization leases its office space. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The operating lease is included in the right-of-use (ROU) asset and current and non-current portions of the lease liability in the statement of financial position. ROU asset represents the Organization's right to use the underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization used a risk free rate equal to the five year treasury rate to determine the present value of lease payments, since the lease's implicit rate was not available at lease commencement.

ROU assets also include any lease payments made and exclude any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise the option.

The adoption had a material impact on the Organization's balance sheet but did not have a material impact on the income statement. The most significant impact was the recognition of an ROU asset and lease liability for the operating lease. Adoption of the standard required the Organization to restate amounts as of January 1, 2022, resulting in an increase in operating lease ROU assets of \$48,687, an increase in lease liabilities, current of \$8,603, and an increase in lease liabilities, long-term of \$40,084 (see Note 6).

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

2. Property and Equipment

Property and equipment consisted of the following at December 31:

| | <u>2022</u> | <u>2021</u> |
|-------------------------------|------------------|------------------|
| Land | \$559,970 | \$559,970 |
| Buildings | 49,761 | 46,761 |
| Land improvements | 128,317 | 93,387 |
| Equipment | 108,352 | 108,352 |
| Software | <u>6,885</u> | <u>6,885</u> |
| | 853,285 | 815,355 |
| Less accumulated depreciation | <u>148,058</u> | <u>117,868</u> |
| Property and equipment, net | <u>\$705,227</u> | <u>\$697,487</u> |

Depreciation expense was \$30,190 and \$23,153 for the years ended December 31, 2022 and 2021, respectively.

3. Deferred Revenue

Deferred revenue represents payments received by the Organization for two long-term leases for the use of farmland owned by the Organization. Amounts deferred on these leases as of December 31 are:

| | <u>2022</u> | <u>2021</u> |
|---------------------------------|------------------|------------------|
| 198-year lease expiring in 2209 | \$ 88,327 | \$ 88,802 |
| 99-year lease expiring in 2112 | <u>23,638</u> | <u>23,867</u> |
| Total deferred revenue | <u>\$111,965</u> | <u>\$112,669</u> |

4. SBA PPP Loan

The Organization received a United States Small Business Administration (SBA) Paycheck Protection Program (PPP) Loan on January 22, 2021 in the amount of \$48,228. This loan was forgiven by the SBA in August 2021 and is included in grants - government revenue on the statement of activities for the year ending December 31, 2021.

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

5. Retirement Plan

The Organization offers a 401(k) tax deferred savings plan for employees aged 21 and older who have completed a 3-month period of service as defined in the plan agreement. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Organization matches 100% of employee contributions up to 4% of compensation. The Organization made contributions totaling \$12,701 and \$10,713 to the plan for the years ended December 31, 2022 and 2021, respectively, which are included in salaries and related on the statement of functional expenses.

6. Lease Commitment

The Organization leases its administrative offices on a year-to-year basis with the current lease expiring in November 2023 but expects to continue the lease indefinitely. In determining the Organization's ROU asset and lease liability, a standard commercial lease term of five years was used, with a monthly payment equal to the current monthly lease payment of \$900.

As disclosed in Note 1, the Organization adopted FASB ASC 842 as of January 1, 2022. Because this lease is an operating lease with approximately equal monthly payments during its life, the adoption of this standard had no impact on the results of operations.

As of December 31, 2022, the ROU asset had a balance of \$40,084, the current portion of the lease liability is included in current liabilities with a balance of \$9,404, and the remaining long-term portion has a balance of \$30,680. The present value of the ROU asset and lease liability were calculated utilizing the five-year treasury rate (4% at December 31, 2022). Lease expense related to this lease was \$10,360 and \$10,260 for the years ending December 31, 2022 and 2021, respectively, and is included in rent and other occupancy on the statement of functional expenses.

Approximate future maturities of the lease liability are as follows for the years ending December 31:

| | |
|-------|-----------------|
| 2023 | \$ 9,404 |
| 2024 | 9,787 |
| 2025 | 10,186 |
| 2026 | <u>10,707</u> |
| Total | <u>\$40,084</u> |

7. Concentrations of Risk

During the year ended December 31, 2022, three grantors represented 63% of total grants - non-government and two grantors represented 81% of total grants – government.

During the year ended December 31, 2021, four grantors represented 72% of total grants - non-government and four grantors represented 97% of total grants - government.

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

7. Concentrations of Risk (Continued)

At December 31, 2022 and 2021, two grantors represented 100% of grants receivable.

The Organization maintains its cash balances in financial institutions located in Massachusetts. These balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 and Depositors Insurance Fund for amounts over \$250,000. The Organization has not experienced any losses in these accounts and management believes there is no significant risk on these cash balances.

8. Contingencies

The global outbreak of COVID-19 continues to evolve, and the ultimate impact of the pandemic is uncertain. Though management expects that the COVID-19 outbreak might adversely impact the Organization's future results, the Organization cannot at this time accurately predict the full extent to which the COVID-19 pandemic will affect the Organization's finances and operations.

9. Net Assets without Donor Restrictions, with Board Designations

The Organization's Board of Directors had designated funds for an operating reserve and a capital reserve. The operating reserve is to maintain a source of funds that enable the organization to manage cash flow, maintain financial flexibility, and sustain operations through disruptions and unforeseen changes in the level and/or timing of income and expenses each year. The capital reserve is to provide a source of funding to be used when outside funds are not available for infrastructure and capital improvement needs. These two funds are combined in one bank account that had a balance of \$265,604 and \$280,148 at December 31, 2022 and 2021, respectively.

10. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted as follows at December 31:

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|------------------|------------------|
| Food access programs | \$ 15,923 | \$139,376 |
| Youth education programs | 112,562 | 129,562 |
| Restricted by time | <u>35,000</u> | <u> </u> |
| Net assets with donor restriction | <u>\$163,486</u> | <u>\$268,938</u> |

GROW FOOD NORTHAMPTON, INC.
Notes to Financial Statements (Continued)
December 31, 2022

11. Available Resources and Liquidity

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:

| | <u>2022</u> | <u>2021</u> |
|--|-------------------|-------------------|
| Cash | \$ 397,109 | \$ 493,587 |
| Accounts receivable | 6,169 | 5,867 |
| Contributions receivable | 6,990 | |
| Grants receivable | 63,289 | 32,481 |
| Less donor restricted amounts | <u>(163,486)</u> | <u>(268,938)</u> |
| Total financial assets available for general expenditures within one year | <u>\$ 310,071</u> | <u>\$ 262,997</u> |

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

12. Subsequent Events

Management has evaluated subsequent events after the statement of financial position date of December 31, 2022, through May 10, 2023, the date on which the financial statements were available to be issued, and concluded that no additional disclosures were required.