RISE AGAINST HUNGER, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2025

RISE AGAINST HUNGER, INC.

TABLE OF CONTENTS
DECEMBER 31, 2025

	Pages
Independent Auditor's Report	3-4
Financial Statements	
Statement of Financial Position	5
Statement of Activities	6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to Financial Statements	9-19

7910 Woodmont Ave, Suite 500
Bethesda, MD 20814
301.986.0600 councilor.com

Independent Auditor's Report

To the Board of Directors
Rise Against Hunger, Inc.
Raleigh, North Carolina

Opinion

We have audited the accompanying financial statements of Rise Against Hunger, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2025, 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 December 31, 2025, 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.

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 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 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 guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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 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.

Report on Summarized Comparative Information

The financial statements of Rise Against Hunger, Inc. as of December 31, 2024, were audited by other auditors whose report dated June 25, 2025, expressed an unmodified opinion on those statements. In our opinion, the information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
July 7, 2026

Certified Public Accountants

RISE AGAINST HUNGER, INC.

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2024)

	2025	2024
Assets		
Current Assets		
Cash and Cash Equivalents	$ 14,575,952	$ 12,346,413
Contributions Receivable	1,947,134	2,099,700
Contributions Receivable - Related Party	7,895	4,895
Contributions Receivable - Meal Packaging	1,233,799	875,941
Affiliate Receivable	63,513	33,513
Other Receivables	274,298	258,455
Inventory		
Purchased	867,916	1,076,338
Donated	51,282	52,477
Prepaid Expenses	516,868	407,742
Total Current Assets	19,538,657	17,155,474
Lease Right-of-Use Asset - Operating Leases	3,037,750	3,219,546
Lease Right-of-Use Asset - Finance Leases, Net	1,348,022	183,423
Property and Equipment, Net	344,859	266,716
Other Assets		
Security Deposits	182,776	137,299
Non-Current Portion of Contributions Receivable	-	2,000,000
Non-Current Portion of Contributions Receivable - Related Party	-	4,000
Total Assets	$ 24,452,064	$ 22,966,458
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 2,674,355	$ 1,931,475
Accrued Payroll and Payroll Taxes	278,351	280,595
Deferred Revenue	3,582,271	2,619,697
Security Deposits	4,900	17,700
Current Portion of Lease Liability - Operating Leases	1,399,020	1,336,357
Current Portion of Lease Liability - Finance Leases	394,903	227,365
Total Current Liabilities	8,333,800	6,413,189
Long-Term Liabilities		
Non-Current Portion of Lease Liability - Operating Leases	1,844,928	2,079,226
Non-Current Portion of Lease Liability - Finance Leases	972,405	-
Total Long-Term Liabilities	2,817,333	2,079,226
Total Liabilities	11,151,133	8,492,415
Net Assets		
Without Donor Restrictions	8,546,910	7,838,336
With Donor Restrictions	4,754,021	6,635,707
Total Net Assets	13,300,931	14,474,043
Total Liabilities and Net Assets	$ 24,452,064	$ 22,966,458

See accompanying Notes to Financial Statements.

RISE AGAINST HUNGER, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025			
	Without Donor Restrictions	With Donor Restrictions	Total	2024 Total
Revenues				
Meal Packaging Income	$ 17,743,911	$ -	$ 17,743,911	$ 17,457,768
Grants and Contributions	7,204,890	1,752,500	8,957,390	15,561,472
Rent Income	216,903	-	216,903	245,197
Donated Inventory	128,237,261	-	128,237,261	60,702,028
Donated Services	273,351	-	273,351	196,519
Interest and Dividends	490,504	-	490,504	497,437
Gain on Sale of Equipment	-	-	-	1,000
Net Assets Released from Restrictions	3,634,186	(3,634,186)	-	-
Total Revenues	157,801,006	(1,881,686)	155,919,320	94,661,421
Expenses				
Program Services	151,939,722	-	151,939,722	82,935,751
Management and General	4,201,405	-	4,201,405	4,066,600
Fundraising Activities	951,305	-	951,305	1,322,353
Total Expenses	157,092,432	-	157,092,432	88,324,704
Change in Net Assets from Operations	708,574	(1,881,686)	(1,173,112)	6,336,717
Net Assets, Beginning of Year	7,838,336	6,635,707	14,474,043	8,137,326
Net Assets, End of Year	$ 8,546,910	$ 4,754,021	$ 13,300,931	$ 14,474,043

See accompanying Notes to Financial Statements.

