

**THE FOOD BANK OF EAST  
ALABAMA, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2024**

**THE FOOD BANK OF EAST ALABAMA, INC.**  
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**DECEMBER 31, 2024**

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YEAGER &  
ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Food Bank of East Alabama, Inc.  
Auburn, Alabama

### **Opinion**

We have audited the accompanying financial statements of Food Bank of East Alabama, Inc. (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 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 Food Bank of East Alabama, 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 Food Bank of East Alabama, 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 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 Bank of East Alabama, 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a

## INDEPENDENT AUDITOR'S REPORT (Continued)

To the Board of Directors  
Food Bank of East Alabama, Inc.  
Auburn, Alabama  
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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 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.

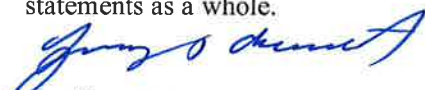
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Food Bank of East Alabama, 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 Bank of East Alabama, 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

  
Opelika, Alabama  
September 29, 2025

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF FINANCIAL POSITION  
AT DECEMBER 31, 2024**

**ASSETS**

**CURRENT ASSETS:**

Cash and cash equivalents	\$ 3,385,004
Certificates of deposit	1,058,581
Accounts receivable	45,629
Prepaid insurance	9,793
Inventory	703,393
Total current assets	<u>5,202,400</u>

**PROPERTY AND EQUIPMENT: (AT COST)**

Equipment	971,834
Leasehold improvements	102,551
Building	2,268,337
Land	291,234
Vehicles	262,653
	<u>3,896,609</u>
Less: Accumulated depreciation	1,143,160
Total property and equipment	<u>2,753,449</u>
Total assets	<u>\$ 7,955,849</u>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES:**

Accounts payable	\$ 61,824
Accrued liabilities	34,598
Agencies payable	87,082
Total current liabilities	<u>183,504</u>

**LONG-TERM DEBT**

Total liabilities	<u>-</u>
	<u>183,504</u>

**NET ASSETS:**

Without donor restrictions	6,813,016
With donor restrictions	959,329
Total net assets	<u>7,772,345</u>
Total liabilities and net assets	<u>\$ 7,955,849</u>

See accompanying notes to financial statements

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restriction	With Donor Restrictions	Total
<b>REVENUES:</b>			
Contributions	\$ 1,528,648	\$ -	\$ 1,528,648
Capital campaign	30	688,097	688,127
Grants	250,754	202,395	453,149
United way	63,968	-	63,968
USDA	287,711	-	287,711
Brown bag	-	15,296	15,296
Emergency food and shelter programs	14,680	-	14,680
Shared maintenance	505,524	-	505,524
Delivery	30,990	-	30,990
Food referral vouchers	1,380	-	1,380
Special events income	266,918	-	266,918
Donated food	9,608,716	-	9,608,716
Cares act grants	262,155	-	262,155
Tanf income	-	105,856	105,856
Gain on sale of fixed assets	21,500	-	21,500
Other income (expense)	69,599	-	69,599
Net assets released from restrictions satisfaction of purpose restrictions	264,719	(264,719)	-
<b>Total Revenue</b>	<b>13,177,292</b>	<b>746,925</b>	<b>13,924,217</b>
<b>EXPENSES &amp; RECLASSIFICATIONS:</b>			
Program expenses			
Program services	12,553,210	-	12,553,210
Management and general	82,950	-	82,950
Fundraising	130,476	-	130,476
<b>Total program expenses and reclassifications</b>	<b>12,766,636</b>	<b>-</b>	<b>12,766,636</b>
<b>INCREASE IN NET ASSETS</b>	<b>410,656</b>	<b>746,925</b>	<b>1,157,581</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>6,402,360</b>	<b>212,404</b>	<b>6,614,764</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 6,813,016</b>	<b>\$ 959,329</b>	<b>\$ 7,772,345</b>

