

FINANCIAL STATEMENTS

JUNE 30, 2026 AND 2025

CPAs / ADVISORS

blue

SECOND HELPINGS, INC.

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REPORT OF INDEPENDENT AUDITORS

Board of Directors
Second Helpings, Inc.
Indianapolis, Indiana

Opinion

We have audited the accompanying financial statements of Second Helpings, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years 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, 2026 and 2025, 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. 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 audits. We believe 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. 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.

Blue & Co., LLC

Carmel, Indiana
October 28, 2026

SECOND HELPINGS, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2026 AND 2025

ASSETS

	2026	2025
Cash and cash equivalents	$ 3,775,500	$ 3,333,910
Accounts receivable	50,000	55,491
Grants and pledges receivable	510,948	371,588
Inventories	221,718	138,242
Prepaid expenses and other assets	60,342	45,025
Property and equipment, net	3,272,976	2,869,560
Right-of-use asset under operating lease, net	142,100	-0-
Beneficial interest in assets held by others	13,593,462	12,259,959
	$ 21,627,046	$ 19,073,775

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	$ 154,866	$ 74,758
Accrued expenses and other liabilities	90,421	146,916
Deferred revenue	65,000	12,750
Operating lease liability	143,600	-0-
Total liabilities	453,887	234,424
Net assets		
Without donor restrictions		
Undesignated	7,057,257	6,152,153
Board designated	696,909	609,482
	7,754,166	6,761,635
With donor restrictions	13,418,993	12,077,716
Total net assets	21,173,159	18,839,351
	$ 21,627,046	$ 19,073,775

See accompanying notes to financial statements.

SECOND HELPINGS, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026
(With Comparative Total for the Year Ended June 30, 2025)

	2026			
	Without Donor Restrictions	With Donor Restrictions	Total	2025 Total
Support and revenue				
Gifts-in-kind rescued food	$ 11,063,854	$ -0-	$ 11,063,854	$ 9,135,980
Contributions and grants	4,566,326	605,428	5,171,754	3,450,346
Grants from government agencies - contributions	120,113	-0-	120,113	125,719
Special events	667,155	-0-	667,155	695,378
Gifts-in-kind special events	195,935	-0-	195,935	192,572
Gifts-in-kind operations	55,889	-0-	55,889	12,060
Fee income	5,389	-0-	5,389	6,105
Interest income	140,213	-0-	140,213	147,511
Other income	13,856	-0-	13,856	5,680
Net assets released from donor restrictions	868,978	(868,978)	-0-	-0-
Total support and revenue	17,697,708	(263,550)	17,434,158	13,771,351
Expenses				
Program services:				
Food Rescue	1,016,645	-0-	1,016,645	744,087
Hunger Relief	13,193,048	-0-	13,193,048	10,972,669
Culinary Job Training	660,879	-0-	660,879	630,159
Total program services	14,870,572	-0-	14,870,572	12,346,915
Supporting services:				
Management and general	781,852	-0-	781,852	698,880
Fundraising	1,137,663	-0-	1,137,663	993,891
Total expenses	16,790,087	-0-	16,790,087	14,039,686
Change in net assets from operations	907,621	(263,550)	644,071	(268,335)
Change in value of beneficial interest in assets held by others	84,910	1,604,827	1,689,737	958,593
Change in net assets	992,531	1,341,277	2,333,808	690,258
Net assets, beginning of year	6,761,635	12,077,716	18,839,351	18,149,093
Net assets, end of year	$ 7,754,166	$ 13,418,993	$ 21,173,159	$ 18,839,351

See accompanying notes to financial statements.

