

EDIBLE SCHOOLYARD NEW YORK
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Edible Schoolyard New York
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Year Ended June 30, 2024

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Independent Auditor's Report

To the Board of Directors
Edible Schoolyard New York
New York, New York

Opinion

We have audited the accompanying financial statements of Edible Schoolyard New York (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2024, 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 the Organization as of June 30, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Responsibility 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 the Organization'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 Responsibility 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 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 an 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 the Organization'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 the Organization'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.

A handwritten signature in black ink that reads 'Citrin Cooperman & Company, LLP'.

Jericho, New York
June 26, 2025

Edible Schoolyard New York
Statement of Financial Position
June 30, 2024

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 1,108,207	\$ -	\$ 1,108,207
Investments, at fair value	7,538	-	7,538
Accounts receivable	60,896	-	60,896
Grants receivable, net - current portion	115,396	284,747	400,143
Contributions and promises to give receivable, net	63,478	25,000	88,478
IRS employee retention credit receivable	431,428	-	431,428
Prepaid expenses and other current assets	<u>12,168</u>	<u>-</u>	<u>12,168</u>
Total current assets	<u>1,799,111</u>	<u>309,747</u>	<u>2,108,858</u>
Noncurrent assets			
Grants receivable, net of current portion	-	15,000	15,000
Security deposits	<u>1,102</u>	<u>-</u>	<u>1,102</u>
Total noncurrent assets	<u>1,102</u>	<u>15,000</u>	<u>16,102</u>
Total assets	<u><u>\$ 1,800,213</u></u>	<u><u>\$ 324,747</u></u>	<u><u>\$ 2,124,960</u></u>
Liabilities and Net Assets			
Current liabilities			
Accounts payable and accrued expenses	<u>\$ 87,470</u>	<u>\$ -</u>	<u>\$ 87,470</u>
Total liabilities	<u>87,470</u>	<u>-</u>	<u>87,470</u>
Net assets			
Without donor restrictions	1,712,743	-	1,712,743
With donor restrictions	<u>-</u>	<u>324,747</u>	<u>324,747</u>
Total net assets	<u>1,712,743</u>	<u>324,747</u>	<u>2,037,490</u>
Total liabilities and net assets	<u><u>\$ 1,800,213</u></u>	<u><u>\$ 324,747</u></u>	<u><u>\$ 2,124,960</u></u>

Edible Schoolyard New York
Statement of Activities
Year Ended June 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Support			
Donations	\$ 803,193	\$ 93,000	\$ 896,193
Government grants	9,805	32,000	41,805
Contributed goods and services	130,729	-	130,729
Special event revenue (net of direct benefit expenses)	375,086	-	375,086
Total support	<u>1,318,813</u>	<u>125,000</u>	<u>1,443,813</u>
Other income			
Program income	131,545	-	131,545
IRS employee retention credit	431,428	-	431,428
Investment income	29,933	-	29,933
Other income	3,123	-	3,123
Total other income	<u>596,029</u>	<u>-</u>	<u>596,029</u>
Net assets released from restrictions	<u>665,544</u>	<u>(665,544)</u>	<u>-</u>
Total support, other income and reclassifications	<u>2,580,386</u>	<u>(540,544)</u>	<u>2,039,842</u>
Functional expenses			
Program services:			
Demonstration schools	688,458	-	688,458
Network schools	625,528	-	625,528
Partner schools	2,400	-	2,400
Program evaluation	77,889	-	77,889
Professional development	136,844	-	136,844
Total program services	<u>1,531,119</u>	<u>-</u>	<u>1,531,119</u>
Supporting services			
Administration	437,033	-	437,033
Development	576,323	-	576,323
Total supporting services	<u>1,013,356</u>	<u>-</u>	<u>1,013,356</u>
Total functional expenses	<u>2,544,475</u>	<u>-</u>	<u>2,544,475</u>
Increase (decrease) in net assets	35,911	(540,544)	(504,633)
Net assets - beginning of year	<u>1,676,832</u>	<u>865,291</u>	<u>2,542,123</u>
Net assets - end of year	<u>\$ 1,712,743</u>	<u>\$ 324,747</u>	<u>\$ 2,037,490</u>

Edible Schoolyard New York
Statement of Functional Expenses
Year Ended June 30, 2024

