

MOVEABLE FEAST, INC.

**Financial Statements and Supplemental Schedules
Together with Report of Independent Public Accountants**

For the Years Ended December 31, 2023 and 2022

MOVEABLE FEAST, INC.

**Financial Statements and Supplemental Schedules
Together with Report of Independent Public Accountants**

DECEMBER 31, 2023 AND 2022

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

To the Board of Directors of
Moveable Feast, Inc.

Opinion

We have audited the statements of financial position of Moveable Feast, Inc. (the Organization) as of December 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 controls 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 for one year after the date the financial statements are available for issuance.

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 GAAS and *Government 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 controls. 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 GAAS and *Government 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 controls 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 controls. 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 one year after the issuance date or the date the financial statements are available for issuance.

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 controls-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of Federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of Federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024 on our consideration of the Organization's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal controls over financial reporting and compliance.

Owings Mills, Maryland
September 30, 2024



MOVEABLE FEAST, INC.**Statements of Financial Position
As of December 31, 2023 and 2022**

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 574,070	\$ 556,135
Grants and accounts receivable, net	1,424,880	1,182,250
Investments	2,086,745	2,130,968
Prepaid expenses and other assets	44,505	40,783
Property and equipment, net	961,946	1,111,586
Right of use lease asset - operating	421,879	-
Total Assets	\$ 5,514,025	\$ 5,021,722
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 71,672	\$ 63,232
Accrued expenses	132,834	118,734
Lease liability - operating	431,383	-
Total Liabilities	635,889	181,966
Net Assets		
Without donor restrictions		
Undesignated	4,021,418	3,927,558
Board designated	269,000	269,000
Total net assets without donor restrictions	4,290,418	4,196,558
With donor restrictions	587,718	643,198
Total Net Assets	4,878,136	4,839,756
Total Liabilities and Net Assets	\$ 5,514,025	\$ 5,021,722

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

MOVEABLE FEAST, INC.

Statement of Activities and Changes in Net Assets For the Year Ended December 31, 2023, with Comparative Totals for 2022

	2023			
	Without Donor Restrictions	With Donor Restrictions	Total	2022 Total
Support and Revenue				
Governmental grants	\$ 763,822	\$ -	\$ 763,822	\$ 866,314
Federal grants	1,316,469	-	1,316,469	1,165,988
Contributions	1,337,548	55,000	1,392,548	1,128,420
Contributed nonfinancial assets	462,882	-	462,882	450,897
Special events, net of expenses of \$144,100 and \$187,162, respectively	568,272	-	568,272	537,489
Contracted services	938,098	-	938,098	508,754
Other income	3,737	-	3,737	7,745
Investment income (loss), net	142,557	-	142,557	(217,258)
Net assets released from restrictions	110,480	(110,480)	-	-
Total Support and Revenue	5,643,865	(55,480)	5,588,385	4,448,349
Expenses				
Program services	4,061,657	-	4,061,657	3,823,189
Management and general	914,569	-	914,569	810,429
Fundraising	573,779	-	573,779	277,700
Total Expenses	5,550,005	-	5,550,005	4,911,318
Changes in Net Assets	93,860	(55,480)	38,380	(462,969)
Net assets, beginning of year	4,196,558	643,198	4,839,756	5,302,725
Net Assets, End of Year	\$ 4,290,418	\$ 587,718	\$ 4,878,136	\$ 4,839,756

The accompanying notes are an integral part of this financial statement.

MOVEABLE FEAST, INC.**Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Governmental grants	\$ 866,314	\$ -	\$ 866,314
Federal grants	1,165,988	-	1,165,988
Contributions	1,017,940	110,480	1,128,420
In-kind donations -services	450,897	-	450,897
Special events, net of expenses \$187,162	537,489	-	537,489
Contracted services	508,754	-	508,754
Other income	7,745	-	7,745
Investment income, net	(217,258)	-	(217,258)
Net assets released from restrictions	20,254	(20,254)	-
Total Support and Revenue	4,358,123	90,226	4,448,349
Expenses			
Program services	3,823,189	-	3,823,189
Management and general	810,429	-	810,429
Fundraising	277,700	-	277,700
Total Expenses	4,911,318	-	4,911,318
Changes in Net Assets	(553,195)	90,226	(462,969)
Net assets, beginning of year	4,749,753	552,972	5,302,725
Net Assets, End of Year	\$ 4,196,558	\$ 643,198	\$ 4,839,756

The accompanying notes are an integral part of this financial statement.