SECOND HELPINGS, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Gifts-in-kind rescued food	$ 9,135,980	$ -0-	$ 9,135,980
Contributions and grants	2,996,703	453,643	3,450,346
Grants from government agencies - contributions	125,719	-0-	125,719
Special events	695,378	-0-	695,378
Gifts-in-kind special events	192,572	-0-	192,572
Gifts-in-kind operations	12,060	-0-	12,060
Fee income	6,105	-0-	6,105
Interest income	147,511	-0-	147,511
Other income	5,680	-0-	5,680
Net assets released from donor restrictions	369,670	(369,670)	-0-
Total support and revenue	13,687,378	83,973	13,771,351
Expenses			
Program services:			
Food Rescue	744,087	-0-	744,087
Hunger Relief	10,972,669	-0-	10,972,669
Culinary Job Training	630,159	-0-	630,159
Total program services	12,346,915	-0-	12,346,915
Supporting services:			
Management and general	698,880	-0-	698,880
Fundraising	993,891	-0-	993,891
Total expenses	14,039,686	-0-	14,039,686
Change in net assets from operations	(352,308)	83,973	(268,335)
Change in value of beneficial interest in assets held by others	47,667	910,926	958,593
Change in net assets	(304,641)	994,899	690,258
Net assets, beginning of year	7,066,276	11,082,817	18,149,093
Net assets, end of year	$ 6,761,635	$ 12,077,716	$ 18,839,351

See accompanying notes to financial statements.

SECOND HELPINGS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2026
(With Comparative Total for the Year Ended June 30, 2025)

	2026							
	Program Services				Management			2025
	Food Rescue	Hunger Relief	Culinary Job Training	Total	and General	Fundraising	Total Expenses	Total Expenses
Labor and benefits:								
Salaries	$ 477,228	$ 910,365	$ 304,614	$ 1,692,207	$ 406,152	$ 441,690	$ 2,540,049	$ 2,209,995
Employee benefits	78,632	165,593	39,755	283,980	43,541	62,561	390,082	310,881
Payroll taxes and expense	35,522	69,320	22,674	127,516	30,231	32,877	190,624	166,140
Total labor and benefits	591,382	1,145,278	367,043	2,103,703	479,924	537,128	3,120,755	2,687,016
Other expenses:								
Food donations to agencies	-0-	10,206,013	10,775	10,216,788	-0-	-0-	10,216,788	7,962,170
Food spoilage and tare	-0-	758,747	4,844	763,591	-0-	-0-	763,591	1,185,904
Special events	692	461	13	1,166	-0-	335,341	336,507	331,649
Depreciation	97,599	141,233	38,501	277,333	6,836	9,456	293,625	236,085
Utilities	17,659	86,948	19,587	124,194	7,279	8,602	140,075	122,709
Program supplies	8,743	206,089	76,203	291,035	578	793	292,406	185,381
Contract labor	-0-	329,470	-0-	329,470	-0-	-0-	329,470	395,296
Repair and maintenance	34,857	118,897	25,014	178,768	6,231	6,953	191,952	151,418
Facility and equipment rental	101,649	5,037	149	106,835	149	149	107,133	-0-
Professional fees	3,337	8,444	41,236	53,017	157,238	39,263	249,518	236,318
Insurance	24,930	46,510	7,289	78,729	10,779	4,999	94,507	80,004
Vehicle expenses	64,828	23,426	-0-	88,254	-0-	-0-	88,254	66,342
Dues and subscriptions	70	869	836	1,775	11,787	1,212	14,774	16,258
Awards and recognition	7,322	8,539	2,510	18,371	2,857	2,909	24,137	46,187
Printing	3,875	10,429	2,990	17,294	1,733	37,765	56,792	54,313
Telephone	4,770	6,105	1,792	12,667	1,989	2,196	16,852	16,631
Trainee assistance and awards	-0-	23,945	29,373	53,318	10,000	5,226	68,544	45,226
Public relations	3,655	6,443	3,223	13,321	1,034	24,202	38,557	32,884
Travel and entertainment	4,681	8,890	11,611	25,182	35,339	5,041	65,562	7,885
Security	3,054	21,036	4,739	28,829	1,986	2,082	32,897	24,811
Bank and finance charges	7	50	160	217	6,721	38,014	44,952	34,504
Postage	141	291	138	570	827	9,436	10,833	9,913
Office supplies	1,283	2,026	753	4,062	2,745	1,363	8,170	4,836
Kitchen equipment	19,112	13,473	917	33,502	337	4,816	38,655	8,444
Computer and repairs	9,688	14,382	11,176	35,246	24,563	45,690	105,499	91,338
Miscellaneous	13,311	17	7	13,335	10,920	15,027	39,282	6,164
Total expenses	$ 1,016,645	$ 13,193,048	$ 660,879	$ 14,870,572	$ 781,852	$ 1,137,663	$ 16,790,087	$ 14,039,686

See accompanying notes to financial statements.