See accompanying notes to financial statements

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 1,139,945	\$ 32,500	\$ -	\$ 1,172,445
Payroll taxes	89,970	1,836	-	91,806
Total salaries and related expenses	<u>1,229,915</u>	<u>34,336</u>	-	<u>1,264,251</u>
Baby Mana	655	-	-	655
Backpack grant expense	108,241	-	-	108,241
Bank service charges	-	17,381	-	17,381
Brown Bag	23,032	-	-	23,032
Contract labor	14,849	-	-	14,849
Dining expense	12	-	-	12
Dues and subscriptions	-	6,519	-	6,519
Equipment purchase	1,062	-	-	1,062
Equipment rental	22,966	-	-	22,966
Food drive expenses	5,753	-	-	5,753
Food project expenses	3,022	-	-	3,022
Food purchase	385,400	-	-	385,400
Food distributions	9,835,611	-	-	9,835,611
Grant expense	124,896	-	-	124,896
Insurance	178,186	-	-	178,186
Maintenance	14,660	-	-	14,660
Postage and delivery	-	8,406	-	8,406
Printing and reproduction	-	5,656	-	5,656
Professional fees	38,616	2,032	-	40,648
Professional fundraising	-	-	130,476	130,476
Rent expense	24,605	1,295	-	25,900
Repairs	28,512	639	-	29,151
Retirement	37,095	-	-	37,095
Supplies	32,087	-	-	32,087
Transportation and travel	9,421	-	-	9,421
Uniforms	3,120	-	-	3,120
Utilities	127,043	6,686	-	133,729
Vehicle expense	117,989	-	-	117,989
Volunteer recognition	902	-	-	902
Total expenses before depreciation	<u>12,367,650</u>	<u>82,950</u>	<u>130,476</u>	<u>12,581,076</u>
Depreciation	<u>185,560</u>	-	-	<u>185,560</u>
Total expenses	<u>\$ 12,553,210</u>	<u>\$ 82,950</u>	<u>\$ 130,476</u>	<u>\$ 12,766,636</u>

See accompanying notes to financial statements

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**OPERATING ACTIVITIES:**

Change in Net Assets	\$ 1,157,581
Adjustments to reconcile change in net assets to net cash from (used for) operating activities:	
Depreciation	185,560
Gain on sale of equipment	(21,500)
Change on operating assets and liabilities:	
Accounts receivable	5,790
Prepaid insurance	272
Inventory	257,230
Accounts payable	53,224
Accrued liabilities	1,344
Agency payable	2,095
	<hr/>
Net cash provided by operating activities	1,641,596

**INVESTING ACTIVITIES:**

Redemption of certificates of deposit	477,382
Purchase of property and equipment	(203,848)
Proceeds from property and equipment	21,500
	<hr/>
Net cash used by investing activities	295,034

**NET CHANGE IN CASH AND CASH EQUIVALENTS** 1,936,630

**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR** 

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1,448,374

**CASH AND CASH EQUIVALENTS, END OF YEAR** 

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\$ 3,385,004

See accompanying notes to financial statements



# THE FOOD BANK OF EAST ALABAMA, INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

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### NOTE 1 – NATURE OF BUSINESS

The Food Bank of East Alabama, Inc. was organized in Alabama as a not-for-profit, voluntary health agency for the purpose of operating a community food bank in the Lee County, Alabama area. In carrying out this basic purpose, the Organization has established facilities for the collection, warehousing and distribution of any and all edible food suitable for distributing to needy persons, or to other corporations engaged in like activities, either as a free gift or at reduced prices. The Organization is a non-private foundation under Section 509(a)(2) of the Internal Revenue Code and qualifies for the 100% charitable contribution deduction for individual donors.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The significant accounting policies followed by the Organization are summarized as follows:

#### *Use of Estimates*

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures 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. The Organization periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based upon such periodic evaluation. It is reasonably possible that changes may occur in the near term that would affect organizations estimates.

#### *Basis of Presentation*

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-208 was effective January 1, 2018.

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Basis of Presentation (Continued)***

Under the provisions of the guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

**Net Assets without donor restrictions:**

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operations purposed from time to time.

**Net assets with donor restrictions:**

Net assets are assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

***Contributions***

The Organization recognizes revenue from contributions, grants and contracts in accordance with Accounting Standards Update ("ASU") 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made ("ASU 2018-08"). Accordingly, the Organization evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Organization applies guidance under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). If the transfer of assets is determined to be a contribution the organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Organization is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. Both ASU 2018-08 and ASC 606 were effective for the year ended December 31, 2024 and both permitted modified retrospective application. Both standards did not have a material impact on the statement of financial position, statement of activities, statement of functional expenses, or statement of cash flows.

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Contributions (Continued)***

When a restriction expires, that is, when a stipulated time restriction ends or a 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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support.

***Cash and Cash Equivalents***

For purposes of the statements of cash flows, the Organization considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

***Accounts Receivable***

Accounts Receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. The allowance for doubtful accounts at December 31, 2024 was \$0. Changes in the valuation allowance have been immaterial to the financial statements. There was no bad debt expense related to accounts receivable for the year ended December 31, 2024.