MOVEABLE FEAST, INC.

Statement of Functional Expense

For the Year Ended December 31, 2023, with Comparative Totals for 2022

	2023				2022 Totals
	Program Services	Management and General	Fundraising	Total	
Payroll and related expenses	\$ 1,446,356	\$ 503,377	\$ 310,877	\$ 2,260,610	\$ 1,998,782
Kitchen, food and disposables	1,480,274	9,776	3,053	1,493,103	1,297,780
Donated services	380,189	40,865	41,828	462,882	450,897
Professional fees	98,301	136,625	65,481	300,407	237,086
Contract labor	114,634	63,903	1,111	179,648	16,525
Depreciation	133,653	23,596	14,042	171,291	243,133
Utilities	106,408	38,610	10,529	155,547	144,446
Computer equipment and software costs	60,522	18,561	57,724	136,807	103,048
Transportation	93,912	152	492	94,556	49,931
Insurance	57,447	18,631	9,593	85,671	73,801
Staff expense	14,690	25,272	10,103	50,065	44,169
Repair and maintenance	27,410	3,041	30	30,481	99,285
Postage and publications	5,935	5,523	16,055	27,513	18,049
Supplies	12,090	3,279	3,574	18,943	34,585
Advertising	-	6,306	9,964	16,270	14,286
Telephone and internet costs	12,781	1,056	1,355	15,192	16,581
Leased equipment	7,744	2,713	549	11,006	12,998
Meeting cost	-	9,415	47	9,462	10,677
Bank and credit card fees	-	3,130	357	3,487	11,586
Miscellaneous	2,680	150	12,755	15,585	11,430
Marketing and development	-	-	3,935	3,935	10,362
Dues and subscriptions	3,594	-	325	3,919	7,460
Permits and licenses	2,216	41	-	2,257	4,421
Lodging and venue costs	821	547	-	1,368	-
Total Expenses	\$ 4,061,657	\$ 914,569	\$ 573,779	\$ 5,550,005	\$ 4,911,318

The accompanying notes are an integral part of this financial statement.

MOVEABLE FEAST, INC.**Statement of Functional Expense
For the Year Ended December 31, 2022**

	Program Services	Management and General	Fundraising	Total
Payroll and related expenses	\$ 1,448,179	\$ 408,663	\$ 141,940	\$ 1,998,782
Kitchen, food and disposables	1,288,579	8,320	881	1,297,780
Donated services	370,345	39,807	40,745	450,897
Depreciation	189,437	46,764	6,932	243,133
Professional fees	51,200	161,252	24,634	237,086
Utilities	105,945	33,797	4,704	144,446
Computer equipment and software costs	60,014	15,476	27,558	103,048
Repair and maintenance	99,209	-	76	99,285
Insurance	57,014	12,779	4,008	73,801
Transportation	49,837	91	3	49,931
Staff expense	15,916	26,014	2,239	44,169
Supplies	28,814	5,616	155	34,585
Postage and publications	2,523	4,396	11,130	18,049
Contract labor	15,403	-	1,122	16,525
Telephone and internet costs	13,060	2,047	1,474	16,581
Advertising	-	11,041	3,245	14,286
Leased equipment	10,294	1,535	1,169	12,998
Bank and credit card fees	-	11,586	-	11,586
Miscellaneous	5,017	6,232	181	11,430
Meeting cost	997	8,828	852	10,677
Marketing and development	7,325	-	3,037	10,362
Dues and subscriptions	1,200	4,645	1,615	7,460
Permits and licenses	2,881	1,540	-	4,421
Total Expenses	\$ 3,823,189	\$ 810,429	\$ 277,700	\$ 4,911,318

The accompanying notes are an integral part of this financial statement.