SECOND HELPINGS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Program Services				Management and General	Fundraising	Total Expenses
	Food Rescue	Hunger Relief	Culinary Job Training	Total			
Labor and benefits							
Salaries	$ 415,479	$ 751,398	$ 278,459	$ 1,445,336	$ 351,390	$ 413,269	$ 2,209,995
Employee benefits	64,284	123,152	34,457	221,893	44,916	44,072	310,881
Payroll taxes and expense	31,842	56,345	20,810	108,997	26,259	30,884	166,140
Total labor and benefits	511,605	930,895	333,726	1,776,226	422,565	488,225	2,687,016
Other expenses							
Food donations to agencies	-0-	7,952,932	9,238	7,962,170	-0-	-0-	7,962,170
Food spoilage and tare	-0-	1,160,354	25,550	1,185,904	-0-	-0-	1,185,904
Special events	-0-	137	-0-	137	-0-	331,512	331,649
Depreciation	68,458	118,928	34,625	222,011	6,282	7,792	236,085
Utilities	26,014	62,950	17,916	106,880	7,117	8,712	122,709
Program supplies	3,898	113,336	67,145	184,379	485	517	185,381
Contract labor	-0-	395,296	-0-	395,296	-0-	-0-	395,296
Repair and maintenance	27,162	94,141	19,526	140,829	4,718	5,871	151,418
Professional fees	5,755	8,579	40,969	55,303	177,461	3,554	236,318
Insurance	22,328	36,173	6,613	65,114	9,748	5,142	80,004
Vehicle expenses	42,455	23,887	-0-	66,342	-0-	-0-	66,342
Dues and subscriptions	76	937	845	1,858	13,094	1,306	16,258
Awards and recognition	7,701	9,725	17,607	35,033	3,141	8,013	46,187
Printing	4,027	16,143	3,072	23,242	2,890	28,181	54,313
Telephone	3,903	6,314	1,950	12,167	2,191	2,273	16,631
Trainee assistance and awards	2,961	6,339	18,833	28,133	14,760	2,333	45,226
Public relations	1,631	1,864	13,059	16,554	233	16,097	32,884
Travel and entertainment	1,810	938	1,050	3,798	3,018	1,069	7,885
Security	5,218	12,825	3,593	21,636	1,428	1,747	24,811
Bank and finance charges	-0-	-0-	-0-	-0-	5,667	28,837	34,504
Postage	103	172	101	376	336	9,201	9,913
Office supplies	676	1,584	570	2,830	1,580	426	4,836
Kitchen equipment	866	5,573	1,647	8,086	150	208	8,444
Computer and repairs	7,099	12,479	12,370	31,948	16,515	42,875	91,338
Miscellaneous	341	168	154	663	5,501	-0-	6,164
Total expenses	$ 744,087	$ 10,972,669	$ 630,159	$ 12,346,915	$ 698,880	$ 993,891	$ 14,039,686

See accompanying notes to financial statements.