	Program Services					Supporting Services			Total Functional Expenses
	Demonstration Schools	Network Schools	Partner Schools	Program Evaluation	Professional Development	Total Program Services	Administration	Development	Total Supporting Services
Salaries	\$ 543,599	\$ 451,087	\$ -	\$ 8,536	\$ 42,547	\$ 1,045,769	\$ 171,676	\$ 327,927	\$ 499,603
Payroll taxes and employee benefits	96,240	102,395	2,236	2,760	8,457	212,088	27,944	74,970	102,914
Total salaries and related expenses	639,839	553,482	2,236	11,296	51,004	1,257,857	199,620	402,897	602,517
Program supplies	2,692	9,944	-	15	83,153	95,804	15,432	30,571	46,003
Communications	2,109	-	-	-	600	2,709	3,948	600	4,548
Office expense and supplies	1,874	3,275	-	495	177	5,821	1,111	1,332	2,443
Permits and fees	190	68	-	365	-	623	2,546	102	2,648
Consulting and professional fees	6,094	8,580	38	61,040	919	76,671	132,992	45,958	178,950
Books, subscriptions and software	-	-	-	364	-	364	10,571	4,612	15,183
Computer support and expenses	-	59	-	215	-	274	14,068	-	14,342
Conferences and staff development	-	-	-	2,000	377	2,377	13,509	24	13,533
Advertising	-	-	-	1,780	-	1,780	1,001	5,401	6,402
Insurance	1,861	1,729	126	164	287	4,167	20,053	1,428	21,481
Travel	62	46	-	-	-	108	670	1,639	2,309
Bad debt expense	-	-	-	-	-	-	11,280	-	11,280
Meals and entertainment	72	56	-	32	-	160	6,175	346	6,521
Depreciation expense	82	327	-	123	327	859	3,234	-	3,234
Indirect benefit expenses	-	-	-	-	-	-	23	30,056	30,079
Bank and credit card charges	-	-	-	-	-	-	-	2,973	2,973
Total expenses before in-kind expenses	654,875	577,566	2,400	77,889	136,844	1,449,574	436,233	527,939	964,172
In-kind expenses									
Program supplies	16,083	30,462	-	-	-	46,545	-	10,179	10,179
Consulting and professional	17,500	17,500	-	-	-	35,000	800	38,205	39,005
Total In-kind expenses	33,583	47,962	-	-	-	81,545	800	48,384	49,184
Total expenses	\$ 688,458	\$ 625,528	\$ 2,400	\$ 77,889	\$ 136,844	\$ 1,531,119	\$ 437,033	\$ 576,323	\$ 1,013,356

See accompanying notes to financial statements.

**Edible Schoolyard New York
Statement of Cash Flows
Year Ended June 30, 2024**

Cash flows from operating activities

Decrease in net assets	<u>\$ (504,633)</u>
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Bad debt expense	11,280
Present value discount on receivables	22,797
Depreciation	4,093
Net realized and unrealized gain on investments	(29,932)
(Increase) decrease in operating assets:	
Accounts receivable	68,823
Grants receivable	374,010
Contributions and promises to give receivable	113,643
Employee retention credit receivable	(431,428)
Prepaid expenses and other current assets	(740)
Increase in operating liabilities:	
Accounts payable and accrued expenses	<u>63,472</u>
Total adjustments	<u>196,018</u>
Net cash used in operating activities	<u>(308,615)</u>

Cash flows from investing activities

Proceeds from sale and redemption of investments	<u>882,993</u>
Net cash provided by investing activities	<u>882,993</u>

Net increase in cash and cash equivalents 574,378

Cash and cash equivalents - beginning of year 533,829

Cash and cash equivalents - end of year \$ 1,108,207

**Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024**

Note 1 – Summary of Organization and Nature of Activities

Organization and Nature of Activities

Edible Schoolyard New York (the “Organization”), a nonprofit organization established in 2010 partners with New York City public schools to cultivate healthy students and communities through hands-on cooking and gardening education, transforming children’s relationship with food and supporting edible education for every New York City child.

The Organization is supported primarily through donor contributions, grants and special benefit events.

Description of Program and Supporting Services

Program Services

The Organization currently has several major programmatic focuses: Demonstration Schools, Network Schools, Partner Schools, and Professional Development. The Organization also tracks progress against its outcome goals through Program Evaluation.

Administration

Includes the functions necessary to ensure an adequate working environment and to manage the administrative, financial and budgetary responsibilities of the Organization.

Development

Provides the structure necessary to encourage and secure financial support from individuals, foundations, corporations and government agencies.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization 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”).

The Organization reports information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

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 Board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net 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, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction expires (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. Donations of property and equipment are recorded as support at their estimated fair value at the date of the donation.

Donated marketable securities are recorded as contributions at their fair value at the date of donation and are included in the appropriate class based upon the donor’s stipulations.

Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Contributions and Expenditures

Unconditional contributions are recognized when promised to give 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 will be recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets will be reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities will be reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

Measure of Operations

The statement of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, and other activities considered to be of a more unusual or nonrecurring nature.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid instruments readily convertible to known amounts of cash, with an initial maturity of three months or less, to be cash equivalents. The Organization maintains cash balances at a bank in the New York metropolitan area. Cash accounts at the bank are insured by the Federal Deposit Insurance Corporation ("FDIC") subject to certain limits. The standard FDIC deposit insurance amount is up to \$250,000 per depositor, per insured bank for each ownership category (as defined). As of June 30, 2024, the Organization had approximately \$246,000 in deposits in excess of FDIC limits. In addition, the Organization maintains money market funds at a Securities Investor Protection Corporation ("SIPC") member brokerage firm. Money market funds are considered a security by SIPC and are protected up to \$500,000 per account. As of June 30, 2024, the Organization had approximately \$96,000 of money market funds in excess of SIPC limits. As of the date of these financial statements, the Organization has not incurred any losses on their accounts.

Contributions and Grants Receivable

Grants 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 and a credit to contributions or grants receivable. The allowance for credit losses was \$4,000 at June 30, 2024. Bad debt expense from contributions and grants receivable amounted to \$11,280 for the year ended June 30, 2024.

Promises to Give

The Organization receives promises to give, for contributions extending over a few years. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Donor-restricted promises to give are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and shown as net assets released from restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024**

Note 2 – Summary of Significant Accounting Policies (continued)

For-Fee Program Income

For-Fee Program income consists of fee income charged to schools for the demonstration and network schools programs. Program income is recognized in the period the service is performed. Accounts receivable from school programs totaled \$51,896 and \$129,719 as of June 30, 2024 and 2023, respectively. Program income for a future year is deferred and recognized in the period in which the services are performed. Under U.S. GAAP, deferred program income is a contract liability and as of June 30, 2024 and 2023 the Organization had no contract liabilities. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to valuation allowance and a credit to accounts receivable. In the opinion of management, no allowance was necessary at June 30, 2024. Bad debt expense from schools amounted to \$0 for the year ended June 30, 2024.

Investments

Investments in marketable securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Investment transactions are recorded on a trade-date basis. Interest income is recorded using the accrual basis. Dividends are recorded on the ex-dividend date. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition.

Fair Value Measurements

Accounting standards established a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The levels of the hierarchy and those investments included in each are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Investments with fair market values that are based on quoted market prices, are classified within Level 1.

All of the Organization's investments are classified within Level 1.

Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Property and Equipment and Related Depreciation Methods

Major property and equipment additions are recorded at cost if purchased, or, if in the case of donated property, at the fair value at the date of the gift. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long these donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the respective assets, which are as follows:

Equipment	5 years
Furniture and fixtures	7 years

Government Grants

The Organization is the recipient of various grants from government agencies. Expenses charged to these grants are subject to audit by the government agencies and recoupment. In the opinion of management, no provision for potential liability was necessary at June 30, 2024.

In-Kind Contributions

During the year ended June 30, 2024, the Organization received in-kind contributions that met the criteria for being recognized in accordance with U.S. GAAP. The total value of in-kind contributions received without any donor restrictions was \$130,729 for the year ended June 30, 2024. In-kind services are recorded at estimated fair value based on the current hourly rate of the professional service provider. In-kind supplies consist of materials utilized in running the Organization's programs. In-kind supplies are valued at the fair value of similar products.

Tax-Exempt Status

The Organization has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code (the "Code"). The Organization is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The Organization follows the guidance of Accounting Standards Codification 740, *Accounting for Income Taxes*, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. Accordingly, no provision for income taxes has been recorded.

Special Events

Gross proceeds paid by attendees at special events held as fundraising activities represents contribution revenue as well as payments of the direct cost of the benefit received by the attendee at the event. Special event revenue is reported net of any direct expenses related to the event. Accounts receivable from special events totaled \$9,000 and \$0 as of June 30, 2024 and 2023, respectively. Special event revenue applicable to the current year is recognized as revenue in the year the special event takes place. Under U.S. GAAP deferred special event revenue is a contract liability, and as of June 30, 2024 and 2023 the Organization had no contract liabilities.

Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Functional Expenses and Allocation Method

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions. Accordingly, certain costs have been allocated among the programs and supporting services benefited, using appropriate measurement methodologies. Those expenses include salaries and related costs, which are allocated based on the basis of estimated time and effort.