***Purchased Inventory***

The Organization's purchased inventory consists of food items and is stated at the lower of cost or market.

***Donated Inventory***

The Organization carries all Feeding America and other donated inventory at \$1.97 per pound, 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 the Feeding America. Management believes the estimate to be a reasonable measure of the inventory cost.

***Investments***

The Organization's policy is to sell all marketable securities when donated and record the cash proceeds as income. No gain or loss on sale of securities will be recognized when securities are sold.

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Donated Services***

The Organization records the value of donated services when there is an objective basis available to measure their value. Donated services have not been reflected in the accompanying financial statements since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and its fund raising campaigns.

***Property and Equipment***

Equipment is stated at cost less accumulated depreciation. Depreciation is determined using the straight-line method. The estimated useful lives used to compute depreciation are as follows:

Equipment	5-7 years
Leasehold improvements	7-39 years
Buildings	39 years
Vehicles	5-7 years

Depreciation expense for the year ended December 31, 2024 was \$185,560.

Repairs, maintenance and minor replacements are expensed as incurred. Additions and significant renewals that materially prolong the lives of the assets are capitalized. The cost of assets sold or otherwise disposed of and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in income.

The Organization evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment losses were recognized during the current year.

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Functional Allocation of Expenses*

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Grants	Time and Effort
Salaries and benefits	Time and Effort
Insurance	Time and Effort
Rent	Square Footage
Professional services	Time and Effort
Utilities	Time and Effort
Food donated/purchases	Time and Effort
Vehicle	Time and effort
Depreciation	Time and effort
Other	Time and effort

*Shared Maintenance Fees*

The Organization distributes food to 209 agencies that are charged for products on a per pound basis, not to exceed eighteen cents per pound. These charges are reflected as shared maintenance fees in the accompanying financial statements.

*Income Taxes*

The Organization, a non-profit organization operating under Section 501(c)(3) of the Internal Revenue Code, is generally exempt from Federal and State income taxes and, accordingly, no provision for income taxes is included in the financial statements. An annual return (form 990) for organizations exempt from income tax under code Section 501(c)(3) is required, and the Organization has met all filing requirements during the period reported.

The Organization has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2021, 2022, and 2023 tax years. However, the Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal year ended December 31, 2024.

THE FOOD BANK OF EAST ALABAMA, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Fair Value of Financial Instruments*

The carrying amounts of the Organization’s financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable approximate their fair value due to the short-term nature of these instruments.

*Subsequent Events*

The Organization has evaluated subsequent events through the date the financial statements which were available to be issued which was September 22, 2025 and concluded there were no subsequent events that have occurred that would require disclosure in the financial statements.

NOTE 3 – CASH AND RESTRICTED SHORT-TERM INVESTMENTS

The Company purchased certificates of deposits from various banks during the year with original maturity dates of twelve months. The bank, amount, maturity date, and approximate interest rate are listed below.

<u>December 31, 2024</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
Valley Bank	\$ 266,573	April 24, 2025	4.44%
Troy Bank & Trust	265,212	April 20, 2025	3.64%
River Bank	260,723	June 19, 2025	3.50%
Auburn Bank	266,073	June 20, 2025	3.94%
	<u>\$ 1,058,581</u>		

NOTE 4 – INVENTORY

<u>December 31,</u>	<u>2024</u>
Inventory, beginning of year	\$ 960,623
Food contributions and purchases	9,608,716
Food distributions	(9,835,611)
Unsalvageable food and adjustments	<u>(30,335)</u>
Inventory, end of year	<u>\$ 703,393</u>

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 5 – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

December 31,	2024
Equipment	\$ 971,834
Leasehold improvements	102,551
Building	2,268,337
Land	291,234
Vehicles	262,653
	<hr/>
	3,896,609
Less: Accumulated depreciation	<hr/> 1,143,160
	<hr/>
	\$ 2,753,449

**NOTE 6 – RESTRICTIONS ON NET ASSETS**

***Capital Campaign***

The Organization has acquired and renovated a facility for the collection, warehousing and distribution of any and all edible food suitable for distributing to needy persons, or to other corporations engaged in like activities, either as a free gift or at reduced prices. The organization has collected \$755,674 that has not been expended as of December 31, 2024. These funds will be released from restriction as the funds are expended for the construction of the building.

***TANF***

The organization has received donations from outside sources for the TANF Program. This program is for the collection and distribution of food to children who are 18 years old and younger throughout the community. The organization has collected \$86,853 that has not been distributed as of December 31, 2024. These funds will be released from restriction as the funds are expended for the purchase and distribution of food to students.