MOVEABLE FEAST, INC.**Statements of Cash Flows****For the Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 38,380	\$ (462,969)
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Depreciation	171,291	243,133
Lease remeasurement	9,504	-
Unrealized (gain) loss on investments	(88,867)	263,270
Dividend reinvestment	(2,247)	(66,441)
Effects of changes in non-cash operating assets and liabilities:		
Grants and accounts receivable, net	(242,630)	(739,331)
Prepaid expenses and other assets	(3,722)	6,135
Accounts payable	8,440	(8,177)
Accrued expenses	14,100	6,169
Net Cash Flows from Operating Activities	<u>(95,751)</u>	<u>(758,211)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(563,688)	(766,721)
Proceeds from the sale of investments	699,025	777,438
Purchase of property and equipment	(21,651)	(7,965)
Net Cash Flows from Investing Activities	<u>113,686</u>	<u>2,752</u>
Change in cash and cash equivalents	17,935	(755,459)
Cash and cash equivalents, beginning of year	556,135	1,311,594
Cash and Cash Equivalents, End of Year	<u>\$ 574,070</u>	<u>\$ 556,135</u>

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

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

1. ORGANIZATION AND MISSION

Moveable Feast, Inc. (the Organization) is a nonprofit, non-stock corporation founded in 1989 and incorporated under the laws of the State of Maryland. The Organization provides home-delivered, medically tailored meals and other services to people in Maryland living at the intersection of food insecurity and chronic illness. Home-delivered meals are coupled with Medical Nutrition Therapy provided by registered Dietitian Nutritionists. The Organization's service area expands beyond Baltimore City to include the five surrounding counties and the entire nine counties comprising Maryland's Eastern Shore. Moveable Feast also provides a Medical Transportation program for people in Baltimore City living with HIV.

Volunteers and community members donate their time, talent, and treasure, to help feed people, fortify health, and foster hope. All services are provided at no cost to those the Organization serves and specifically cater to people who are unable to afford, prepare, or access nutritious food. As part of the national Food is Medicine Coalition, the Organization seeks to break down barriers to health access and improve the lives of thousands of Marylanders who are chronically ill.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the organization are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of 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 and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue, support, and expenses during the reporting period. Accordingly, actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value. As of December 31, 2023 and 2022, cash equivalents consisted of money market funds.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants and Accounts Receivable

Grants receivables represent amounts due from grants, but not collected from grantors as of year-end. Accounts receivable represent amounts due for contracted services rendered and are carried at the original invoice amount less an estimate of doubtful accounts based on a review of all outstanding amounts. Management determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of current economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectible. The accounts and grants receivable are deemed to be fully collectable; therefore, no allowance for doubtful accounts was recorded as of December 31, 2023, and 2022.

Fair Value Measurements

Accounting standards generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under generally accepted accounting principles (GAAP) are described below:

- 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; and
 - 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.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Financial instruments consisted of cash and cash equivalents, investments, receivables, and payables. The carrying value of the Organization's financial instruments in the accompanying statements of financial position approximates their respective estimated fair values as of December 31, 2023 and 2022. Fair values are estimates based on current market rates, prices, or liquidation value.

Property and Equipment

Property and equipment over \$1,000 and a useful life greater than one year are recorded at cost and depreciated using the straight-line methods over estimated useful lives of the assets. Expenditures for major repairs and improvements are capitalized and expenditures for minor repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. Gifts of long-lived assets are capitalized at their value when donated.

Right of Use Assets and Lease Liabilities

The Organization records a right of use asset related to the facility where the Organization conducts its operations. The right of use asset is being amortized straight line over the term of the lease.

The Organization adopted the new lease standard, Accounting Standards Update 2016-02, Leases, as of May 1, 2023. The right-of-use (ROU) asset and lease liability related to the office space where it conducts its operations. ROU asset and lease liability which represented the present value of the total remaining lease payments on May 1, 2023, at adoption. The implementation resulted in a ROU asset of \$535,758 and lease liability of \$535,758. As December 31, 2023, the right of use asset and the lease liability were \$421,879 and \$431,382, respectively.

The lease liability represents the present value of future payments for the Organization's office lease. The terms of a lease are assessed as the non-cancellable period of the leases, plus any extension options that the Organization is reasonably certain to exercise. The lease liability is discounted using the risk-free borrowing rate which was estimated at 3.85% as of May 1, 2023. Costs related to maintenance and other janitorial services are expensed as incurred.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets

Net assets without donor restrictions are assets and contributions that are not restricted by donors or for which restrictions have expired.

Net assets with donor restrictions are those whose use by the Organization has been limited by donors, primarily for a specific time period or purpose. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a donor restriction is met in the same reporting period in which the contribution is received, the contribution (to the extent that the restrictions have been met) is reported as net assets without donor restrictions.