Impairment of Long-Lived Assets

The Organization evaluates whether events and circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance of an asset may not be recoverable. The measurement of possible impairment is based on the ability to recover the balance of assets from expected future operating cash flows on an undiscounted basis. Impairment losses, if any, would be determined based on fair value, using the present value of the cash flows with discount rates that reflect the inherent risk of the underlying business. No impairment was required to be recognized for the year ended June 30, 2024.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Estimates are based on past experience and other assumptions that management believes are reasonable under the circumstances, and management evaluates these estimates on an ongoing basis.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$8,182 for the year ended June 30, 2024.

Union Recognition and Collective Bargaining Agreements

The Organization has a collective bargaining agreement with a union representing certain employees. The bargaining unit includes program staff, but excludes development staff and all executive staff. The agreement includes certain work rules and procedural terms as well as minimum base annual salary amounts. The current agreement is set to expire on June 30, 2025.

Accounting Standards Update (“ASU”)

In June 2016, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326); Measurement of Credit Losses on Financial Instruments*, which was subsequently amended in November 2018 through ASU No. 2018-19. This ASU requires entities to estimate lifetime expected credit losses for financial statements, including trade and other receivables, which result in earlier recognition of credit losses. In November 2019, the FASB issued ASU No. 2019-10 which, among other things, deferred the application of the new guidance on credit losses to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. As such, Accounting Standards Codification (“ASC”) 326 became effective for the Organization for fiscal year ending June 30, 2024. The Organization has adopted ASC 326 as of July 1, 2023, and its adoption did not have a material effect on the Organization’s financial statements.

Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Subsequent Events

The Organization has evaluated subsequent events through June 26, 2025, the date on which these financial statements are available to be issued.

There were no material subsequent events that required recognition or additional disclosure in the financial statements.

Note 3 – Grants Receivable

Grants receivable consists of unconditional promises to give that are expected to be collected in the future and conditional promises to the extent that the conditions have been met but reimbursement from the grantor had not yet been received. Grants receivable due one year or later are discounted to net present value using the risk-free interest rate on the date of the original grant agreement. The rates used to discount grants receivable as of June 30, 2024 range from 3.82% to 4.28%. Restricted grants are reported as additions to the appropriate net assets with donor restrictions.

Grants receivable at June 30, 2024 were for the following purposes:

Purpose restriction - Urban Gardener	\$ 150,000
Restricted for future periods	165,000
Unrestricted	<u>115,396</u>
	430,396
Less: discount to net present value	<u>(15,253)</u>
Total grants receivable	<u>\$ 415,143</u>

Grants receivable at June 30, 2024 are scheduled to be collected as follows:

In one year or less	\$ 415,396
Between two and five years	<u>15,000</u>
	430,396
Less: discount to net present value	<u>(15,253)</u>
	<u>\$ 415,143</u>

Note 4 – Contributions and Promises to Give Receivable

Contributions and promises to give receivable were \$88,478 at June 30, 2024. Management periodically assesses the collectability of its contributions and promises to give receivable by considering factors such as prior collection history, type of contribution and the nature of fund-raising activity and provides allowances for anticipated losses, if any. At June 30, 2024, management expects all contributions and promises to give receivable to be fully collected.

Contributions and promises to give receivable at June 30, 2024 are scheduled to be collected in one year or less.

Edible Schoolyard New York
Notes to Financial Statements
June 30, 2024

Note 5 – Property and Equipment

Property and equipment consist of the following at June 30, 2024:

Equipment	\$ 29,110
Furniture and fixtures	28,653
	<u>57,763</u>
Less: accumulated depreciation	57,763
	<u><u>\$ -</u></u>

Depreciation expense for the year ended June 30, 2024 amounted to \$4,093.

Note 6 – Investments

Investments, stated at fair market value, consist of marketable securities with a fair market value of \$7,538. These investments have been classified within Level 1 of the valuation hierarchy.

Note 7 – Government Grants

Government grant income amounted to \$41,805 for the year ended June 30, 2024 and is included within government grants in the statement of activities. The government grants for the year ended June 30, 2024 were received from The Council of the City of New York.

Note 8 – Concentrations - Major Contributors

During the fiscal year ended June 30, 2024, no single donor or grantor provided more than 10% of public support. Amounts due from one government agency and one foundation from multiyear contributions represented approximately 53% of unconditional promises to give at June 30, 2024.