RISE AGAINST HUNGER, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	Program Services	Management and General	Fundraising	2025 Total	2024 Total
Meal Packaging Program	$ 5,724,448	$ -	$ -	$ 5,724,448	$ 6,233,412
Grants to Others	535,846	-	-	535,846	413,357
Distributed Donated Inventory	128,238,456	-	-	128,238,456	60,683,453
International Meals - Affiliates	2,384,063	-	-	2,384,063	2,436,886
Program Services - Other	2,643,618	-	-	2,643,618	2,961,228
Salaries	6,870,923	1,543,591	556,209	8,970,723	8,344,551
Payroll Taxes and Benefits	1,339,591	276,753	96,943	1,713,287	1,604,369
Operating Lease Expense	2,021,366	-	-	2,021,366	1,385,211
Retirement	180,285	27,087	16,010	223,382	217,224
Finance Lease Expense	674,041	-	-	674,041	418,037
Other Rent	-	-	-	-	142,132
Printing and Reproduction	9,675	152,615	34,415	196,705	178,497
Marketing, Public Relations, and Advertising	-	161,457	74,607	236,064	369,974
Bank Service Charges and Interest	-	126,797	-	126,797	143,512
Amortization	324,245	-	-	324,245	183,422
Depreciation	20,965	123,007	-	143,972	121,168
Dues and Subscriptions	4,901	4,725	100	9,726	11,951
Insurance	-	576,577	-	576,577	404,784
Professional Fees	87,818	650,806	123,875	862,499	724,354
Office Supplies	77,517	3,348	600	81,465	76,552
Licenses and Permits	5,503	-	-	5,503	286
Repairs and Maintenance	195,947	-	-	195,947	167,649
Telephone and Internet	-	5,200	-	5,200	4,964
Travel	546,355	96,000	40,774	683,129	475,653
Meetings and Training	-	52,208	-	52,208	173,489
Postage	9,046	10,540	7,772	27,358	19,116
Information Technology	275	390,694	-	390,969	407,086
Finance Lease Interest	44,838	-	-	44,838	22,387
Total Expenses	$ 151,939,722	$ 4,201,405	$ 951,305	$ 157,092,432	$ 88,324,704

See accompanying Notes to Financial Statements.

RISE AGAINST HUNGER, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	$ (1,173,112)	$ 6,336,717
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	468,217	304,590
Gain on Sale of Equipment	-	(1,000)
Donated Stock	(98,457)	-
Donated Inventory	(128,237,261)	(60,702,028)
Distributed Donated Inventory	128,238,456	60,683,453
Lease Liabilities - Operating Leases	(171,635)	(1,029,146)
Lease Right-of-Use Asset - Operating Leases, Net	236,309	1,051,861
(Increase) Decrease in Assets		
Contributions Receivable	2,152,566	(4,028,888)
Contributions Receivable - Related Party	1,000	13,877
Contributions Receivable - Meal Packaging	(357,858)	263,907
Purchased Inventory	208,422	(16,548)
Prepaid Expenses	(109,126)	(85,780)
Affiliate Receivables	(30,000)	89,104
Other Receivables	(15,843)	98,304
Deposits	(45,477)	-
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	742,880	145,796
Accrued Payroll and Payroll Taxes	(2,244)	67,750
Deferred Revenue	962,574	1,372,763
Deposits	(12,800)	-
Net Cash Provided by Operating Activities	2,756,611	4,564,732
Cash Flows from Investing Activities		
Purchases of Property and Equipment	(222,114)	(94,300)
Net Cash Used in Investing Activities	(222,114)	(94,300)
Cash Flows from Financing Activities		
Principal Payments on Finance Lease Liability	(304,958)	(212,228)
Net Cash Used in Financing Activities	(304,958)	(212,228)
Net Increase in Cash and Cash Equivalents	2,229,539	4,258,204
Cash and Cash Equivalents, Beginning of Year	12,346,413	8,088,209
Cash and Cash Equivalents, End of Year	$ 14,575,952	$ 12,346,413
Noncash Transactions from Operating Activities		
Establishment of Operating Right-of-Use Asset	$ 1,160,640	$ -
Establishment of Operating Lease Liability	1,160,640	-
Establishment of Finance Right-of-Use Asset	1,672,267	-
Establishment of Finance Lease Liability	1,639,358	-

See accompanying Notes to Financial Statements.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Rise Against Hunger, Inc. (the Organization), is a nonprofit international hunger relief organization that is driven by a vision of a world without hunger, and a mission to help underserved people worldwide achieve food security and resilience through nutrition, education, and economic empowerment, fueled by a global movement of volunteers and partners.