SECOND HELPINGS, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Operating activities		
Change in net assets	$ 2,333,808	$ 690,258
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	293,625	236,085
Change in value of beneficial interest in assets held by others	(1,689,737)	(958,593)
Contributions restricted for investment in endowment	-0-	(30,413)
Loss on disposal of property and equipment	22,488	-0-
Changes in operating assets and liabilities:		
Accounts receivable	5,491	(47,011)
Grants and pledges receivable	(139,360)	40,789
Right-of-use asset under operating lease, net	101,500	-0-
Inventories	(83,476)	12,095
Prepaid expenses and other assets	(15,317)	(8,691)
Accounts payable	80,108	(24,105)
Accrued expenses and other liabilities	(56,495)	18,251
Deferred revenue	52,250	(10,750)
Operating lease liability	(100,000)	-0-
Net cash flows from operating activities	804,885	(82,085)
Investing activities		
Proceeds from sale of property and equipment	2,000	-0-
Purchase of property and equipment	(721,529)	(278,045)
Distributions from Central Indiana Community Foundation (CICF)	375,484	-0-
Transfer of funds to CICF	(19,250)	(30,413)
Net cash flows from investing activities	(363,295)	(308,458)
Financing activities		
Contributions restricted for investment in endowment	-0-	30,413
Net change in cash and cash equivalents	441,590	(360,130)
Cash and cash equivalents, beginning of year	3,333,910	3,694,040
Cash and cash equivalents, end of year	$ 3,775,500	$ 3,333,910
Noncash investing and financing activities		
Right-of-use asset acquired under operating lease	$ 243,600	$ -0-

See accompanying notes to financial statements.

1. NATURE OF ACTIVITIES

The mission of Second Helpings, Inc. (the Organization) is to address hunger today and build self-sufficiency to prevent hunger tomorrow. Since 1998, the Organization has accepted donated perishable and overstocked food to prepare 20 million nutritious meals for some of the most vulnerable in Greater Indianapolis, distributing them free of charge through local social service organizations in central Indiana. The Organization also trains unemployed and underemployed adults for meaningful careers in the culinary industry.

The total pounds of food rescued by the Organization were 5,006,269 and 4,416,021 for the years ended June 30, 2026 and 2025, respectively. The Organization distributed 1,417,828 and 1,352,780 meals for the years ended June 30, 2026 and 2025, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Net assets, support, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

The governing board has designated, from net assets without donor restrictions, net asset funds to protect the Organization's long-term viability due to volatility in funding resources.

Net assets with donor restrictions – Net assets with donor restrictions are net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specific term with investment return available for operations or specific purposes.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the statement of activities by reclassifying the net assets with donor restrictions to net assets without donor restrictions.

Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates fair value, and primarily consists of bank savings and money market savings accounts.

Accounts Receivable

Accounts receivable (contract receivables) represent receivables for event sponsorships. Accounts receivable has a balance of $8,480 at July 1, 2024.

Allowance for Credit Losses

Management estimates an allowance for credit losses primarily based on historical experience and current economic conditions. The Organization early adopted Financial Accounting Standards Board Accounting Standards Update 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable*, and elected to apply both the practical expedient and the accounting policy election when estimating expected credit losses on receivables and contract assets arising from revenue transactions under Accounting Standards Codification Topic 606.

Under the practical expedient, the Organization assumes that current conditions as of the reporting date will remain unchanged over the remaining life of the asset and therefore consideration of future economic conditions is not required. Additionally, the Organization has elected the accounting policy permitted for non-public entities to consider subsequent cash collections after the reporting date when estimating expected credit losses. For the year ended June 30, 2026, the Organization evaluated collections through August 17, 2026. Adjustments for specific factors and current conditions are applied as needed at each reporting date.

Management utilizes aging schedules for estimating expected credit losses. In evaluating loss rates, accounts receivable are pooled into categories based on days past due. Significantly aged receivables are evaluated individually by credit worthiness and historical experience with the customers. Account balances are written off against the allowance when management deems the amount is uncollectible. Management has determined no allowance for credit losses is necessary at June 30, 2026 and 2025.

Grants and Pledges Receivable

Grants and pledges receivable consist of amounts unconditionally promised to the Organization by donors and amounts due to the Organization under costs reimbursement grants determined to be conditional contributions where conditions have been met.

Management believes that grants and pledges receivable are fully collectible at June 30, 2026 and 2025.