***BackPack***

The organization has received donations from outside sources for the BackPack Program. This program is for the collection and distribution of food to students throughout the community. The organization has collected \$68,518 that has not been distributed as of December 31, 2024. These funds will be released from restriction as the funds are expended for the purchase and distribution of food to students.

**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 6 – RESTRICTIONS ON NET ASSETS (CONTINUED)**

*Heart of Alabama Food Bank*

The organization has received donations from outside sources for the Heart of Alabama Food Bank Program. This program is for the collection and distribution of food to low income seniors, active duty military families, children’s nutrition and veteran’s throughout the community. The organization has collected \$48,283 that has not been distributed as of December 31, 2024. These funds will be released from restriction as the funds are expended for the purchase and distribution of food to low income seniors, active duty military families, children’s nutrition and veteran’s throughout the community.

**NOTE 7 – LIQUIDITY**

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the balance sheet date.

December 31,	2024
Cash and cash equivalents	\$ 3,385,004
Certificates of deposit	1,058,581
Accounts receivable	45,629
Prepaid insurance	9,793
Inventory	<u>703,393</u>
	5,202,400
Less: Cash and cash equivalents – with donor restrictions	<u>959,329</u>
Financial assets available to meet cash needs for general expenditures within one year.	<u>\$ 4,243,071</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. In addition, the Organization invests cash in excess of daily requirements in short-term investments.

**NOTE 8 – CONCENTRATION OF CASH AND CASH EQUIVALENTS**

The Organization maintains its cash balances at high credit quality financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. The balances, at times, may exceed the insured limits. The maximum loss that would have resulted from that risk totaled \$2,696,539 at December 31, 2024 for the excess of the deposit liabilities reported by the institutions over the amount that would have been covered by insurance. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.



**THE FOOD BANK OF EAST ALABAMA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**NOTE 9 – LEASING ARRANGEMENTS**

Effective January 1, 2022 the Company adopted FASB ASC 842 accounting for leases. The Company has elected to use the exemption method for short term leases for the leasing of all classes of assets. The exemption allows the Company to use the straight-line basis over the term of the lease for all short-term leases that have a lease term of less than 12 months.

Food Bank of East Alabama, Inc. leases space from an individual in Opelika, Alabama to operate a Community Market. At present, the Organization rents the premises on a month to month basis for \$2,200 per month. Rental expense amounted to \$25,900 for the year ended December 31, 2024.

**NOTE 10 – RETIREMENT PLAN**

During 2023, the Organization created a Roth 401(k) retirement plan for all eligible employees who have satisfied the conditions for participation. The organization can make a discretionary matching contribution to the plan each year, if desired. The Organization's matching contribution for year ended December 31, 2024 amounted to \$31,745.

**SUPPLEMENTARY INFORMATION**

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF FINANCIAL POSITION BY FUND  
AT DECEMBER 31, 2024**

	The Food Bank	Community Market	Eliminating Entries	Total
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$ 3,222,942	\$ 162,062	\$ -	\$ 3,385,004
Certificates of deposit	1,058,581			1,058,581
Accounts receivable	45,629	21,600	(21,600)	45,629
Prepaid insurance	9,793	-	-	9,793
Inventory	703,393	-	-	703,393
Total current assets	<u>5,040,338</u>	<u>183,662</u>	<u>(21,600)</u>	<u>5,202,400</u>
<b>PROPERTY AND EQUIPMENT:</b>				
Equipment	939,108	32,726	-	971,834
Leasehold improvements	88,759	13,792	-	102,551
Building	2,268,337			2,268,337
Land	291,234			291,234
Vehicles	262,653	-	-	262,653
	<u>3,850,091</u>	<u>46,518</u>	<u>-</u>	<u>3,896,609</u>
Less: Accumulated depreciation	1,097,243	45,917	-	1,143,160
Total property and equipment	<u>2,752,848</u>	<u>601</u>	<u>-</u>	<u>2,753,449</u>
 Total assets	 <u>\$ 7,793,186</u>	 <u>\$ 184,263</u>	 <u>\$ (21,600)</u>	 <u>\$ 7,955,849</u>
<b>CURRENT LIABILITIES:</b>				
Accounts payable	\$ 83,424	\$ -	\$ (21,600)	\$ 61,824
Payroll taxes payable	6,987	-	-	6,987
Accrued salaries	27,611	-	-	27,611
Agencies payable	86,647	435	-	87,082
Total current liabilities	<u>204,669</u>	<u>435</u>	<u>(21,600)</u>	<u>183,504</u>
<b>LONG-TERM DEBT:</b>				
	-	-	-	-
Total liabilities	<u>204,669</u>	<u>435</u>	<u>(21,600)</u>	<u>183,504</u>
<b>NET ASSETS:</b>				
Without donor restrictions	6,629,188	183,828	-	6,813,016
With donor restrictions	959,329		-	959,329
Total net assets	<u>7,588,517</u>	<u>183,828</u>	<u>-</u>	<u>7,772,345</u>
 Total liabilities and net assets	 <u>\$ 7,793,186</u>	 <u>\$ 184,263</u>	 <u>\$ (21,600)</u>	 <u>\$ 7,955,849</u>