The Organization accomplishes its mission by distributing nutritious meals to recipients around the world, involving volunteers around the world in the movement to end hunger through its meal packaging program, procuring and donating in-kind aid that is distributed to those in need, and providing funding and technical support for projects that support sustainable community development and build capacity among impact partner organizations.

The Organization's popular community-supported meal packaging events are ideal for corporate social responsibility or volunteer service projects for community leaders and volunteers from local corporations, faith congregations, schools, colleges and universities, and civic organizations who package high-protein, highly nutritious meals.

The Organization is expanding its meal packaging program to further the movement to end hunger, which will not grow without reaching more people who want to make a difference, engaging them in hands-on service and empowering them to do more.

The Organization has engaged people around the world to end hunger through the formation of independent non-governmental organization (NGO) affiliates. In 2025, the Organization had affiliates in South Africa, Singapore, Italy, the Philippines, Malaysia, and India. Organization affiliates have access to Rise Against Hunger, Inc.'s knowhow, branding, and operational support.

In addition to being incorporated locally, international affiliates are managed by local Boards of Directors and local employees, utilize locally procured ingredients for the meal packaging program, and are supported primarily through local contributions and volunteer support.

The Organization also sends essential aid appropriate for hospitals and clinics in impoverished communities, school and orphanage feeding programs, and disaster relief to supplement the meal donations to partners in developing countries. Donated products include medicine, medical supplies, equipment, soap, and vitamins that can prevent the spread of disease and greatly improve the lives of those receiving them. The Organization receives these essential supplies through bulk donations of new goods from corporations, charitable partners, and private donors.

In 2025, the Organization shipped more than $128 million of in-kind aid, primarily in the form of vitamins and medical supplies. Many disadvantaged people throughout the world struggle with food insecurity due to limited local government support, growing populations and poor agricultural production. The Organization is dedicated to creating long-term impact by implementing sustainable development programs in vulnerable communities. The Organization's strategies focus on agriculture, health and nutrition, and vocational education opportunities.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Net Assets

The Organization's net assets 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. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

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 (that is, when a stipulated time restriction ends or purpose restriction is accomplished). Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue Recognition

Grants and contributions received are recorded as support without donor restriction or support with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Meal packaging revenue is recognized once an event has been supplied and hosted by the Organization.

Donated inventory (consisting of medicines, medical supplies, and other supplies) is recorded as inventory and contribution revenue at its estimated fair value at the date received, taking into consideration inventory condition and utility for use. All donated inventory is received from private organizations and is considered to be unrestricted support unless the inventory explicitly contains donor restrictions. The Organization only records the value of donated inventory in which they were either the original recipient of the gift, were involved in partnership with another organization for distribution internationally, or used in the Organization's programs.

In general, the Organization values donated medicine and supplies at its estimated fair value based on third party published data including the Wholesale Acquisition Cost (WAC), which is representative of fair market value and recognized as industry standard.

All revenues accounted for under ASU 606 are recognized at a point in time.

Deferred Revenues

Deferred revenues consisted of contract liabilities arising from deposits on meal packaging events that have not occurred at year end.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenues (Continued)

The following table presents the beginning and ending balances of contract liabilities as of December 31:

	2025	2024
Contract Liabilities as of January 1	$ 2,619,697	$ 1,246,934
Revenue Recognized for Performance Obligations Completed during the Year	(8,601,979)	(7,492,567)
Revenues Deferred until Performance Obligations are Completed	9,564,553	8,865,330
Contract Liabilities as of December 31	$ 3,582,271	$ 2,619,697

Contributions Receivable

Contributions receivable consist of amounts due from the Organization's donors not received by the Organization at year end and are reflected at either net realizable value or at net present value based on projected cash flows. Contributions are recognized when the donor makes an unconditional promise to give. Related party contributions receivable are made up of promises to give by employees and board members. There were no allowances for doubtful accounts recorded as management has deemed all amounts to be fully collectible on December 31, 2025 and 2024.