Inventories

Inventories consist of donated food received by the Organization and is valued as discussed in Note 12.

Property and Equipment

The Organization capitalizes all significant purchases of property and equipment at cost, including expenditures that substantially increase the useful lives of existing assets. Costs of ordinary maintenance and repairs are expensed as incurred.

Gifts of property and equipment are recorded as support at their estimated fair value. Such gifts are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose or stipulated how long those long-lived assets must be used. Absent donor restrictions on use and how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Property and equipment are depreciated over the shorter of their estimated useful lives or lease terms, if applicable, using the straight-line method. The Organization estimates the useful lives of its capitalized assets as follows:

Description	Useful Lives
Buildings and improvements	1.5 - 40 years
Furniture and equipment	5 - 15 years

Beneficial Interest in Assets Held by Others

The beneficial interest in assets held by others in the statements of financial position represents the Organization's interest in three designated endowment funds held at Central Indiana Community Foundation (CICF) (Note 6). This asset is increased with additional deposits by the Organization or by new contributions to the endowments and is decreased by distributions from the endowments to the Organization. The change in value of beneficial interest in assets held by others in the statement of activities includes realized and unrealized gains and losses, dividends and interest, and administration and investments fees allocated to each fund by CICF.

Support and Revenue Recognition

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

Consequently, at June 30, 2026, contributions approximating $315,000 have not been recognized in the accompanying statement of activities because the conditions on which they depend have not been met. The Organization expects to recognize these contributions in future periods to the extent conditions have been met.

Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires entirely in the reporting period in which the contribution is recognized. All other support with donor restrictions and support without donor restrictions where payment or benefit is expected in a future period is reported as an increase in net assets with donor restrictions.

Government grants are generally received under multi-year contracts and are available to be spent over the term of the grant. Therefore, funds not spent in one year are available to be carried forward into the subsequent period until the grant term expires.

Grant expenditures are subject to audit and acceptance by the granting agency, and, as a result of such audit, adjustments could be required.

Sponsorship revenue for events are deferred and included in deferred revenue (contract liabilities) until the period in which the event is conducted, which is when the related performance obligation is fulfilled. Deferred revenue for events was $23,500 as of July 1, 2024.

All other revenues are recorded when earned.

Functional Expenses

The cost of providing the programs and services of the Organization have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited based on the actual direct expenditures and cost allocations of indirect expenses based on time and the usage by personnel and programs. Expenses allocated include labor and benefits, depreciation, utilities, program supplies, repairs and maintenance, professional fees, insurance, and other office overhead. Although the methods used were appropriate, other methods could produce different results.

Income Taxes

The Organization is organized as a not-for-profit corporation and is exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code and similar state law. As such, the Organization is generally exempt from income taxes. However, the Organization is required to file Federal Form 990 – Return of Organization Exempt from Income Tax and a corresponding state return, which are informational returns only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax

positions taken by the Organization, and has concluded that as of June 30, 2026 and 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Organization has filed its federal and state income tax returns for periods through June 30, 2025. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Subsequent Events

The Organization evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 28, 2026, which is the date the financial statements were available to be issued.

3. GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable are as follows at June 30:

	2026	2025
Less than one year	$ 470,948	$ 311,588
One to five years	40,000	60,000
	$ 510,948	$ 371,588

An allowance to record the pledges receivable to net present value is not material and has not been recorded in the accompanying financial statements.

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2026	2025
Land	$ 411,785	$ 411,785
Buildings and improvements	3,450,936	3,256,003
Furniture and equipment	2,048,487	1,705,747
Construction in process	54,834	5,490
	5,966,042	5,379,025
Accumulated depreciation	(2,693,066)	(2,509,465)
	$ 3,272,976	$ 2,869,560

Construction in progress at June 30, 2026 and 2025 includes costs associated with equipment and equipment installation that had not been placed in service. Remaining contractual commitments related to the construction in progress at June 30, 2026 is approximately $114,000.