Revenue and Support

The Organization recognizes contributions, donations, and grants when an unconditional promise to give is received. Conditional promises to give, with a measurable performance or other barrier and right of return, are not recognized until the conditions on which they depend have been met.

Contributions, donations, and grants received are recorded as net assets with or without donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a donor restriction expires, that is, when some stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities and changes in net assets as net assets released from restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable Federal and state contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

A portion of the Organization's revenue is derived from contracted meal services obligations. Revenue is recognized once services have been performed.

Special event revenue and sponsorships are directly related to fundraising and are recorded as revenue when the events occur.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue and Support (continued)

Unrealized and realized gains and losses, dividends, and interest from investing activities in income producing assets are included in the applicable net asset classification depending on donor restrictions.

Contributed Nonfinancial Assets

The Organization's programs are furthered through contributions of donated services and supplies. Contributed services are recognized if the services meet any of the following criteria (a) they create or enhance a non-financial asset or (b) they require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation (Note 10).

Contributed services and supplies are recorded at their fair value at the date of the receipt and are recorded as in-kind revenue and program expenses in the accompanying financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the accompanying statement of activities and changes in net assets and in the statement of functional expenses. Accordingly, certain costs have been allocated among the program, management and general, and fundraising services that benefit from those costs. Salaries and related benefits are allocated to program and management and general based on the estimated percentage of time employees work in each functional area. The percentage allocations are based on the role of each employee and are monitored on a monthly basis and modified throughout the year, as necessary. Management and general expenses include those expenses that are not directly identified with any other specific function but to provide for the overall support and direction of the Organization. Fundraising costs are those which are specific to the related activity.

Income Taxes

The Organization is a not-for-profit organization that is exempt from the payment of Federal income taxes, other than net unrelated business income, under the provisions of Section 501(c)(3) of the United States Internal Revenue Code (IRC), and is recognized as such by the Internal Revenue Service (IRS).

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

Accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertain tax positions as of December 31, 2023 and 2022, and determined that there were no matters that would require recognition in the accompanying financial statements or which may have any effect on its tax-exempt status.

As of December 31, 2023, the statute of limitations for calendar years 2020 through 2023 remains open with the U.S. Federal jurisdiction or the various states and local jurisdictions in which the Organization files tax returns. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, as income tax expense in the statement of activities and changes in net assets.

Liquidity and Availability of Resources

The following reflect the organization's financial assets reduce by amounts not available within one year of the balance sheet date for general expenses because of donor impose restrictions as of December 31, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 574,070	\$ 556,135
Grants and accounts receivable, net	1,424,880	1,182,250
Investments	2,086,745	2,130,968
Financial assets, at year-end	4,085,695	3,869,353
Less: those unavailable for general expenditures within one year, due to:		
Net assets subject to Board designations	269,000	269,000
Donor restricted assets	587,718	643,198
Financial assets available to meet cash needs within one year	<u>\$ 3,228,977</u>	<u>\$ 2,957,155</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit. To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of \$100,000, of which the full amount remains available as of December 31, 2023 and 2022.

Subsequent Events

The Organization's management has evaluated the accompanying financial statements for subsequent events and transactions through September 30, 2024, the date these financial statements were available for issue, and have determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

3. INVESTMENTS

The following is a description of the valuation methodologies used for investments measured at fair value. There were no changes in the methodologies used as December 31, 2023 and 2022.

Money market funds, mutual funds, equities, and fixed income: Valued at the closing price reported on the active market on which the individual securities are traded.

Fixed annuities: Valued at cost, plus the fixed account guaranteed interest specified in the annuity contract.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables sets forth by level, the fair value hierarchy of the Organization's investments at fair value as of December 31:

2023				
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 716,431	\$ -	\$ -	\$ 716,431
Mutual funds	1,060,056	-	-	1,060,056
Equities	61,217	-	-	61,217
Fixed income	249,041	-	-	249,041
Total	<u>\$ 2,086,745</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,086,745</u>

2022				
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 39,361	\$ -	\$ -	\$ 39,361
Mutual funds	1,702,463	-	-	1,702,463
Equities	236,482	-	-	236,482
Fixed annuities	-	152,662	-	152,662
Total	<u>\$ 1,978,306</u>	<u>\$ 152,662</u>	<u>\$ -</u>	<u>\$ 2,130,968</u>