Cash and Cash Equivalents

The Organization considers all interest-bearing investments due on demand and all debt instruments purchased with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risks

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization has never experienced any losses related to these balances. Interest-bearing amounts on deposit in excess of federally insured limits as of December 31, 2025 and 2024, were $13,975,556 and $11,844,912, respectively.

The Organization's meal packaging program produces individual meals consisting of rice, soy, dried vegetables, flavoring, and 21 essential vitamins and minerals. These raw materials are subject to global commodity price fluctuations. The Organization's ability to maintain or expand its meal packaging program is dependent upon the Organization's ability to provide these raw materials at economically favorable prices.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist primarily of contributions receivable. The Organization's contributions receivable consist primarily of amounts due from business entities as well as religious and civic organizations. As of December 31, 2025 and 2024, 79% of contributions receivable pertained to business entities and 21% related to religious and civic organizations. For the year ended December 31, 2025, two donors comprised 63% of contributions receivable. For the year ended December 31, 2024, one donor comprised 31% of contributions receivable.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

Donated services are recognized as contributions in accordance with applicable accounting standards if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. These services are valued based on what would be paid for similar services if purchased.

A substantial number of unpaid volunteers have made significant contributions of their time to the Organization's program services. The financial statements do not recognize the value of these donated as such services do not meet the recognition requirements under applicable accounting standards.

Contributed Nonfinancial Assets

Donated marketable securities and other non-cash donations, including property and equipment, are recorded as contributions at their estimated fair values at the date of donation. As of December 31, 2025 and 2024, management has determined that no impairment or decrease below market value has occurred for the donated assets. The Organization receives donations of food, medicine, and supplies for use in relief and development programs; these items are recognized at the estimated fair market value based on current economic factors.

Inventory

Inventories primarily consist of raw materials used in conjunction with the Organization's meal packaging program and donated in-kind supplies. Meal packaging inventories are valued at the lower of cost (first-in, first-out) or net realizable value.

Contributed nonfinancial assets are recorded and carried in inventory at their estimated fair market value at date of donation based on current economic factors.

As of December 31, 2025 and 2024, management has determined that no allowance for obsolete inventory is required.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of $1,000. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at date of donation.

Depreciation of property and equipment is provided for on the straight-line method over the following useful lives:

Office Furniture and Equipment	3-5 Years
Warehouse Equipment and Vehicles	5-10 Years
Leasehold Improvements	2-5 Years

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Shipping Costs

The Organization incurs shipping and handling costs when transporting the packaged meals overseas. The Organization's shipping and handling costs are substantially paid by the Organization's impact partners; the remainder is included in program services expense.

Accounting Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Applicable accounting standards prescribe a comprehensive model for how organizations should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. The Organization did not have any uncertain tax positions.

The tax years from 2020 through 2025 are subject to examination by the Internal Revenue Service. The Organization is currently not under any federal or state audits. There were no interest or penalties for the years ended and the Organization's policy is to expense interest and penalties, if any, to income tax expense as incurred. The Organization does not expect any material changes in unrecognized tax benefits as of December 31, 2025 and 2024.

Reclassifications

Certain amounts in the 2024 summarized financial information have been reclassified to conform to the 2025 presentation.

Expense Allocation

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities and statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses of the Organization include:

Program Service Expenses - Program expenses include meal packaging expenses, global impact services, and emergency relief projects.

Management and General Expenses - Management and general expenses include the general administrative and operating costs of the Organization.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expense Allocation (Continued)

Expenses of the Organization include (continued):

Fundraising Activities Expenses - These expenses include direct and indirect activities undertaken to solicit contributions from donors.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated and the method of allocation include:

Expense Type	Method of Allocation
Salaries, Taxes, and Benefits	Time and Effort
Rent	Warehouses to Programs
Marketing, Public Relations, and Advertising	Fundraising related to Fundraising; remaining to Management/General
Meetings and Trainings	Cultivation Events and Impact Trips to Fundraising; Organizational Retreat to Management/General, remaining by Salary Allocation
Professional Fees	Direct Costs to Programs; Fundraising related to Fundraising; remaining to Management/General
Depreciation	Allocated by use between Programs, Fundraising, and Management/General
Repairs and Maintenance	Allocated by use between Programs, Fundraising, and Management/General
Office Supplies	Direct Costs to Programs; remaining allocated by use to Fundraising and Management/General
Dues and Subscriptions	Direct Costs to Programs; Fundraising related to Fundraising; remaining to Management/General
Information Technology	Direct Costs to Programs; Fundraising related to Fundraising; remaining to Management/General
Travel	Based on Employee Payroll Allocation
Postage	Direct Costs to Programs; Fundraising Materials to Fundraising; remaining to Management/General
Printing and Reproduction	Direct Costs to Programs; Fundraising Materials to Fundraising; remaining to Management/General
Bank Service Charges and Interest	Bank Service Charges to Management/General; Interest to Program

2. AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure, that are without donor or other restrictions limiting their use within one year of the statement of financial position date of December 31, 2025 and 2024, are comprised of the following:

	2025	2024
Total Assets at Year End	$ 24,452,064	$ 22,966,458
Less Amounts Not Available to be Used within One Year due to Liquidity		
Food Inventories	(919,198)	(1,128,815)
Prepaid Expenses	(516,868)	(407,742)
Lease Right-of-Use Asset - Operating Leases, Net	(3,037,750)	(3,219,546)
Lease Right-of-Use Asset - Finance Leases, Net	(1,348,022)	(183,423)
Property and Equipment, Net	(344,859)	(266,716)
Deposits	(182,776)	(137,299)
Non-Current Portion of Contributions Receivable	-	(2,004,000)
	(6,349,473)	(7,347,541)
Less Amounts Not Available to be Used within One Year due to Donor-Imposed Restrictions	(4,754,021)	(6,635,707)
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	$ 13,348,570	$ 8,983,210

As part of its liquidity plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization invests excess cash in short-term investments, including certificate of deposits with maturity of a year or less, and has the ability to redeem certain investments as necessary to meet its obligations.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable are as follows at December 31:

	2025	2024
Contributions Receivable	$ 1,947,134	$ 4,099,700
Less Current Portion	(1,947,134)	(2,099,700)
Contributions Due after One Year	$ -	$ 2,000,000

Contributions receivable - related party are as follows at December 31:

	2025	2024
Contributions Receivable - Related Party	$ 7,895	$ 8,895
Less Current Portion	(7,895)	(4,895)
Contributions - Related Party Due after One Year	$ -	$ 4,000

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2025	2024
Office Furniture and Equipment	$ 113,364	$ 101,068
Warehouse Equipment and Vehicles	558,705	427,868
Leasehold Improvements	391,117	393,220
Total Fixed Assets	1,063,186	922,156
Less Accumulated Depreciation	(718,327)	(655,440)
Property and Equipment, Net	$ 344,859	$ 266,716

Depreciation charged to operations was $143,972 and $121,168 in 2025 and 2024, respectively.

5. OPERATING LEASES

The Organization is obligated under various operating warehouse leases. The term for these leases vary between 36 and 84 months and end between July 1, 2025 and November 30, 2032. Remaining lease terms vary between 15 and 60 months. The Organization is responsible for a proportionate share of operating expenses and taxes. The discount rate of the operating leases at December 31, 2025, was 5%. Lease payments under these agreements totaled $1,393,511 and $1,361,240 for the years ended December 31, 2025 and 2024, respectively.

Minimum rental commitments under the leases at December 31, 2025, were as follows:

For the Years Ending December 31,	
2026	$ 1,399,020
2027	1,072,217
2028	575,394
2029	230,579
2030	183,656
Total Lease Payment	3,460,866
Less Imputed Interest	(216,918)
Present Value of Future Minimum Lease Payments	$ 3,243,948

6. FINANCE LEASES

The Organization is also obligated under agreements for several box trucks used to transport inventory expiring between December 2028 to November 2032. The remaining lease term for the finance leases as of December 31, 2025, ranges from 48 to 84 months. The discount rates for finance leases at December 31, 2025, were between 3.63% and 3.74%. The leases provide that the Organization will pay property taxes, insurance, and maintenance during the lease term. The Organization's finance leases do not contain any material restrictive covenants or residual value guarantees.

Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. Fixed lease expense under these agreements totaled $674,041 and $418,037, respectively, for the years ended December 31, 2025 and 2024, and is included in the statement of functional expenses.