5. LEASES

The Organization recognizes right-of-use (ROU) assets and lease liabilities for leases with terms greater than 12 months or leases that contain a purchase option that is reasonably certain to be exercised. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

During 2026, the Organization entered into an operating lease for its warehouse facility. The leasing arrangement requires fixed payments. Lease payments include payments related to purchase or termination options when the lessee is reasonably certain to exercise the option or is reasonably certain not to exercise the option, respectively. The Organization's lease agreement does not contain any material restrictive covenants.

The Organization's ROU asset and lease liability is recognized on the lease commencement date in an amount that represents the present value of future lease payments over the lease term. The effect of discounting future lease payments was determined to be immaterial to the accompanying financial statements; accordingly, a 0% discount rate was applied. Certain lease contracts contain non-lease components such as maintenance and utilities. The Organization has made a policy election to not separate the lease and non-lease components, and thus recognize a single component for all of its ROU assets and lease liabilities. The operating lease ROU asset also includes any lease payments made and excludes lease incentives, if any.

Short-term leases (leases with an initial term of 12 months or less or leases that are cancelable by the lessee and lessor without significant penalties) are not capitalized but are expensed on a straight-line basis over the lease term. The Organization's short-term leases relate to office equipment.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. Furthermore, the Organization assesses whether it is reasonably certain to exercise options to extend or terminate a lease considering all relevant factors that create economic incentive to exercise such options, including asset, contract, market, and entity-based factors. These evaluations may require significant judgment.

The components of the Organization's lease costs consist of the following for the year ended June 30, 2026:

Operating lease cost	$ 101,500
Short-term lease cost	5,633
	$ 107,133

The Organization's right-of-use asset and lease liability consists of the following at June 30, 2026:

Right-of-use asset	
Operating lease asset, net	$ 142,100
Lease liability	
Operating lease liability	$ 143,600

Additional information regarding cash payments under the Organization's operating lease during fiscal 2026, as well as the inputs used in determining the ROU asset and operating lease liability at June 30, 2026, is as follows:

Cash paid for amounts included in the measurement of lease liability:	
Right-of-use asset obtained in exchange for new operating lease liability	$ 243,600
Operating cash flows from operating lease	$ 100,000
Remaining lease term	1.2 years

Future payments of lease liability at June 30, 2026 are as follows:

Year Ending June 30,	
2027	$ 123,000
2028	20,600
Total lease payments	143,600
Less: Interest	-0-
Present value of lease liability	$ 143,600

6. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization has established three designated endowment funds with Central Indiana Community Foundation (CICF) and is the beneficiary of the funds holding those assets. The purpose of such funds is to provide support to the Organization.

Annual earnings are allocated to each fund and a portion of the fund balance is available for distribution during the succeeding year in accordance with the spending policy adopted by the Organization (Note 9).

The fair values of the designated funds, as reported by CICF, are as follows at June 30:

	2026	2025
Lilly endowment fund	$ 12,860,980	$ 11,617,752
Legacy fund	696,909	609,482
Bonnie Ross Culinary Job Training (CJT) fund	35,573	32,725
	$ 13,593,462	$ 12,259,959

The portions of these funds that were restricted by donors are reflected as part of net assets with donor restrictions in the statements of financial position. The Organization's funds without donor restrictions that were irrevocably transferred to these funds as part of the Organization's endowment are reflected as without donor restrictions in the statements of financial position. Unappropriated earnings or cumulative deficits of these funds are classified as with donor restrictions or without donor restrictions, as applicable.

During July 2026, the Organization transferred custody of the investments held within the Lilly endowment fund and Legacy fund from CICF to an independent investment broker. The transferred assets had an aggregate fair value of $13,513,441 as of the transfer date. This custodial transfer had no effect on the underlying donor restrictions or board designations of the funds.

7. LINE OF CREDIT

The Organization has $640,000 of available borrowings under a line of credit with a bank which is subject to renewal in March 2027. Borrowings under this facility bear interest at the Term Secured Overnight Financing Rate (SOFR) administered by the Federal Reserve Bank of New York plus 2.85% (6.53% at June 30, 2026), with a floor of 3.5% per annum. Borrowings are secured by substantially all assets of the Organization. There were no borrowings under the line of credit at June 30, 2026 and 2025.