For the years ended December 31, 2023 and 2022, investment income consisted of the following:

	2023	2022
Net unrealized/realized gain(losses)	\$ 90,397	\$ (263,270)
Interest and dividend income	65,029	66,441
Investment fees	(12,869)	(20,429)
Total	<u>\$ 142,557</u>	<u>\$ (217,258)</u>

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

4. PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, property and equipment consisted of the following:

	2023	2022	Estimated Useful Lives
Buildings and improvements	\$ 1,897,483	\$ 1,897,483	3 - 10 years
Kitchen equipment	542,416	537,853	5 years
Transportation equipment	371,531	371,531	5 years
Furniture and fixtures	318,958	306,632	5 - 15 years
Total	3,130,388	3,113,499	
Less: accumulated depreciation	2,168,442	2,001,913	
Property and Equipment, Net	\$ 961,946	\$ 1,111,586	

Depreciation expense was \$171,291 and \$243,133, for the years ended December 31, 2023 and 2022, respectively.

5. LEASE LIABILITY

The Organization has a lease for its commercial kitchen and office space located in Baltimore, Maryland, which commenced in May 2023 and expires in May 2026. The lease provides for two renewal options of ten years each. Prior to May 2023, the Organization leased its commercial kitchen and office facilities through a month-to-month lease. The lease expense totaled was \$139,443 and \$126,000, for the years ended December 31, 2023, and 2022, respectively. As of December 31, 2023, the net carrying value of the right of use asset was \$421,879. The Organization did not have a long-term lease as of December 31, 2022.

The minimum future rental payments required under non-cancelable operating lease having terms in excess of one year as of December 31, 2023 are as follows:

Years Ending December 31	Amount
2024	\$ 187,760
2025	197,792
2026	66,576
Total	452,128
Less: Amounts representing interest	20,745
Total	\$ 431,383

6. NET ASSETS WITH DONOR RESTRICTIONS

The Organization has net assets with donor restrictions that were provided for a specific purpose or time period. Net assets with donor restrictions consisted of the following as of December 31:

	2023	2022
Capital campaign	\$ 567,718	\$ 532,718
Capacity building and partner development	20,000	110,480
Total	\$ 587,718	\$ 643,198

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

7. LINE OF CREDIT

The Organization has a line of credit for up to \$100,000 as of December 31, 2023 and 2022. The interest rate on the line of credit is variable, based on the Prime Rate published in the Wall Street Journal. There was no outstanding balance on the line of credit as of December 31, 2023 and 2022.

8. COMMITMENTS AND CONTINGENCIES

Concentration of Revenue

The Organization receives a substantial portion of its revenue from government sources. During the years ended December 31, 2023 and 2022, the Organization earned revenue of \$2,080,291 and \$2,032,302, respectively, from government sources, which is 40% and 46%, respectively, of the total revenue and other support and 37% and 68%, respectively, of grants receivable.

Additionally, the revenue from Federal grants provides donors the right to audit grant expenditures. Until such audits, if any, have been completed, the grants are subject to refund if any amount of the grant is believed to be spent other than for its intended purpose. Management is of the opinion that no material liability as of December 31, 2023 and 2022, would result from such audits.

9. DEFINED CONTRIBUTION PLAN

The Organization sponsors a tax-deferred annuity plan (the Plan) qualified under Section 403(b) of the IRC covering substantially all full-time employees. The Plan provides that employees may voluntarily contribute their earnings to the Plan, up to the maximum contribution allowed by the Internal Revenue Service (IRS). Employer contributions are discretionary and are determined and authorized by the Board of Directors each plan year. During the years ended December 31, 2023 and 2022, the Organization matched employee voluntary contributions up to 3% of eligible compensation. Total contributions were \$29,516 and \$24,326, for the years ended December 31, 2023 and 2022, respectively.

10. CONTRIBUTED NONFINANCIAL ASSETS

During the years ended December 31, 2023 and 2022, the Organization received donated services for professional legal services and kitchen supplies. Therefore, the in-kind contributions are recorded at their fair value at the date of receipt and are recorded as in-kind revenue and expenses in the accompanying statements of activities and changes in net assets.

Management estimated the value of these in-kind products directly from receipts given from donors and pricing set by various vendors on the fair market value for similar items in the area. For the years ended December 31, 2023 and 2022, the Organization's programs received invoices with costs from the donors for services of approximately 13,218 and 1,159 hours, respectively.