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**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF ACTIVITIES BY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	The Food Bank	Community Market	Eliminating Entries	Total
<b>REVENUES:</b>				
Contributions	\$ 1,303,090	\$ 225,558	\$ -	\$ 1,528,648
Capital campaign	688,127	-	-	688,127
Grants	430,660	22,489	-	453,149
United way	36,984	26,984	-	63,968
USDA	287,711	-	-	287,711
Brown bag	-	15,296	-	15,296
Emergency food and shelter	14,680	-	-	14,680
Shared maintenance	566,478	-	(60,954)	505,524
Delivery	35,790	-	(4,800)	30,990
Food referral vouchers	-	1,380	-	1,380
Special events income	266,918	-	-	266,918
Donated food	9,608,716	-	-	9,608,716
Cares act income	262,155	-	-	262,155
Tanf income	105,856	-	-	105,856
Gain on sale of fixed assets	21,500	-	-	21,500
Other income (expense)	69,448	151	-	69,599
<b>Total Revenue</b>	<b>\$ 13,698,113</b>	<b>\$ 291,858</b>	<b>\$ (65,754)</b>	<b>\$ 13,924,217</b>

**EXPENSES & RECLASSIFICATIONS:**

Program expenses

Salaries	\$ 1,045,590	\$ 126,855	\$ -	\$ 1,172,445
Payroll taxes	91,806	-	-	91,806
Baby mana expense	-	655	-	655
Backpack grant expense	108,241	-	-	108,241
Bank service charges	17,381	-	-	17,381
Brown bag	-	23,032	-	23,032
Contract labor	14,849	-	-	14,849
Depreciation	182,825	2,735	-	185,560
Dining expense	12	-	-	12
Dues and subscriptions	6,519	-	-	6,519
Equipment purchase	1,062	-	-	1,062
Equipment rental	22,959	7	-	22,966
Food drive expenses	5,753	-	-	5,753
Food donated	9,835,611	-	-	9,835,611
Food project expenses	3,022	-	-	3,022
Food purchase	385,400	60,954	(60,954)	385,400
Grant expense	124,896	-	-	124,896
Insurance	160,943	17,243	-	178,186
Maintenance	\$ 11,876	\$ 2,784	\$ -	\$ 14,660

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(continued)

**THE FOOD BANK OF EAST ALABAMA, INC.**

**STATEMENT OF ACTIVITIES BY FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	The Food Bank	Community Market	Eliminating Entries	Total
<b>EXPENSES &amp; RECLASSIFICATIONS: (CONTINUED)</b>				
Program expenses				
Postage and delivery	\$ 8,379	\$ 27	\$ -	\$ 8,406
Printing and reproduction	5,175	481	-	5,656
Professional fees	40,648	-	-	40,648
Professional fundraising	130,476	-	-	130,476
Rent expense	-	25,900	-	25,900
Repairs	16,370	12,781	-	29,151
Retirement plan	37,095	-	-	37,095
Supplies	30,968	1,119	-	32,087
Transportation and travel	9,135	5,086	(4,800)	9,421
Uniforms	3,120	-	-	3,120
Utilities	119,483	14,246	-	133,729
Vehicle expense	117,989	-	-	117,989
Volunteer recognition	902	-	-	902
<b>Total program expenses and reclassifications</b>	<b>12,538,485</b>	<b>293,905</b>	<b>(65,754)</b>	<b>12,766,636</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>1,159,628</b>	<b>(2,047)</b>	<b>-</b>	<b>1,157,581</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>6,428,889</b>	<b>185,875</b>	<b>-</b>	<b>6,614,764</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 7,588,517</b>	<b>\$ 183,828</b>	<b>\$ -</b>	<b>\$ 7,772,345</b>

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