8. NET ASSETS

Net Assets with Donor Restrictions

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

	2026	2025
Subject to Expenditure for Specified Purpose:		
Hunger Relief	$ 125,000	$ 135,000
Culinary Job Training	110,000	30,000
Ken Honeywell Continuing Education fund	48,952	62,239
Small Capital Fund	138,488	-0-
Subject to Passage of Time:		
For future periods	100,000	200,000
Endowment:		
General operations	12,860,980	11,617,752
Culinary Job Training	35,573	32,725
	$ 13,418,993	$ 12,077,716

Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows during the years ended June 30:

	2026	2025
Subject to Expenditure for Specified Purpose:		
Hunger Relief	$ 260,000	$ 245,000
Culinary Job Training	130,000	20,000
Ken Honeywell Continuing Education fund	20,227	4,670
Subject to Passage of Time:		
For future periods	100,000	100,000
Endowment:		
General operation	358,751	-0-
	$ 868,978	$ 369,670

9. ENDOWMENT

The Organization's endowment consists of three individual funds held by CICF (Note 6) established to provide support to the Organization. The Organization's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function

as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. The Board of Directors of the Organization has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The Organization has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measure required under law. Additionally, in accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Organization to retain as a fund of perpetual duration. There were no funds with deficiencies as of June 30, 2026 and 2025.

Return Objectives and Risk Parameters

The Board of Directors of the Organization has adopted CICF's investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the endowment investments.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on the total return strategy of CICF, in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (dividends and interest).

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization's spending policy is based on a predetermined calculation to moderate the impact of market fluctuations on annual withdrawals within an acceptable spending range of 2% to 6%, with a target spending rate of 4%.

Whenever the endowment funds balance on a valuation date is equal to or less than the historic gift value, the maximum spending from the endowment funds for the next fiscal year shall be 2% of the endowment funds balance. This maximum spending limit shall continue until the endowment funds balance on a future valuation date exceeds the historic gift value.

Whenever the endowment funds balance on a valuation date is greater than the historic gift value, the Organization may spend any percentage or amount of the endowment funds balance, provided that such spending would not cause the endowment funds to fall below the historic gift value. At which time, the Organization would be limited to the greater of the excess of the endowment funds balance on the valuation date over the historic gift value or 2% of the endowment funds balance on the valuation date.

The composition of endowment net assets is as follows at June 30:

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	$ 696,909	$ -0-	$ 696,909
Donor restricted endowment funds			
Original donor restricted gift amount and amounts required to be maintained in perpetuity	-0-	6,907,553	6,907,553
Accumulated investment gains	-0-	5,989,000	5,989,000
	$ 696,909	$ 12,896,553	$ 13,593,462

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	$ 609,482	$ -0-	$ 609,482
Donor restricted endowment funds			
Original donor restricted gift amount and amounts required to be maintained in perpetuity	-0-	6,907,553	6,907,553
Accumulated investment gains	-0-	4,742,924	4,742,924
	$ 609,482	$ 11,650,477	$ 12,259,959

The change in endowment net assets is as follows for the years ended June 30:

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 609,482	$ 11,650,477	$ 12,259,959
Contributions	19,250	-0-	19,250
Change in value of beneficial interest in assets held by others	84,910	1,604,827	1,689,737
Appropriation of endowment assets pursuant to spending rate policy	(16,733)	(358,751)	(375,484)
Endowment net assets, end of year	$ 696,909	$ 12,896,553	$ 13,593,462

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 561,815	$ 10,709,138	$ 11,270,953
Contributions	-0-	30,413	30,413
Change in value of beneficial interest in assets held by others	47,667	910,926	958,593
Endowment net assets, end of year	$ 609,482	$ 11,650,477	$ 12,259,959

10. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following table reflects the Organization's financial assets, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date; that is, amounts that are without donor restrictions limiting their use at June 30:

	2026	2025
Financial assets		
Cash and cash equivalents	$ 3,775,500	$ 3,333,910
Accounts receivable	50,000	55,491
Grants and pledges receivable	510,948	371,588
Beneficial interest in assets held by others	13,593,462	12,259,959
Total financial assets	17,929,910	16,020,948
Donor-imposed restrictions		
Purpose and time restrictions	(522,440)	(427,239)
Endowment funds	(12,896,553)	(11,650,477)
Board designated net assets	(696,909)	(609,482)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,814,008	$ 3,333,750

The Organization is primarily supported by contributions and grants. Donor restrictions require resources to be used in a particular manner or in a future period and the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available for its general expenditures, liabilities, and other obligations as they come due. In the event of an unanticipated liquidity need, the Organization has available borrowings of $640,000 through a line of credit (Note 7).

Because endowments exist in perpetuity, the Organization may only spend from its endowment in accordance with its spending policy (Note 9).

11. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to the 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described 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 specific (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.

The asset 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 relevant observable inputs and minimize the use of unobservable inputs.

The valuation methodology used for the beneficial interest in assets held by others includes valuing at the fair value as reported by CICF, which represents the Organization's pro rata interest in the pooled investments held by CICF, substantially all of which are valued on a mark-to-market basis. The beneficial interest in assets held by others is considered to be valued using Level 3 inputs in the fair value hierarchy.

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

The following table sets forth the change in beneficial interest in assets held by others measured at fair value on a recurring basis using significant unobservable input (Level 3) for the years ended June 30:

	2026	2025
Balance, beginning of year	$ 12,259,959	$ 11,270,953
Deposits	19,250	30,413
Dividends and interest, net of investment management fees	154,876	96,835
Realized gains	825,842	588,677
Unrealized gains	759,687	320,948
Operating support fees	(50,668)	(47,867)
Distributions	(375,484)	-0-
Balance, end of year	$ 13,593,462	$ 12,259,959

12. CONTRIBUTED NONFINANCIAL ASSETS

Contributions of nonfinancial assets, also known as gifts-in-kind (GIK), recognized in the statement of activities include the following for the years ended June 30:

	2026	2025
Utilized in programs:		
Rescued food	$ 11,063,854	$ 9,135,980
Supplies and services	55,889	12,060
	11,119,743	9,148,040
Special events supplies and services	195,935	192,572
	$ 11,315,678	$ 9,340,612

Rescued food utilized in the Organization's programs are valued on a per pound basis using benchmarks from national food distribution organizations. Supplies and services utilized in the Organization's programs and special events are valued at their estimated fair market value (what would be paid for such items if purchased). All GIK are unrestricted during fiscal 2026 and 2025.

Substantially all the Organization's GIK utilized in programs are allocated to Hunger Relief.

13. RETIREMENT PLAN

The Organization maintains a tax-deferred annuity plan qualified under section 403(b) of the Internal Revenue Code. The plan covers all employees of the Organization who meet the age and hour requirements. Employees may make contributions up to the maximum amount allowed as determined by the Internal Revenue Code, which is subject to discretionary matching contributions made by the Organization. The Organization's discretionary matching contributions were $41,306 and $37,901 for the years ended June 30, 2026 and 2025, respectively.

14. CONCENTRATIONS

Concentration of Credit Risk

The Organization maintains its cash and cash equivalents primarily in two banks which regularly exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization's beneficial interest in assets held by others are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with these assets and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

Funding Concentrations

At June 30, 2026 and for the year then ended, 100% of grants and pledges receivable were from five grantors, with individual percentages ranging from 11% to 56%, and 53% of grant revenues were from one donor.

At June 30, 2025 and for the year then ended, 89% of grants and pledges receivable were from four grantors, with individual percentages ranging from 13% to 34%, and 61% of grant revenues were from three donors, with individual percentages ranging from 11% to 29%.