MOVEABLE FEAST, INC.

Notes to the Financial Statements December 31, 2023 and 2022

10. CONTRIBUTED NONFINANCIAL ASSETS (continued)

The Organization determined the fair value of the contributions based on the costs of the service provided by external parties. The Organization received donated professional services and materials as follows during the years ended December 31, 2023 and 2022:

	2023	2022
Kitchen services	\$ 425,977	\$ 340,000
Special event services	17,113	40,745
Administrative services	1,792	-
Legal services	-	39,807
Supplies	18,000	30,345
Total	\$ 462,882	\$ 450,897

SUPPLEMENTAL INFORMATION

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of
Moveable Feast, Inc.

Report on the Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Moveable Feast, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements and have issued our report thereon dated September 30, 2024.

Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal controls over financial reporting (internal controls) as basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal controls. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal controls.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal controls that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal controls or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
September 30, 2024

SB & Company, LLC

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROLS
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors of
Moveable Feast, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Moveable Feast, Inc.'s (the Organization) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Organization's major Federal programs for the year ended December 31, 2023. The Organization's major Federal programming is identified in the summary of the Independent Public Accountant's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's Federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal controls over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal controls over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal controls over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal controls over compliance that we identified during the audit.

Report on Internal Controls Over Compliance

A *deficiency in internal controls over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal controls over compliance that might be material weaknesses or significant deficiencies in internal controls over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal controls over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal controls over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal controls over compliance is solely to describe the scope of our testing of internal controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Owings Mills, Maryland
September 30, 2024

SB + Company, LLC

MOVEABLE FEAST, INC.**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-Through Program	Federal Assistance Listing	Grant/Pass-Through Entity Identifying Number	Federal Expenditures	Amount Passed through to Subrecipient
The Department of Housing and Community Development				
Pass-through from Baltimore County				
Community Development Block Grants/Entitlement Grants	14.218	Unknown	\$ 23,897	\$ -
U.S. Department of Agriculture				
Pass-through Maryland Department of Human Resources				
Emergency Food Assistance Program	10.569	Unknown	52,800	-
U.S. Department of Health and Human Services				
Pass-through Baltimore City Health Department				
Ryan White Part A	93.914	19-2482/ H89HA00017	1,239,772	-
Total Federal Expenditures			<u><u>\$ 1,316,469</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this schedule.

MOVEABLE FEAST, INC.

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of Moveable Feast, Inc. (the Organization) are included in the scope of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit or Uniform Guidance). The Single Audit was performed in accordance with the provisions of the Office of Management and Budget (OMB) Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant program noted below. The program included on the Schedule of Expenditures of Federal Awards (the Schedule) represents all Federal award programs for fiscal year 2023, cash and noncash expenditures activities. For our Single Audit testing, we tested Federal award programs to ensure coverage of at least 20% of Federally granted funds. Actual coverage was 94%.

Expenditures reported on the Schedule are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Major Program	Federal Assistance Listing	Federal Expenditures
U.S. Department of Health and Human Services		
Ryan White Part A	93.914	\$ 1,239,772

2. BASIS OF PRESENTATION

The accompanying Schedule includes the Federal award activity of the Organization under programs of the Federal government for the year ended December 31, 2023 and is accounted for on the accrual basis of accounting. The information in this Schedule is presented in accordance with Uniform Guidance.

MOVEABLE FEAST, INC.

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2023

Section I - Summary of Independent Public Accountant's Results

Financial Statements

Type of independent public accountants' report issued	Unmodified
Internal controls over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Type of independent public accountants report issued on compliance for major program(s)	Unmodified
Internal controls over major federal program(s):	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.5169 (a) ?	No

Major Program	Federal Assistance Listing	Federal Expenditures
U.S. Department of Health and Human Services Ryan White Part A	93.914	\$ 1,239,772
Threshold used to distinguish between Type A and B programs		\$ 750,000
Does the Organization qualify as a low risk auditee?		Yes

MOVEABLE FEAST, INC.

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023**

Section II - Financial Statement Findings

None noted.

Section III – Federal Award Findings

None noted.

MOVEABLE FEAST, INC.

**Schedule of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2023**

There were no findings for the year ended December 31, 2022.