Note 9 – IRS Employee Retention Credit

A provision offered by the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") was an employee retention credit ("ERC"), passed on March 13, 2020 and effective immediately for 2020. This was expanded upon with the passing of the Consolidated Appropriations Act, 2021 ("CAA") on December 27, 2020 and was extended until September 30, 2021. The ERC is a fully refundable tax credit for employers equal to percentages of qualified wages that eligible employers pay their employees, which were legislatively capped per employee. In order to qualify for these credits, an entity must have had operations fully or partially suspended during any calendar quarter in 2020 and 2021 or experienced declines in quarterly gross receipts ranging from 20% to 50%, as compared to the same quarter in 2019. Lastly, the CAA allows for an entity who received a Paycheck Protection Program ("PPP") loan to be eligible for the ERC, retroactively and prospectively, while the ERC from the CARES Act did not.

In July 2023, the Organization prepared calculations and filed for all qualifying quarters of 2020 and 2021 for ERCs totaling \$431,428, which was recorded as an IRS employee retention credit receivable in the Organization's statement of financial position and in other income on the Organization's statement of activities for the year ended June 30, 2024. As of the date of these financial statements, the Organization collected \$ 110,576 of this receivable.

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Note 10 – Net Assets – With Donor Restrictions

Net assets with donor restrictions were restricted for the following purposes or periods at June 30, 2024:

Subject to expenditure for specified purpose:	
Urban Gardener	\$ 150,000
Subject to the passage of time:	
Restricted for future periods	<u>174,747</u>
Total net assets with donor restrictions	<u>\$ 324,747</u>

Releases from donor restricted net assets for the year ended June 30, 2024 were for the following:

Net assets released from restrictions:	
Subject to expenditure for specified purposes:	
Urban Gardener	\$ 150,000
CAF Canada Project	25,000
School garden program and infrastructure	33,841
Network Schools	31,000
Demonstration Schools	15,000
Support two students for 1 year	<u>1,000</u>
Total subject to expenditure for specified purposes	255,841
Net assets released from restrictions:	
Subject to the passage of time:	
General operations	<u>409,703</u>
Total net assets released from restrictions	<u>\$ 665,544</u>

Note 11 – Special Events

Special events generate revenue for the Organization as well as raise awareness about the Organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly. Incidental events are recorded in the accompanying statement of activities. For the year ended June 30, 2024, total fundraising income net of direct expenses amounted to \$375,086.

Changes in net assets without donor restrictions related to special events are as follows:

Special event revenue	\$ 426,687
Less: cost of direct expenses	<u>(51,601)</u>
Special event revenue, net of direct benefit expense	<u>\$ 375,086</u>

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Note 12 – In-Kind Contributions

In-kind contributed goods and services are recorded as revenue and expenses when received, which is also the time they are placed in service.

In-kind contributions for the year ended June 30, 2024 consisted of the following:

Plants, food and other supplies	\$	56,724
Professional services		74,005
	\$	<u>130,729</u>

In-kind contributions for the year ended June 30, 2024 were utilized as follows:

	Program Expenses	Supporting Services	Total Functional Expenses
Plants, food and other supplies	\$ 46,545	\$ 10,179	\$ 56,724
Professional services	<u>35,000</u>	<u>39,005</u>	<u>74,005</u>
	<u>\$ 81,545</u>	<u>\$ 49,184</u>	<u>\$130,729</u>

Note 13 – Risks and Uncertainties

The Organization is dependent upon contributions for its revenue. Future contributions cannot be assured, as the Organization is subject to various risk factors including economic conditions, income tax implications to donors, the effects of competition from similar organizations, and the ability to generate new and retain existing donors.

There are various direct and indirect risks that could impact the Organization, such as a potential global economic slowdown, inflationary pressures, and more. It is also impossible to predict the effect these will have on the Organization’s donors, and its impact on the Organization’s liquidity, vendors and counterparties. To help minimize the uncertainty of these items, management continues to explore how to best operate in this environment.

Note 14 – Liquidity

As part of its liquidity management, the Organization established a goal to maintain financial assets on hand to meet 90 days of normal operating expenses. The Organization’s goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

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Note 14 – Liquidity (continued)

The Organization's financial assets available within one year of the statement of financial position date for general expenditures, without limitations, as of June 30, 2024 are as follows:

Cash and cash equivalents	\$ 1,108,207
Investments, at fair value	7,538
Accounts receivable	60,896
Grants receivable, net	400,143
Contributions and promises to give receivable, net	88,478
IRS employee retention credit receivable	431,428
Total financial assets	<u>2,096,690</u>
Less: those unavailable for general expenditures within one year due to donor restrictions	<u>150,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,946,690</u></u>

The Organization's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the statement of financial position date. In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates covering its general expenditures through utilizing donor-restricted resources released from restrictions during the current year. The statement of cash flows identifies the sources and uses of the Organization's cash and cash equivalents and shows a cash increase of \$574,378 for the year ended June 30, 2024.