6. FINANCE LEASES (CONTINUED)

The components of lease expense for the year ended December 31, 2025, were as follows:

Finance Lease Cost	$ 304,958
Finance Lease Cost - Amortization of Right-of-Use Assets	324,245
Finance Lease Cost - Interest on Lease Liabilities	44,838
	$ 674,041

Future minimum lease payments at December 31, 2025, were as follows:

For the Years Ending December 31,	
2026	$ 394,903
2027	394,903
2028	394,903
2029	81,793
2030	81,793
Thereafter	126,901
Total Lease Payment	1,475,196
Less Imputed Interest	(107,888)
Present Value of Future Minimum Lease Payments	$ 1,367,308

The lease equipment held under finance leases had a cost $1,192,630 and $1,292,746 as of December 31, 2025 and 2024, respectively. Accumulated amortization related to these assets was $323,410 and $1,109,323 as of December 31, 2025 and 2024, respectively. Total amortization charged to operations in regard to this lease was $323,410 and $183,422 in 2025 and 2024, respectively. Interest expense for the years ended December 31, 2025 and 2024, was $44,632 and $22,387, respectively.

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term and lease obligations represent the Organization's obligation to make lease payments arising from the lease. Lease obligations are recognized at the commencement date based on the present value of lease payments over the lease term. Right-of-use assets are recognized at the commencement date as the initial measurement of the lease liability, plus payments made prior to lease commencement and any initial direct costs.

7. LINE OF CREDIT

In November 2019, the Organization renewed an agreement with a financial institution for a line of credit up to $500,000 bearing interest at the greater of a floating rate equal to the Prime Rate (0% as of December 31, 2025), plus 0.750% or the Floor Rate (5.00%). The line is secured by equipment, inventory, accounts receivable, and other rights to payment. The Organization had no outstanding balance as of December 31, 2025 and 2024.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes as of December 31:

Description	2025	2024
Corporate Donor Grant for Meal Packaging Events	$ -	$ 1,208,103
WASH (Water Sanitation and Hygiene) Fund	16,049	16,049
Agricultural Projects and Empowering Communities	3,854,743	5,249,740
Nourishing Lives Pathway	883,229	161,815
Total Donor Restricted Net Assets	$ 4,754,021	$ 6,635,707

The following is a summary of net assets which were released from donor restrictions by incurring expenses which satisfied the donor specified restrictions for the year ended December 31:

Description	2025	2024
Corporate Donor Grant for Meal Packaging Events	$ 1,208,103	$ 1,231,543
Nourishing Lives Pathway	851,734	-
Emergency Relief Funding	142,261	504,325
Agricultural Projects and Empowering Communities	1,432,088	1,710,834
Total Net Assets Released from Restrictions	$ 3,634,186	$ 3,446,702

9. CONTRIBUTED NONFINANCIAL ASSETS

The Organization receives donations of food, medicine, and supplies for use in relief and development programs. The Organization ships all such gifts-in-kind either directly to in-country partners or to similar non-profit organizations for ultimate distribution. As soon as feasible following transfer of ownership to the Organization, these in-kind contributions are shipped to third parties in support of international relief efforts.

In accordance with U.S. generally accepted accounting principles, the Organization only records the value of gifts-in-kind for which it receives and exercises variance power, which is the discretion to distribute or redistribute the commodity without the donor's prior consent in accordance with its mission and purpose. Items are valued at their estimated fair value based on current economic factors.

During 2025 and 2024, the Organization received and distributed in-kind contributions of medicine and supplies as set forth below:

	2025	2024
Donated Inventory, Beginning	$ 52,477	$ 33,902
Gift-in-Kind Inventory Donations	128,237,261	60,702,028
Gift-in-Kind Inventory Distributed	(128,238,456)	(60,683,453)
Donated Inventory, Ending	$ 51,282	$ 52,477

10. RETIREMENT PLAN

During 2018, the Organization transitioned from a simplified employee pension plan to a 403(b) retirement plan for the benefit of all its employees who are over 21, have completed one year of service, and work more than 20 hours per week. The amount of the contribution to the plan is determined annually by the Board of Directors. Employer contributions during the years ended December 31, 2025 and 2024, were $223,382 and $217,224, respectively.

11. MARKETING, PUBLIC RELATIONS, AND ADVERTISING

The Organization used brochures, posters, and press releases to promote its programs among the audience it serves. The costs of these promotional materials are expensed the first time the promotion takes place. During the years ended December 31, 2025 and 2024, marketing, public relations, and advertising expense was $236,064 and $369,974, respectively.

12. SUBSEQUENT EVENTS

The Organization has evaluated events and transactions for potential recognition or disclosure through July 7, 2026, which is the date the financial statements were available to be issued.