

SO ALL MAY EAT, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

TOGETHER WITH INDEPENDENT ACCOUNTANTS'
REVIEW REPORT

SO ALL MAY EAT, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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Taylor, Roth and Company, PLLC
Certified Public Accountants
working exclusively with nonprofit organizations

March 29, 2018

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
So All May Eat, Inc.
Denver, Colorado

We have reviewed the accompanying financial statements of **So All May Eat, Inc.** (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

Accountants' Conclusion

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

Taylor, Roth and Company PLLC
TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

SO ALL MAY EAT, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

	2017
<u>Assets</u>	
Cash and cash equivalents - unrestricted	\$ 154,983
Cash and cash equivalents - temporarily restricted	4,689
Donations receivable	3,700
Grants receivable	1,500
Prepaid expenses	5,405
Property and equipment (Note 3)	10,000
Total assets	\$ 180,277
 <u>Liabilities and net assets</u>	
<u>Liabilities</u>	
Accounts payable	\$ 474
Accrued payroll costs	2,423
Commitments (Note 4)	
Total liabilities	2,897
 <u>Net assets</u>	
<u>Unrestricted</u>	
Operating	172,691
Temporarily restricted net assets (Note 5)	4,689
Total net assets	177,380
Total liabilities and net assets	\$ 180,277

See accompanying notes and independent accountants' review report

SO ALL MAY EAT, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017		
	Unrestricted	Temporarily Restricted	Total
<u>Revenue and other support</u>			
Individual and board contributions	\$ 151,083	\$ -	\$ 151,083
Foundation and corporate awards	52,267	5,000	57,267
Special event income	26,315	-	26,315
Less direct event expenses	(854)	-	(854)
Food sales	2,962	-	2,962
Gain on sale of fixed asset	2,867	-	2,867
Interest income	113	-	113
Other	430	-	430
In-kind donations (Note 6)	17,200	-	17,200
Net assets released from restrictions (Note 7)	311	(311)	-
Total revenue and other support	252,694	4,689	257,383
<u>Expenses</u>			
Program services	204,233	-	204,233
Supporting services			
Management and general	18,854	-	18,854
Fund-raising	5,592	-	5,592
Total expense	228,679	-	228,679
Change in net assets	24,015	4,689	28,704
Net assets, beginning of year	148,676	-	148,676
Net assets, end of year	<u>\$ 172,691</u>	<u>\$ 4,689</u>	<u>\$ 177,380</u>

See accompanying notes and independent accountants' review report

SO ALL MAY EAT, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

2017

	<u>Supporting Services</u>			Total
	Program Services	Management And General	Fund- raising	
Salaries, payroll taxes and benefits	\$ 132,888	\$ 11,074	\$ 3,691	\$ 147,653
Occupancy	32,940	2,745	915	36,600
Food	16,650	-	-	16,650
Utilities	9,318	776	259	10,353
Sales taxes	3,018	251	84	3,353
Repairs	1,622	1,622	-	3,244
Insurance	1,617	135	45	1,797
Indirect fundraising	693	866	173	1,732
Travel	1,556	130	43	1,729
Marketing	1,252	104	35	1,391
Equipment	1,030	-	-	1,030
Professional fees	910	-	-	910
Office supplies	143	500	71	714
Postage	99	346	49	494
Licenses and permits	190	95	191	476
Training	32	113	16	161
Meals and entertainment	212	18	5	235
Bank fees	23	29	5	57
Other	40	50	10	100
Total expenses	<u>\$ 204,233</u>	<u>\$ 18,854</u>	<u>\$ 5,592</u>	<u>\$ 228,679</u>

See accompanying notes and independent accountants' review report

SO ALL MAY EAT, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017
<u>Cash flows from operating activities</u>	
Change in net assets	\$ 28,704
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Gain on sale of fixed assets	(2,867)
Donated fixed assets	(10,000)
<u>Changes in operating assets and liabilities</u>	
(Increase)decrease in donations receivable	(3,700)
(Increase)decrease in grants receivable	(1,500)
(Increase)decrease in prepaid expenses	(4,555)
Increase(decrease) in accounts payable	(921)
Increase(decrease) in payroll accruals	(3,352)
Net cash provided(used) by operating activities	1,809
<u>Cash flows from investing activities</u>	
Sale of property and equipment	7,749
Net cash provided(used) by financing activities	7,749
Net increase(decrease) in cash and cash equivalents	9,558
Cash and cash equivalents, beginning of year	150,114
Cash and cash equivalents, end of year	\$ 159,672

See accompanying notes and independent accountants' review report

SO ALL MAY EAT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

So All May Eat, Inc. (the Organization) was founded in 2006. The Organization is a nonprofit corporation founded under the laws of the State of Colorado. The Organization's mission is serving good food for the greater good. It is the Organization's intent to build a healthy community by providing access to healthy food in a dignified manner to everyone, regardless of ability to pay. The Organization is supported primarily by individual donors and foundations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

3. Cash and Cash Equivalents

Cash and cash equivalents are considered to be all unrestricted highly liquid investments with an initial maturity of three months or less.

4. Restricted and Unrestricted Revenue

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities, as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless the explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

5. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for land, buildings and equipment of \$1,000 or more. The fair value of donated assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Income Taxes

The Organization is exempt from Federal and State income taxes under the provisions of Internal Revenue Code Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

8. Functional Reporting of Expenses

For the year ended December 31, 2017, the costs of providing the various programs 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.

9. Subsequent Events

Management has evaluated subsequent events through March 29, 2018, the date the report was available for distribution.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<u>Description</u>	<u>Amount</u>
Food truck – awaiting retrofit	\$ 10,000
Equipment	<u>1,035</u>
Total	11,035
Less: accumulated depreciation	<u>(1,035)</u>
Net property and equipment	<u>\$ 10,000</u>

Depreciation expense for the year was \$0.

During the year, the Organization received a donation of a recreational vehicle that was valued at \$10,000. The vehicle is not currently being used in the operations and is not being depreciated. Management intends to have the vehicle retrofitted and turned into a working food truck to bring food to Denver's homeless population and food desert areas. Management estimates that the food truck will enter service in 2019.

NOTE 4 - COMMITMENTS

The Organization leases program and office space in Denver, Colorado. Future lease obligation payments under the agreement are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 36,400
2019	38,800
2020	41,200
2021	43,600
2022	46,000
2023	<u>40,000</u>
Total	<u>\$ 246,000</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following program purposes:

<u>Description</u>	<u>Amount</u>
Food truck maintenance	<u>\$ 4,689</u>

NOTE 6 - IN-KIND CONTRIBUTIONS

Donated goods and services are reflected in the accompanying financial statements at their estimated value at date of receipt. In-kind contributions reflected in the financial statements for the year consisted of:

<u>Description</u>	<u>Amount</u>
Food truck	\$ 10,000
Rent	<u>7,200</u>
Total	<u>\$ 17,200</u>

NOTE 7 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted program purposes:

<u>Description</u>	<u>Amount</u>
Food truck maintenance	<u>\$ 311</u>